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# Liquor Advisory Group Regulation of Retail Operations Work Group

Meeting Minutes February 16, 2023

Seat	Representative	Attendance
State Licensing Authority	Executive Director Mark Ferrandino Department of Revenue	Absent
Tavern	Erika Zierke Englewood Grand	Present
County Sheriffs of Colorado	Division Chief Todd Reeves  Jefferson County Sheriff's Department	Present
Restaurant Licensee	Dana Faulk Query Big Red F Restaurant Group	Present
MADD	Executive Director Fran Lanzer Mothers Against Drunk Driving	Present
Law Enforcement Representative	Chief W.J. Haskins Glendale Police Department	Present
Off-Premises Retailer (Medium)	Edward Cooper Total Wine & More	Present
Tavern/Large Dance Entertainment Venue	Andrew Feinstein Tracks Denver, ReelWorks Denver, & RiNo Art District	Present
Minority Owned Off-Premises Retailer	Gonzalo Mirich Jimbo's Liquor	Absent
Off-Premises Retailer (Large)	Jason Bassett Kum & Go	Present
Wholesaler (Malt)	Yetta Vorobik Crooked Stave Artisan Distribution	Present
Minority Owned On-Premises Retailer	Veronica Ramos The Electric Cure	Present

- I. Welcome and Introductions
- II. Work Group Process and Expectations Overview
  - A. Regular meeting time: 11:00 a.m. to 1:00 p.m. on the third Thursday of every month.
- III. Topic Review for Marketplace Work Group

- A. The main topic areas that were identified for the Retail Work Group are:
  - 1. Extending hours of operation and reviewing mandatory closure days;
  - 2. Making to-go drinks/bottles permanent;
  - 3. Standardize container definitions;
  - 4. Measures to promote public safety by preventing underage drinking, reducing alcohol abuse and engagement of law enforcement;
  - 5. Limits on the amount of alcohol an on-premises retailer can purchase from an off-premises retailer;
  - 6. Standardize responsible vendor training.
- B. It should be noted that licensing of retailers falls under the Licensing Work Group.

#### IV. Discussion

- A. What Is the Most Important Topic for This Group to Discuss?
  - 1. Making to-go drinks/bottles permanent
  - 2. Mandatory closure days
  - 3. Engagement of law enforcement to prevent underage drinking
  - 4. Public safety and how modifications to the liquor code can enhance public safety; maintain a strong balance with the rights of the retailers to pursue their market
  - 5. Clearly define the standardization of containers (interplays with making to-go drinks permanent)
  - 6. Closing hours extended to four a.m. (allow for business owner discretion)
  - 7. Standardize responsible vendor training
  - 8. Break up the following into three separate topics for further discussion:
    - a) Promote public safety by preventing underage drinking;
    - b) Reduce alcohol abuse; and
    - c) Engage law enforcement.
- B. Additional Important Items for Work Group Consideration:
  - 1. Eliminate the full meal requirement;
  - 2. Allow the same person to be registered as a manager for more than one on-premises location;
  - 3. Expand opportunities for off-premises retailers to offer educational classes and tastings to their customers/the public.
- C. High Level Discussion Points:
  - 1. Extend Operating Hours for Bars:
    - a) In the February LAG meeting, there was quite a bit of discussion around how extending operating hours could be complementary to public safety, and also a lot of comments around how it could hinder public safety. Specifically, should this be a local decision or controlled at the state level?
    - b) Pros:
      - (1) Extending closing hours gives people the freedom to choose when they want to leave. If people can phase out between midnight and four in the morning, there would be more availability for transportation (Uber) and lessen the burden on law enforcement

(2) Some business owners don't want the later closing hours, so leaving it up to the owner's discretion would be helpful in controlling the outpour of people on the streets.

#### c) Cons:

- (1) If left up to local control and different areas are allowed to have different closing times, this could see an increase in drunk driving from county to county. For this reason, it's appropriate for the state to make a decision on closing hours.
- (2) There is a different set of risks that could come with a four a.m. closing time that the state may not be equipped to handle right now (e.g., drunk driving crashes occurring at later hours, when there would be more traffic on the road).
- (3) If closing hours are left up to business owners, confusion could arise with different rules and laws applying to, for example, two different restaurants right across the street from each other. Having a statewide policy would eliminate this.
- d) Alternative Options to Address Closing Time Rush:
  - (1) Reduce the number of outlets.
  - (2) Address related issues (lighting, traffic patterns, etc.) instead of focusing on one area alone to address public safety.
  - (3) "Rolling Closings" from law enforcement's perspective, having one closing time, whether it's at two or four, obligates smaller agencies to dedicate a great deal of resources to when the liquor establishments are closing. Having the closing hours be dependent on the license type allows law enforcement to deploy resources not just on liquor establishments but across the entire jurisdiction. This should be based on local control, with each jurisdiction deciding what works best for them.
    - (a) It should be noted that this idea has come up previously. There was pushback from business owners and also a concern of how to communicate this practice to consumers in a way that isn't confusing.
  - (4) "Middle ground" opportunities liquor service ends at one time (3 a.m.) but the establishment can stay open until another time (5 a.m.) and the business continues to serve food until the final closing hour (5 a.m.).
  - (5) "Gentle Last Call" stop serving liquor at 2 a.m. but people can stay and continue drinking what they've previously ordered while the bar is closing up. Put guardrails in place to limit the amount of liquor people are able to order before last call.
- e) Other Things to Consider:
  - (1) How do we address "bad actors" in this industry to make sure everyone is doing what's best for their customers and doing what's best for public safety?

- (a) Deescalate situations that might start in an establishment before the customers are required to leave at closing time, to prevent the situation from spreading onto the streets.
- (b) Expand the group discussion to address when law enforcement should be engaged and what should happen before they are engaged.

## D. Potential Proposals:

- 1. "Gentle Last Call": end liquor service at 2 a.m. but allow patrons to stay inside the establishment until 4 a.m.
  - a) The business would stop serving alcohol but still serve food (either snacks or full meals). It would not be a requirement that food service be part of this, but is an option for business owners to consider.
  - b) Once people finish their food/drink, they can wait for their transportation inside. Once they leave the bar, they would not be allowed back inside (maybe this should be left up to the business owner's discretion?).
    - (1) Put up guardrails to make sure people aren't leaving other bars and then trying to come in.
  - c) The goal is to keep people from flooding onto the street at the same time.
- 2. Limiting licenses/having some licenses extended but limiting how many are put out
- 3. Looking at extended hours options for entertainment districts.

### E. Soft Proposal:

- 1. "Gentle Close"
  - a) Liquor service ends at 2 a.m. Patrons are allowed to stay inside the establishment until 4 a.m.
  - b) If the customer leaves after 2 a.m., they will not be allowed back inside the building. This could be a business choice, rather than written in law, to allow for people to step outside for a cigarette or make a quick phone call.
  - c) Restaurant licensees can still serve food to patrons until 4 a.m. Tavern licensees can offer snacks instead of a full menu.

### V. Public Comment

A. Clarification as to how public suggestions for any discussion topics will be brought to the large group and/or work group. Those will be included in the meeting minutes. If the topic can't be automatically slotted into a specific work group, it will be discussed in the Liquor Advisory Group as a whole to determine which work group is best suited to address it.

The next Regulation of Retail Operations Work Group meeting will be on March 23, 2023 from 11:00 a.m. to 1:00 p.m.