

**Liquor Advisory Group  
To the Colorado Department of Revenue  
DRAFT  
Governance Charter  
12/07/2022**

**I. Purpose and Scope of the Liquor Advisory Group**

The Liquor Advisory Group (LAG) offers a broad range of perspectives and experience to develop recommendations aimed at creating a clear, logical, and transparent alcohol regulatory framework that allows for understandable regulations and enforcement, fosters a strong industry, and supports public safety. The LAG will receive information provided by Colorado Department of Revenue (DOR) and the Liquor Enforcement Division, and will provide input to DOR in a special report, by December 1, 2023, that consists of recommendations on how to modernize, clarify, and harmonize the statutes that regulate alcohol beverages and the alcohol beverage marketplace in Colorado.

**II. Governance**

This document constitutes the LAG’s governance charter. The charter is approved and may be amended by the DOR Executive Director (“DOR Director”), including with consideration of input from the LAG.

**III. Powers and Duties**

The LAG serves in an advisory capacity to the DOR Director, offering non-binding input to develop recommendations for a special report pursuant to the July 8, 2022 letter from the Governor. The contracted facilitator is responsible for drafting and finalizing the special report, subject to final review by the DOR Director. While the LAG is not a decision-making body and has no authority on liquor laws and licensing, its input is essential to ensuring the special report accounts for the diverse perspectives of stakeholders.

**IV. Operating principles and responsibilities**

Operating principles and responsibilities of members include:

- a. Compliance with all aspects of this governance charter.
- b. LAG members have been selected for diversity in demographics, backgrounds, perspectives, and knowledge of the alcohol industry marketplace in Colorado and representative of the entire state of Colorado in both rural and urban communities in order to constitute a vibrant and diverse collection of stakeholder voices. Members will demonstrate composure and respect when working with those with different experiences, backgrounds and perspectives.
- c. Members will demonstrate the ability to engage productively and in good faith in the LAG’s business and provide timely input.
- d. Members will demonstrate willingness and preparedness to engage LAG meetings.
- e. Members will demonstrate focus on the scope and charge of the group.

**V. Membership and Participation**

**a. Members**

Members of the LAG are appointed by the DOR Director.

Within the LAG, there are 33 voting members of the LAG and 1 non-voting, ex-officio member. Non-voting members include the State Licensing Authority or their designees.

The DOR Director may adjust membership composition due to the passage of future legislation or other circumstances impacting the LAG's purpose.

**b. Resignation of LAG Members**

Any member who is no longer able to participate on the LAG shall notify the DOR Director as soon as practicable.

**c. Removal of LAG Members**

A member may be removed from the LAG at the discretion of the DOR Director based on conduct or lack of participation.

**d. Vacancies**

If a vacancy occurs on the LAG, the DOR Director may appoint a member to fill the vacant position.

**e. Quorum**

A quorum for purposes of meetings is a simple majority (17) of the voting membership of the LAG.

**f. Meeting attendance**

Members may have a delegate to represent them at any meeting; however, a delegate may not provide a vote on behalf of the member as outlined below.

LAG members shall make best efforts to attend all LAG meetings either in person or by virtual conference. More than two absences that are unexcused by the DOR Director may be grounds for removal from the LAG. Reasonable accommodation will be made to provide quality participation experience for remote participants.

**VI. Consensus and Voting**

**a. Consensus**

The LAG shall strive to make decisions based on the consensus of all voting members, where possible. Where the LAG is able to achieve consensus, its input will receive priority consideration for the special report.

Consensus is defined as general agreement that is shared by all the people in a group; it reflects a recommendation, option or idea that all participants can support or abide by, or, at a minimum, to which they do not object. In other words, consensus is a recommendation, option or idea that all can live with.

*Final assessment of consensus:* Level of agreement will be assessed and recorded on final recommendations, options or ideas. A quorum must be present, as defined above.

When conducting a final assessment of the level of agreement on a proposed recommendation, option or idea, each member will indicate whether they can support or abide by it, and do not object; if no participants object, then consensus exists and will be recorded, along with a summary of rationale and perspectives as relevant. If any participant objects, then there is not consensus, and a vote will be taken.

