

**JBC STAFF FISCAL ANALYSIS  
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING IMPLEMENTING CONSENSUS RECOMMENDATIONS OF THE LIQUOR ADVISORY GROUP  
CONVENED BY THE DEPARTMENT OF REVENUE TO CONDUCT A COMPREHENSIVE REVIEW OF  
COLORADO'S LIQUOR LAWS.

Prime Sponsors: Sens. Rodriguez and Gardner  
Reps. Snyder and Frizell

JBC Analyst: Jon Catlett  
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Date Prepared: May 3, 2024

**Appropriation Items of Note**

**Appropriation Required, Amendment in Packet**

**TABOR Impact**

**Significant Cost Increase in Second Year**

**Fiscal Impact of Bill as Amended to Date**

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 05/02/24.

	<b>No Change:</b> Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	<b>Update:</b> Fiscal impact has changed due to <i>new information or technical issues</i>
<b>XXX</b>	<b>Update:</b> Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	<b>Non-Concurrence:</b> JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The Senate Finance Committee Report (05/02/24) includes amendments to the bill, which delays the implementation date of the new catering license and alcohol shipper permit to January 1, 2026, as well as make other technical adjustments. The amendments eliminate the General Fund appropriation and reduce the cash funds appropriation from the Liquor Enforcement Division Cash Fund to \$5,000 for FY 2024-25. Additionally, the amendments reduce the TABOR revenue impact to \$320,000 in FY 2024-25. Legislative Council Staff and JBC Staff agree on the fiscal impact of the amended bill.

**Amendments in This Packet for Consideration by Appropriations Committee**

<b>Amendment</b>	<b>Description</b>
J.001	Staff-prepared appropriation amendment

**Current Appropriations Clause in Bill**

The bill requires but does not contain an appropriation clause.

**Description of Amendments in This Packet**

**J.001** Staff has prepared amendment **J.001** (attached) to add a provision appropriating \$5,000 cash funds from the Liquor Enforcement Division Cash Fund to the Department of Revenue for FY 2024-25.

**Points to Consider***TABOR/ Excess State Revenues Impact*

The March 2024 Office of State Planning and Budgeting (OSPB) revenue forecast projects a TABOR surplus liability of \$1.3 billion for FY 2024-25 and \$1.8 billion for FY 2025-26 to be refunded to taxpayers out of the General Fund. Legislation that increases non-exempt revenue (such as cash funds) will increase the TABOR refund from the General Fund. The budget package includes a set aside of \$63.1 million General Fund for appropriations in FY 2024-25.

The amended bill is estimated to increase cash fund revenues by \$320,000 in FY 2024-25 and by \$820,958 in FY 2025-26, which will reduce the available General Fund in each fiscal year by equal amounts. This bill increases the TABOR refund made out of the General Fund by \$320,000 for FY 2024-25, reducing the \$63.1 million General Fund set aside for FY 2024-25 by the same amount.

*Future Fiscal Impact*

Although this bill would require a \$5,000 cash fund appropriation from the Liquor Enforcement Division Cash Fund for FY 2024-25, it is projected to require a \$500,958 cash fund appropriation from the Liquor Enforcement Division Cash Fund in FY 2025-26.