The Division has received the following comments via the Liquor Enforcement Division Rulemaking email. The Division will respond to certain parties' comments should the Division implement their recommendations into the rule.

Chris Howes President, Colorado Retail Council

February 18, 2025

Director Stone-Principato,

The Colorado Retail Council, representing grocery, big box, and convenience store retailers across the state offers the following feedback regarding the department's most recent proposed rules (December 2024):

1) In regard to temporary displays: in August, our organization submitted a good faith recommendation to be responsive to the concerns of the recovery community, balance consumer expectations and demand, consider operational realities, and to meet the charge of this task force. That recommendation is as follows:

"Temporary Display in Entrance of Stores:

The practice of setting up temporary displays in the entrance of stores ceases. Caveats must be included in rules to account for space restrictions in smaller format stores (c-stores, etc) so as not to be too restrictive for storage concerns."

If the December 2024 rules are adopted, our member retailers would be restricted to merely two temporary displays. Temporary displays meet a practical purpose: storage of product. Our retailers have limited storage opportunities and space. We operate in a competitive, consumer-driven environment that demands flexibility and product availability. Severely restricting retailer storage space negatively impacts not only our mission to offer a variety of available product – it also jeopardizes the ability of our industry partners to meet logistical demands across the entire supply chain.

For this reason, we cannot agree to severely restricting temporary displays and we ask you to reconsider the accommodation of removing temporary displays in the entrance of stores.

2) If the December 2024 proposed rules are adopted, member retailers would no longer be able to pair alcohol product with food. We cannot agree with this restriction, and we ask you to reconsider.

3) If the December 2024 proposed rules are adopted, member retailers would have to reconfigure their alcohol placement to one centralized location in each store. We cannot agree with this restriction, and we ask you to reconsider.

We understand that the charge of this task force is to discuss, consider, and help the department promulgate rules to assist people in recovery. CRC members submit to you that adopting rules around co branded product, Point-of-sale product placement restrictions, and elimination of temporary displays in

the front of stores meet that goal while also considering operational realities and broader consumer expectations.

We look forward to further discussion and collaboration.

Sincerely,

Chris Howes President, Colorado Retail Council

Talisa Gula-Yeast

Regulatory Licensing Specialist, CMC City of Fort Collins

Substance Use Disorder Recovery Working Group #5-Repsonse-Comments

Received on February 19, 2025

Good morning LED Team and working group members.

Thank you again for working hard on the proposed redline rules and your intent.

Here are a few of my thoughts.

I anticipate that some proposed redline rules, such as **Regulation 47-951 Temporary Alcohol Displays** C 1, will be difficult to enforce.

I am bringing it back to the basics and would like to point out the difference between rules and guidelines. It is about formality.

Rules are enforceable, and local enforcement and LED can discipline licensees who violate them.

For example, selling alcohol to someone under 21 breaks the rule that persons must be 21 or older to purchase alcohol.

Guidelines are recommendations that are encouraged, not enforced. They advise licensees on best practices but are not formal. So there are no disciplinary actions when licensees don't follow them.

My question is: what is the disciplinary action for temporary alcohol displays? How is it possible for local enforcement officers to check monthly licensed drug stores, FMBW retailers, or FMB on/off? Will the LED enforcement team go out monthly to check?

C. TEMPORARY ALCOHOL DISPLAYS.

1. LIQUOR-LICENSED DRUG STORES, FERMENTED MALT BEVERAGE AND WINE RETAILERS, OR FERMENTED MALT BEVERAGE ON/OFF PREMISES LICENSEES ARE LIMITED TO <u>TWO TEMPORARY</u> <u>ALCOHOL</u> DISPLAYS OF ALCOHOL BEVERAGE <u>PER MONTH ON THE SALES FLOOR</u>.

What if LED and the advisory group members streamline and create guidelines or best practices for these rules that appear to be hard to enforce?

I believe there will be an improvement with all licensees and local government with satisfaction if there are easily enforceable rules.

Kind Regards

Тее

Talisa Gula-Yeast

Regulatory Licensing Specialist, CMC City of Fort Collins

RE: Substance Use Disorder Recovery Working Group #5-Repsonse-Comments followup from Boulder Received on February 19, 2025

Hello,

I am adding a follow-up comment about Regulation 47-951 Temporary Alcohol Displays C 1,

from Kristen Teague, CMC City of Boulder. It is copied below.

