

**Liquor Enforcement Division
Colorado Liquor Compliance Working Group**

**Meeting of April 25, 2014
Beginning at 1:00 pm**

**Colorado Restaurant Association
430 East 7th Avenue
Denver, CO 80203**

Working Group Members Present: Barbara Brohl, Executive Director – Department of Revenue; Ron Kammerzell, Chair; Patrick Maroney, Vice Chair; John Viverito, Colorado Attorney’s Office; Eric Bergman, Colorado Counties, Inc; Kevin Patterson, Governor’s Office; Officer Brady Allen, Breckenridge Police Department; Andrew Lemley, New Belgium Brewing Company; Bob Hunt, Miller Coors; Shayne Madsen, Jackson Kelly PLLC; Laura Long, Weist Capitol Group; Stephen Gould, Golden Moon Distillery-Maison DeLaVie; Jeanne McEvoy, Colorado Licensed Beverage Association, Jim Shpall, Applejack Wine & Spirits; Pete Meersman, Colorado Restaurant Association; Dave Reitz, Tavern League; Micki Hackenberger, Wine & Spirit Wholesales of Colorado; Doug Caskey, Colorado Wine Industry Development Board; Chuck McGrigg, Wine Institute; John Tipton, The Tipton Law Firm, P.C.; Ilana Kurtzig, Mothers Against Drunk Drivers; John Carlson, Jr., Member at Large.

Acting Director Patrick Maroney, Vice Chair, opened the meeting at 1:05 pm by welcoming the Working Group Members and thanking them for their time and the public for coming. Each person in the room introduced themselves.

- Discuss the Two Selected Subgroups (Education/Training and Model Guidelines for Compliance Checks)
 - Mr. Maroney explained that sub committees are being formed, Education and Training and Model Guidelines for Compliance Checks. Subgroups will meet in between the main working group meetings with the groups working on documents or recommendations they want to submit to the entire working group. A Doodle invite will be sent out in the near future to schedule the first meeting. Each subgroup will need to appoint a Chairman and additional ground rules and guidelines will be distributed through email in the near future.

- Discussion of State and Federal Trade Practices
 - Mr. Maroney explained that the handouts and documents provided here at the meeting regarding the subject of state and federal guidelines include: federal circulars from the TTB, along with some code of federal regulations as they relate to trade practices the federal level. Documents were emailed that included copies of the state statute, and current rules concerning trade practice violations. Mr. Maroney opened the discussion by asking the group what trade practices industry and the Division would like to bring forward understanding that some if not all may require rule or statute changes.

- The discussion moved to determining if it makes sense for the industry to have only one set of laws and to follow the Federal law. It was suggested that the state and federal laws be laid side by side to see similarities and differences. It was also stated that as the group examines these laws, it is important to keep in mind what is the impact on the consumer to ensure they have what they need and want. Executive Director Brohl commented that the group needs to keep in mind what would require a statutory change and what statutory authority the department has in different areas.
 - Director Kammerzell suggested that the first step is to put together a complete matrix that compares state versus federal regulation. It was determined that a third working group consisting mainly of liquor attorneys would be formed to review this process.
 - A discussion was also had regarding providing a level playing field for retail establishments with the issue of at home sales parties that are being conducted and what is accepted and prohibited. It was determined that this issue would be addressed at a later date.
- Discussion of the Assurance of Voluntary Compliance and the Current Violation Matrix
 - Mr. Maroney explained that the matrix handed out is how the Division is currently conducting business and explained the changes that were made to the document. A discussion was had on the levels of fines and single violations versus aggravated violations and the penalties for such. Executive Director Brohl indicated that additional changes may be made based on the recommendations of the working group. This document was given out to be transparent to the industry of how violations are handled and to seek input as this working group continues.

Break

Director Kammerzell reconvened the meeting at 3:05 pm

- Questions concerning violations and where those violations fall within the penalty levels continued. The conversation also included discussion if there is more than one violation in a single issue and how that is enforced.
- A discussion was then had regarding the use of Warning Letters on first time violations, how that is determined and inclusion of the Responsible Vendor Training.
- Mr. Maroney discussed days in abeyance; days held versus acceptance of fine in lieu of days in abeyance and how that matrix works. It was agreed that the sub group on Model Guidelines for Compliance Checks will delve deeper into these questions and issues. Executive Director Brohl indicated that one of the things that needs to be done ahead of time is the definitions have to be identified so the

sub working group understands what they are looking at when making the recommendations.

- The discussion turned to underage stings and the current penalties structure. Director Kammerzell then suggested looking at the Assurance of Voluntary Compliance and asked for feedback, not now but through the sub group and written comment. It will require a rule making change to add this tool but would appreciate feedback regarding the AVC.

Members of the public were given the opportunity to speak, no one came forward

Mr. Maroney wrapped the meeting by stating that a new sub group has been formed to research the Trade Practice issue and stated that a Doodle invite will be sent out to the other two sub groups as listed above. He also stated the LED will notify licensees for new offenses that the licensee may petition the Division to pay a fine in lieu of serving a suspension for all days (or a part thereof) of the suspension.

Director Kammerzell ended by stating that other people outside of the working group are welcome to submit recommendations and comments regarding the sub group content. He explained that guidelines will be sent out for the sub groups in the near future.

Meeting Adjourned at 4:40 pm