

Colorado Liquor Enforcement Division Liquor Rules Working Group (LRWG)

Meeting of June 17, 2016
9:00a – 12:00p

Liquor Enforcement Division
1881 Pierce Street, Room 110
Lakewood, CO 80214

Working Group Members Present:

Patrick Maroney, Co-Chair Liquor Enforcement
Ron Kammerzell, Co-Chair Enforcement
Donia Amick Chief of Investigations
Lynda Atkins Attorney General Office
Kevin Bommer City Government
Carl Terry (*for Mike Mosco*) Law Enforcement Representative
John Tipton Liquor Attorney
Adam Stapen Liquor Attorney
Jenn Penn Brewery (Large)
Zoey DeWolf (*for Garin Vorthmann*) Brewery (Large)
Andrew Lemley Brewery (Small)
Joan Green Turner Distillery (National View)
Mitch Abate Distillery (State View)
Phil Hayes Grocery Store
Joshua Phair Grocery Store
Amy Mong (*for Jim Shpall*) Off Premises (Independent)
Jeanne McEvoy Off Premises (Statewide)
Nick Hoover (*for Sonia Riggs*) On Premises (Restaurants)
Stephanie Fransen On Premises (Tavern)
Mickey Petrollini On Premises (Tavern)
Micki Hackenberger Wholesaler
Steve Findley Wholesaler
Tyler Rudd Winery (National)

Welcome & Introductions

Mr. Maroney opened the meeting and began by thanking the working group members for their time and the public for their attendance. Each working group member and the public introduced themselves. Mr. Maroney stated that only working group members are allowed to participate in this discussion and that public comment will be allowed at the end of the meeting.

Working Group Objectives, Expectations, Guidelines and Outcomes

Director Maroney wanted to clarify that this working group is different than the statutory mandated SB16-197 working group (SB16-197 Statutory Working Group) and that the invitation to work on that group will be emailed to the Industry later today.

Anyone interested in attending the 2016 CABS conference, watch for a coming announcement t soon.

The Liquor Rules Working Group (LRWG) will be on an aggressive timeline. Rule recommendations completed by the end of September to move forward with the Rules Hearing in October. This will allow for four (4) LRWG meetings between July and September. Sub-Groups can meet on a more frequent basis.

LRWG Meeting Dates:

- July 13th at 9:00am (Colorado Restaurant Association)
- August 11th at 1:00pm (Location - TBD)
- September 8th at 1:00pm (Location - TBD)
- September 21st at 1:00pm (1881 Pierce – Room 110)

Fee Changes

In January 2015 is requesting to lower the new license application fees as the Liquor Reserves were too high as required by statute. It was made clear that when the surplus was diminished we would increase the fees to a sustainable level. That time has come. We enacted an Emergency Rule effective July 1, 2016 that will increase the fee structure. License applications that were received by the Local Authorities prior to July 1st will not be effected by the fee changes. Since Emergency Rules only stand for 120 days, the Permanent Rule Hearing will be July 15, 2016 (1881 Pierce - Room 110 in Lakewood).

Director Maroney asked for any input from the Working Group concerning the increase application fees and there was no comment. The consensus was the increase was expected.

LED will lower product registration fees to \$0.00 in the permanent Rule Making Process. This will allow the Division to work towards paperless registrations by requiring all product registrations to go through ShipPro who will in turn collect the \$5.00 registration fee. Eliminating the states fee will prevent a fee increase. The loss of registration funds have been worked into the new license application fees.

Four (4) Established Sub-Groups:

- **Powdered Alcohol** – Nick Hoover, Chair
 - 1st meeting | **June 21st** at 9:00AM at the Colorado Restaurant Association – 430 East 7th Ave., Denver
(Call in: *Phone_303-248-0285 Access code: 8695855*)
- **SB16-197 (Immediate Changes Only)** – Patrick Maroney, Chair
 - 1st meeting | **June 24th** at 9:00am at Colorado Judicial Building – 1300 Broadway Conference Room 1B
- **Rule Review Process & Language Clean Up** – Donia Amick, Chair
 - 1st meeting | **June 30th** at 1:00pm at (Colorado Restaurant Association)
- **Trade Practices** – Ron Kammerzell, Chair
 - 1st meeting | **July 11th** at 11:30pm at 1881 Pierce – Room 110 (Entrance B)

SB16-197

- Per SB16-197, the Division will be able to hire a legal assistant. The job posting will close Monday, June 20th if you know of anyone who would be interested in applying.
- The Division will offer classes around the state starting in mid-August to help licensees understand all the changes.
- Effective July 1st – Retail Liquor Stores will be able to carry non-alcohol products that were not allowed in the past.
- 3.2% Beers sales time changed. Cannot sell from midnight to 8 a.m.
- Retail License Transfers – Will have to first prove that ALL wholesalers have been paid prior to approving the transfer.
- No new Retail Liquor Stores (regardless of jurisdiction) will be issued within 1500ft of another licensed establishment (3000ft if population less than 10,000).

Request from Industry that Excise Tax Reporting Information become available in a timely manner. LED will follow up with Excise Tax Section.

Director Maroney opened the discussion to items not on the agenda and for public comment. No comments.

The meeting was adjourned 11:00am.