I would ask as to if the licensee is not adhering to the two temp displays if it falls under the Change, Alter, Modify rules and thereby could be cited as a violation under that if they exceed the allowed two.

Thanks!

Ainsley Giglierano

Vice President, Public Affairs and State Policy

DISCUS Rule Change Submission SUDR Session #5

Received on February 18, 2025

We would like to propose the attached changes to SUDR Session #5 Rules to account for small retailers that will struggle to adhere to the rule as written and clarify the use of "non alcohol-product" in the text of the rule.

Best,

Ainsley

Attachment Text:

Regulation 47-950. Display of Alcohol Beverages Immediately Adjacent to Soft Drinks, Fruit

Juices, Bottled Water, Candy, or Toys, CROSSOVER ALCOHOL PRODUCTS, AND NON-ALCOHOLIC ALTERNATIVE BEVERAGES.

Basis and Purpose. The statutory authority for this regulation includes but is not limited to subsections 44-3-108(1), 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), 44-3-202(2)(A)(I)(H), and 44-3-202(2)(a)(I)(R), C.R.S. The purpose of this regulation is to prevent consumer confusion regarding whether a beverage contains alcohol and to help prevent sales of alcohol beverages to persons under 21 years of age, AND TO ASSIST INDIVIDUALS RECOVERING FROM SUBSTANCE USE DISORDERS.

A. DefinitionS AS USED IN THIS REGULATION.

1. "Immediately adjacent" means directly touching or immediately bordering one another from above, below, or the side, for example, on a shelf directly above or below another shelf; or on a shelf, cooler shelf, or display (including permanent or temporary displays) that is adjacent to another shelf, cooler shelf, or display. "Immediately adjacent" does not include a separate aisle or shelving units or cooler shelving units on the opposite side of an aisle.

2. "CROSSOVER ALCOHOL PRODUCT" IS A PRODUCT CONTAINING AN ALCOHOL BEVERAGE(S), WHETHER LIQUID OR FROZEN, THAT USE A TRADEMARK OR BRANDING OF A NON-ALCOHOL BEVERAGE ON ITS LABELING, MARKETING, OR PACKAGING.

3. "LOW OR NON-ALCOHOLIC ALTERNATIVE BEVERAGES" MEANS BEVERAGES WITH AN ALCOHOL CONTENT OF LESS THAN 0.5% ALCOHOL BY VOLUME THAT ARE MARKETED TO ADULTS AS ALCOHOL-BEVERAGE-LIKE SUBSTITUTIONS FOR BEER, WINE, AND SPIRITS, INCLUDING BUT NOT LIMITED TO PRODUCTS MARKETED AS NEAR BEER; LOW OR NON-ALCOHOLIC BEER, SELTZERS, OR WINE; OR NON-ALCOHOLIC COCKTAILS (SOMETIMES CALLED MOCKTAILS OR VIRGIN COCKTAILS) OR OTHER PRODUCTS THAT ARE MARKETED AS ALCOHOL SUBSTITUTES. THIS DEFINITION DOES NOT INCLUDE PRODUCTS THAT FALL WITHIN THE DEFINITION OF "NON-ALCOHOL BEVERAGES."

B. Alcohol Beverages Immediately Adjacent to Soft Drinks, Fruit Juices, Bottled Water, Candy, or Toys. Any retail liquor store, liquor licensed drug store, fermented malt beverage and wine retailer, or fermented malt beverage on/off premises licensee that locates, places, or displays (including permanent or temporary displays) alcohol beverages immediately adjacent to soft drinks, fruit juices, bottled water, candy, or toys, shall:

1. Place signage that on is clearly visible to consumers any such shelves, cooler shelves, or displays (including permanent or temporary displays) that contains alcohol beverages and is immediately adjacent to soft drinks, fruit juices, bottled water, candy, or toys. This signage must:

a. Be at least 8.5 x 5.5 inches or 4.2 x 11 inches, depending on the orientation of the sign;

b. Use a font size of at least 40 points in black ink; and

c. State: "THESE PRODUCTS ARE ALCOHOL BEVERAGES AVAILABLE FOR

SALE ONLY TO PERSONS WHO ARE 21 YEARS OF AGE AND OLDER."

