



Legislative
Council Staff

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FISCAL NOTE

Drafting Number:	LLS 18-1279	Date:	May 7, 2018
Prime Sponsors:	Rep. Kraft-Tharp; Wist Sen. Holbert	Bill Status:	House Public Health Care and Human Services
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Bill Topic: 500-FEET-FROM-SCHOOL LIMIT FOR BEER CODE RETAILERS

Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure (<i>minimal</i>)	<input checked="" type="checkbox"/> Local Government (<i>minimal</i>)
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill applies distance-from-school restrictions to fermented malt beverage retailer licensees. Beginning in the current FY 2017-18, the bill increases state and local government workload on an ongoing basis.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Summary of Legislation

Under current law, a state or local liquor licensing authority may not receive or act on an application for a liquor license issued under the Colorado Liquor Code for a location that is within 500 feet of a school, university, or seminary. There are limited exceptions to the prohibition and a local government may eliminate or modify those distance restrictions. The bill applies the same distance restrictions, exceptions, and local government authority to applications for fermented malt beverage (FMB) retailer licenses, which are issued under the Colorado Beer Code.

Background

The Colorado Liquor Code contains provisions related to the regulation of malt liquor (full-strength beer), wine, and spirits. The Colorado Beer Code contains provisions related to the regulation of fermented malt beverages, and includes licenses allowing the sale of fermented malt beverages for on-premises, off-premises, and on/off premises consumption.

Under current law, prior to January 1, 2019, FMB retailers may only sell 3.2 percent alcohol by weight beer. Beginning January 1, 2019, fermented malt beverages are defined as full-strength beer, allowing FMB retailer licensees to sell full-strength beer.

State Expenditures

The bill increases the workload for the Department of Revenue (DOR) and Judicial Department by a minimal amount, beginning in the current FY 2017-18. The bill increases the workload for the Liquor Enforcement Division in the DOR to update rules, forms, internal policies, and trainings for stakeholders, and for the Judicial Department to conduct any additional judicial review of local government findings related to the distance of a proposed location from a school. The workload increase can be accomplished within the current appropriations of each department.

Local Government

The bill increases the workload for local licensing authorities to adjust their procedures to accommodate the new distance requirements for FMB retailers. For any local licensing authority that modifies the distance requirements, the bill also increases the workload to adopt the ordinance, rule, or regulation.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Counties	Judicial	Municipalities	Revenue
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