

*Ms. Michelle Stone-Principato
Director Liquor Enforcement Division
Colorado Department of Revenue*

*Pertaining to Proposal 31 Proposal 29 and General Comments Relative to Third Party
Transport/Delivery*

Director and Members of the Liquor Advisory Group:

On behalf of the state’s convenience stores/small grocery industry we urge that the LAG table proposal 31, table or substantially revise proposal 29, and find a way to differentiate between “shipping” and “third party delivery” relative to conversations around illegal shipments.

Per Proposal 31 - The LAG endeavors to be a consensus driven body and there are ancillary issues that need to be more fully vetted before proposing a fundamental change such as transitioning liquor licensed drugstores to retail liquor store licenses. The proposal as written in our view would simply disqualify any grocery store from ever obtaining another license per the requirements under 44-3-409 (1)(b). There are certainly frustrations which we recognize are specific across each different trade channel and those concerns should be vetted. CWPMA is generally neutral on proposals for our colleagues in the liquor store space to expand their number of licenses. However, similar to the defeat of Third-Party Delivery (a frustration for our members) at the ballot the effort on 124 was also defeated. We don’t think the right way to address this is to limit Liquor licensed drugstores in this way and urge an alternative conversation.

Per Proposal 29 – Removal of caps and limitation on fees – CWPMA generally supports fee setting at the legislature. Absent a requirement for robust review with affected fee payers more than just "fees no more than are adequate to cover costs" it is a bit of an open door that allows subjective analysis of what costs can entail. CWPMA correlates and holds as an example recent action around tobacco and nicotine licensing (locally) with “reasonable costs” as determined by local governments where the fees we are paying far exceed the “service we receive” dependent on the jurisdiction. Fee setting at the legislature allows fee payers to bring related policy issues to light. For the record CWPMA has supported requests by the Department and other agencies to increase necessary fees for inflation and justifiable statutory requirements. But we think that conversation should still take place. (Noting the Department and LED specifically did a nice job the last time they engaged industry in that conversation.)

General Comments – We support several of the comments made by other stakeholders and reiterate above that we are frustrated that we cannot take advantage of third-party delivery. That said we think there is a fundamental difference between the discussion around transportation network companies and traditional shippers such as Fed Ex or UPS

For example, if a store in Denver that has a rare product that is unavailable in Cortez, wants to take an order and package the product and send it Via FedEx I'm not sure that is a public safety risk. It is on an originating entity to make sure they are in compliance with state laws regarding licensing. Similar to other product categories its hard to imagine that LED can control or track every single manufacturer of alcohol or distributor in the country. We (stakeholders) should be cognizant that regardless of the Department or issue that as a business community we are asking for things from our regulators that are reasonably achievable and not unduly burdensome.

Respectfully,

Grier Bailey
Executive Director
Colorado/Wyoming Petroleum Marketers Association