"CONTAINS ALCOHOL 21+

YOU MUST BE 21 TO PURCHASE ALCOHOL"

d. FOR LIQUOR LICENSEES THAT ARE REQUIRED TO POST THIS SIGN AND

HAVE BEEN IN OPERATION PRIOR TO JANUARY 1, 2025, MUST POST THIS

SIGN BY JUNE 1, 2025. A LIQUOR LICENSEE THAT IS REQUIRED TO POST

THIS SIGN AND HAS NOT BEEN IN OPERATION PRIOR TO JANUARY 1,

2025, MUST POST THIS SIGN IMMEDIATELY.

2. Signage may contain only retailer store branding or logos, but may not contain branding

or logos of any alcohol beverage brand, manufacturer, or wholesaler.

C. DISPLAY OF CROSSOVER ALCOHOL PRODUCTS.

1. LIQUOR-LICENSED DRUG STORES, FERMENTED MALT BEVERAGE AND WINE

a. RETAILERS, OR FERMENTED MALT BEVERAGE ON/OFF PREMISES LICENSEES WITH RETAIL FLOOR SPACE LARGER THAN TWO THOUSAND FIVE HUNDRED SQUARE FEET SHALL NOT DISPLAY A CROSSOVER ALCOHOL PRODUCT IMMEDIATELY ADJACENT TO A NON-ALCOHOL BEVERAGE, WHETHER LIQUID OR FROZEN,

FROM WHICH THE RIGHT TO USE THE TRADEMARK OR BRAND HAS BEEN

OBTAINED (E.G., DISPLAYING THE "HARD" (ALCOHOLIC) VERSION OF AN ICED

TEA NEXT TO THE NONALCOHOLIC ICE TEA BEVERAGE OF THE SAME BRAND).

b. RETAILERS, OR FERMENTED MALT BEVERAGE ON/OFF PREMISES LICENSEES WITH RETAIL FLOOR SPACE THAT IS TWO THOUSAND FIVE HUNDRED SQUARE FEET OR SMALLER EITHER:

I. SHALL NOT DISPLAY A CROSSOVER ALCOHOL PRODUCT IMMEDIATELY ADJACENT TO A NON-ALCOHOL BEVERAGE, WHETHER LIQUID OR FROZEN,

FROM WHICH THE RIGHT TO USE THE TRADEMARK OR BRAND HAS BEEN

OBTAINED (E.G., DISPLAYING THE "HARD" (ALCOHOLIC) VERSION OF AN ICED

TEA NEXT TO THE NONALCOHOLIC ICE TEA BEVERAGE OF THE SAME BRAND); OR

II. PLACE SIGNAGE THAT IS CLEARLY VISIBLE TO CONSUMERS ANY SUCH SHELVES, COOLER SHELVES, OR

DISPLAYS (INCLUDING PERMANENT OR TEMPORARY DISPLAYS) THAT PLACES A CROSSOVER ALCOHOL PRODUCT IMMEDIATELY ADJACENT TO A NON-ALCOHOL BEVERAGE, WHETHER LIQUID OR FROZEN, FROM WHICH THE RIGHT TO USE THE TRADEMARK OR BRAND HAS BEEN OBTAINED. THIS SIGNAGE MUST:

A. BE AT LEAST 8.5 X 5.5 INCHES OR 4.2 X 11 INCHES, DEPENDING ON THE ORIENTATION OF THE SIGN;

B. USE A FONT SIZE OF AT LEAST 40 POINTS IN BLACK INK; AND

C. STATE: "CONTAINS ALCOHOL 21+

YOU MUST BE 21 TO PURCHASE ALCOHOL"

D. DISPLAY OF NON-ALCOHOLIC ALTERNATIVE BEVERAGES

1. LIQUOR-LICENSED DRUG STORES, FERMENTED MALT BEVERAGE AND WINE

RETAILERS, OR FERMENTED MALT BEVERAGE ON/OFF PREMISES LICENSEES

MAY DISPLAY NON-ALCOHOLIC ALTERNATIVE BEVERAGES IMMEDIATELY

ADJACENT TO AN ALCOHOL BEVERAGE

End of comments