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.

Talisa Gula-Yeast

Regulatory Licensing Specialist, CMC City of Fort Collins

Wednesday March 5th, 2025

Subject: RE: Substance Use Disorder Recovery Working Group #5-Repsonse-Comments-

Hello LED Team and Michelle,

In relation to 47-951 Temporary Alcohol Displays.

While this is a challenging conversation, it is essential to keep in mind the practicality and processes for local governments, particularly for clerks, regarding enforcement.

Can we keep it simple when other rules or systems in place complement these rules?

i.e. signage/marketing can direct patrons to alcohol to be displayed in a single area.

It is hard to satisfy all members in the room to navigate these rules.

I am anticipating the processes of applications and the amount of work that will be done at the LED and local levels.

The more streamlined, we can be, the easier it will be for the transition.

It sounds like 10,000 square feet and # of displays are a pain points for the group.

Various group members would like to take this back to their members. We understand the hearing deadline is April 1, 2025.

Q: what is the hard deadline to submit proposed redline rules? I heard ASAP (early March 2025).

It is important to go back our intent. Rules are to protect high-risk persons or those attending to stop drinking.

Q: are the rules also adequate to protect children and youth against the risks of alcohol promotion/displays?

Q: can we continue to evaluate the proposed rules in collaboration with both the industry, public health stakeholder's to come to a suitable compromise?

I am sharing a PDF from Scotland that may help guide the State of Colorado about alcohol displays and satisfaction with the substance use recovery group and health. Scotland created this act in 2005 and started enforcement in 2009. They updated it in 2022.

Data from health and marketing organizations is helpful when developing rules/regulations.

Per Scotland alcohol can only be displayed only be displayed in either or both of (1) a single area of the premises agreed between the Licensing Board and the holder of the license and (2) a single area of the premises which is inaccessible to the public.

When it comes to licensing, what happens if a license holder needs to update or modify their premises? Applying to the licensing board is not just a simple tick-box exercise. The license requires the submission of new layout plans that illustrate the proposed changes.

If a deadline is imposed, we could see a significant increase in the number of applications submitted to the Licensing and Enforcement Division (LED). This would likely incur various costs for businesses as they navigate the process.

In addition, the restrictions would have impact on local licensing authorities in terms of resource, as well as all the other licensing applications which have to be dealt with by other teams. Consider all the cities/towns in Colorado that have alcohol licenses. A minor modification of premises is typically assessed by building standards to:

- -Make sure the plan is correct, and the measurements add up and
- -confirm that it is a minor change and not a major change.

Some of these applications might have to proceed as major changes in any event – where there is even a tiny increase in display. Such applications can take many months, require a hearing and full public consultation, and are far more expensive.

In Scotland, alcohol can only be displayed in certain areas of a shop, and the display must meet other restrictions. These rules are in place to help reduce the visibility of alcohol in shops and to promote responsible alcohol retail.

Display areas

Alcohol can only be displayed in a single area of a shop
This area can be a separate section of the shop, or a closed storage unit
The area must be separated from the rest of the store by a physical barrier
Alcohol should not be visible from other areas of the shop or from outside

Other restrictions

Alcohol promotions can only take place in alcohol display areas or in a tasting room In smaller shops, alcohol can be kept behind the counter but concealed Purpose of restrictions

To reduce the visibility of alcohol in shops

To promote responsible alcohol retail

To prevent children from thinking of alcohol in the same way they think about other items sold in the shop

To help people who are trying to stop drinking alcohol

[End of Message]

Liquor Enforcement Division's Response:

Here are the answers to some of your procedural questions:

Q: what is the hard deadline to submit proposed redline rules? I heard ASAP (early March 2025).

The public comment period is open for the five days following the hearing on these rules on April 1, 2025, but the Division would recommend submitting comments before that time.

Q: are the rules also adequate to protect children and youth against the risks of alcohol promotion/displays?

The Division was tasked with adopting rules regarding the display of alcohol beverages in grocery and convenience stores in order to assist individuals recovering from substance use disorders. That being said, some of the conversations on these rules have called into question the display in and around areas where candy, toys, and soft drinks are available. The Division works daily to prevent youth access to alcohol products and advertise to youth. However, that was not the focus of these working group meetings as it related to SB24-048.

Q: can we continue to evaluate the proposed rules in collaboration with both the industry, public health stakeholder's to come to a suitable compromise?

As mentioned in the last meeting, there will not be any additional working group meetings on these rules, but the Division is happy to take any and all public comments and will ensure these comments are sent out to the industry and working group. At the hearing there will also be time for public comment on each rule. Everyone will have two minutes to make comments.

[End of Response]

Bruce Dierking
Hazel's Beverage World

Friday March 7th, 2025

Subject: Public Comment - 2025 Substance Use Disorder Recovery Rules Working Group

This comment is in response to the Public Comment made by Chris Howes dated February 18. Mr. Howes stated that grocery stores need the ability to have more than two temporary alcohol displays because they need to store alcohol products on their sales floors. Below are some sample photos I took on a recent visit to my local grocery store, which displays alcohol in a manner generally consistent with most Colorado grocery stores. These photos reflect all the temporary alcohol displays I could find in the store. I would ask members of the task force to consider whether it is reasonable to believe these displays were placed for storage purposes.

Additionally, as a retailer, I can tell you that space on our sales floor is a very valuable commodity that is always in high demand by multiple suppliers. A retailer's primary goal with respect to its sales floor is to generate sales rather than to store products. That is why we have backrooms. In particular, smaller displays placed around a store in various departments reflect merchandising for impulse sales rather than product storage. Should a grocery store require more floor space for alcohol displays, they could easily place the product in the alcohol section rather than cross-merchandising alcohol throughout the store.

Thank you,

Bruce Dierking

Attachments: (File Size Too Large to Upload) [End of Comments]