

STATE OF
COLORADO

LED_Rulemaking - DOR, DOR <dor_led_rulemaking@state.co.us>

public comment for the CO LAG - credit terms

1 message

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Tue, Jul 11, 2023 at 10:42 AM

To: "LED_Rulemaking - DOR, DOR" <dor_led_rulemaking@state.co.us>

Cc: Erik Schaeffer <eschaeffer@fintech.com>

Good morning, LAG members.

I want to first take a moment to thank you for showing up and doing the work needed to create the special report that will be delivered to Governor Polis. I have appreciated hearing your various viewpoints and learning about the intricacies of your unique challenges and ideas.

As the time to tackle new topics in the Marketplace Structure subgroup is dwindling, I would like to reiterate the need to discuss [credit terms](#) for wholesale alcohol deliveries to retailers in Colorado.

For those who may not be aware, Colorado Liquor Rules 47-323 and 47-407, and Colorado Liquor Code 44-3-410, currently prescribe discrimination of credit terms based on license type. LLDS licensees (with the exception of 8 grandfathered stores) must pay COD for all beer/wine/spirit deliveries from wholesalers. All other licensee types in the state are allowed up to 30-days of credit.

As the leader in electronic payments in the alcohol industry, I can assure you that this type of discrimination amongst licensees simply does not exist in 48 of the 50 states (TN does have a similar rule though for grocery stores with wine).

In responding to governor Polis' bulleted list of points: "**recommendations regarding the promotion of a competitive, fair, diverse, independent, and open alcohol beverage marketplace**", I think that credit term discrimination in Colorado should necessarily be discussed. I don't personally have a preference for whether wholesalers be allowed to extend 30-day terms, or 20-day terms, or 10-day terms, or COD-only terms, but I do feel it's incumbent on this group to recommend a level playing field when it comes to credit terms for wholesale alcohol deliveries to retailers.

Thank you in advance for your thoughtful consideration.

Should the Liquor Advisory Group require more information about electronic payments in the alcohol industry and/or credit term considerations made in any of the other 50 states, please do not hesitate to reach out to me. I will make myself available at your convenience.

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