*Informal assessment of consensus:* When informally assessing level of agreement during the course of LAG discussions, the table below may be utilized to assess perspectives on a draft recommendation, option or idea. As relevant, the group will discuss whether, and if so how, the recommendation, option or idea could be improved and/or how concerns could potentially be better addressed. Informal assessment of support for a recommendation or alternative may be conducted iteratively throughout the process and will not be recorded.

	<b>Consensus exists if <u>ALL</u> participants are at level 1-3:</b>
1	I <b>enthusiastically support</b> this recommendation, option or idea.
2	I <b>support</b> this recommendation, option or idea.
3	I do not fully agree with the decision; however, <b>I can abide by or live with</b> this recommendation, option, or idea; I do not object.
4	I <b>object to</b> this recommendation, option or idea.
5	I <b>strongly object</b> to this recommendation, option or idea; I cannot support, live with or abide by it.

**b. Voting**

Where consensus does not exist on a final recommendation, option, or idea, a vote shall be taken and the votes of individual members will be recorded along with a summary of the rationale for supportive and dissenting views. A quorum must be present, as defined above. Total vote counts, the votes of individual members, and the summary of rationale and views will be included in the special report to DOR. Virtual voting is permitted.

**c. Proxies**

No member shall be permitted to vote by proxy or delegate.

**d. Reports**

A final assessment of the LAG’s level of support for a recommendation, option, or idea will be conducted publicly and recorded in the special report. The assessment will reflect the recommendations or options considered, level of agreement for each recommendation or option, and a summary of the rationale for both supportive and dissenting views. Interim feedback on specific topics, options or alternatives may be provided throughout the process. A final special report authored by the facilitator will compile interim and final feedback on all topics from the LAG.

**VII. Meetings and Records**

**a. Regular Meetings**

DOR shall establish a schedule for LAG meetings in consultation with the facilitator . The LAG shall meet once a month on average. Additional meetings will be called as necessary by DOR.

**b. Working Groups**

The LAG may form working groups to consider topics selected by the LAG and to make recommendations to the LAG. Working groups shall operate under the same policies and procedures in this charter. The consensus and voting provisions of Article VI shall apply to working groups.

**c. Facilitation**

The DOR has a contract facilitator to facilitate the work of the LAG. DOR staff person(s) will be appointed to coordinate with the facilitator in the development of schedules, agendas, materials, and processes for the LAG.

**d. Conduct of Meetings**

The facilitator will manage meetings of the LAG in the most informal manner possible. LAG votes will be conducted formally by roll call of the LAG.

**e. Public Meetings**

The LAG is a state public body that is subject to the Open Meetings Law (24-6-401, C.R.S.) As such, members must observe the requirements of that law. LAG meetings and proceedings will also follow Open Meetings guidelines.

**f. Public Comment**

Public comment opportunities will be offered at LAG meetings. DOR shall determine when opportunities for public comment will be offered, and in what format.

**g. Meeting Documentation**

Documentation of meeting outcomes and any voting results shall be kept of all LAG meetings and shall include at least names of all LAG members present, the location of the meeting (physical location or virtual meeting), an outline of the issues or matters discussed, topical summaries of public comments received, and the outcome of any formal votes taken; including the vote of individual LAG members when a vote is called. Meeting minutes will be provided at each successive session for LAG amendments or approval.

**h. Open Records**

Any records generated or received by the LAG, its members, and/or DOR in connection with the work of the LAG may be subject to the Colorado Open Records Act.

**VIII. Communication**

The DOR Director or his/her designee within the DOR shall be the official spokesperson regarding the LAG process. The DOR Director or designee shall be responsible for managing the communications regarding the LAG, including to the media, legislators, the Governor and other policy makers.

LAG members are free to discuss the LAG's work with any interested party but in so doing must clarify they are speaking for themselves, and not the LAG, and must abide by the requirements of the Open Meetings law. LAG members are urged to use discretion when discussing the group. Consistent with operating principles, member comments should be in good faith and refrain from communications that are disruptive to the charge and progress of the group.

**IX. Compensation**

Members of the LAG are uncompensated for their time and travel expenses incurred in the performance of their duties.