



DISTILLED SPIRITS COUNCIL
OF THE UNITED STATES

March 17, 2026

From:
Ainsley Giglierano
Vice President of Public Affairs and State Policy
Distilled Spirits Council of the United States

Dear Honorable Members of the House Health & Human Services Committee,

This testimony is submitted on behalf of the Distilled Spirits Council of the United States (DISCUS), a national trade association representing producers and marketers of distilled spirits including members here in Colorado. We would like to register our opposition to HB 1271 and its effective 60% tax increase on distilled spirits products.

We have many reasons for our opposition, but first we must address the use of the term “fee” in this bill. The “fee” proposed in this bill is clearly a tax as it is distributing the general burden to fund the enterprise to every consumer in the state that purchases alcohol, while providing services to a limited group and giving no privilege in return for the businesses paying the “fee.” By calling this a “fee,” the legislature is actively circumventing the will of the voters by implementing a tax without their approval. For those reasons, we will refer to this “fee” as a tax in our testimony.

This 60% tax increase will result in price hikes for consumers and have rippling negative effects across the economy in Colorado. This bill would eliminate 900 Colorado jobs and reduce retail sales by \$60 million as responsible consumers forgo purchases – further harming an already struggling hospitality industry facing harsh economic challenges between inflation, tariffs, record closures and a downward trend of consumer spending. The last thing these businesses and their consumers need is a tax increase when they can least afford it.

The spirits industry is already an incredible contributor to Colorado’s economy supporting more than \$5.1 billion in economic activity. When you take into consideration the economic activity generated by spirits, wine, cider *and* beer, that number rises to more than \$22 billion for the state. Taxing these businesses out of existence not only lowers the revenue this bill hopes to garner but diminishes the overall economic impact these hospitality businesses contribute to the state – detracting from the overall goal.

It is worth noting that the majority of DISCUS members already fund responsibility efforts in three key mission areas – eliminating drunk driving, ending underage drinking and promoting responsible alcohol consumption for those who choose to drink through Responsibility.org. Many of these companies also have their own internal responsibility efforts in addition to and separate from that work.

The distilled spirits industry is an essential part of Colorado's economy, identity and culture. The last thing these hospitality businesses and Colorado consumers need is a tax increase when they can least afford it.

We respectfully ask the committee to vote "NO" on HB 1271 in support of struggling hospitality businesses and the consumers they serve. Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink that reads "Ainsley Giglierano". The signature is written in a cursive style and is positioned above a horizontal line.

Ainsley Giglierano
Vice President of Public Affairs & State Policy
Distilled Spirits Council of the United States

House Health & Human Services

03/17/2026 Upon Adjournment

HB26-1271 Alcohol Impact & Recovery Enterprises

Typed Text of Testimony Submitted

Name, Position, Representing	Typed Text of Testimony
Tegan Rowley For themselves	<p>Written Testimony in Support of HB26-1271</p> <p>Alcohol Impact & Recovery Enterprises</p> <p>Chair and Members of the Committee,</p> <p>My name is Tegan Rowley. I am an honorably discharged United States Air Force veteran and a licensed mental health counselor in Colorado. I offer this testimony both as a veteran and as a clinician who works with veterans navigating post-traumatic stress and substance use.</p> <p>In my clinical work, I regularly sit with veterans who have carried trauma for many years—combat trauma, military sexual trauma, moral injury, and other experiences that are difficult to speak about. Many veterans did not have the opportunity or support to process these experiences when they first occurred. Alcohol often becomes a way to cope with the symptoms that follow: sleeplessness, intrusive memories, hypervigilance, isolation, and overwhelming stress.</p> <p>For many, alcohol begins as a way to quiet the mind or get through the night. Over time, it can deepen suffering and complicate recovery. Veterans experience disproportionately high rates of both PTSD and substance use, and these challenges often overlap. Effective treatment requires access to trained</p>

	<p>clinicians, trauma-informed programs, and long-term recovery supports.</p> <p>Unfortunately, the demand for these services far exceeds what is currently available. Many veterans struggle to find consistent, specialized care that understands both trauma and the realities of military culture. Without adequate resources, people who want help are too often left waiting or without options.</p> <p>HB26-1271 represents an important step toward strengthening the behavioral health infrastructure needed to address alcohol-related harm. Dedicated funding for prevention, treatment, and recovery services will expand access to care for people who are struggling and support communities across Colorado.</p> <p>As a veteran and a clinician, I have seen firsthand how access to the right support can change lives. When people receive appropriate care, they reconnect with their families, regain stability, and contribute meaningfully to their communities.</p> <p>I respectfully urge you to support HB26-1271 and invest in the behavioral health resources that so many Coloradans, including veterans, need.</p> <p>Thank you for your consideration.</p> <p>Tegan Rowley, MA, LPC United States Air Force Veteran</p>
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March 17, 2026

Dear House Health and Human Services Committee members,

We write in opposition to HB26-1271 and HB26-1301, which would raise the cost of beer, wine, cider and spirits on Coloradans already stretched thin. The last thing these homegrown businesses and our customers need are tax increases.

Local businesses are facing the most challenging economic conditions in generations and alcohol sales are down. As a result, we've seen record business closures. With razor-thin margins already, more breweries, wineries, cideries, distilleries, restaurants and bars will be forced to shutter, lay off workers or pass the 160% tax increase along to our customers when affordability is a top priority for Coloradans.

Colorado already receives nearly \$60 million in revenue from alcohol taxes, yet it all goes to the general fund. This excise tax is on top of all the other taxes our businesses pay. But unlike other Colorado businesses, we pay additional taxes for the privilege of being in the alcohol industry. Before increasing our taxes, lawmakers should fully utilize significant existing alcohol tax revenue for drug addiction and recovery services.

Additionally, the state recently received \$788 million in opioid settlement funds for the next 17 years. That is a steady stream of addiction and recovery resources already being used to fund new facilities and services. Several million dollars have already been dispersed to counties for youth addiction prevention, street intervention programs to get people into treatment, and to recovery clinics. The communities of [Arapahoe](#), [El Paso](#), [Colorado Springs](#), [Jefferson](#) and [Adams](#), just to name a few, are already benefiting. These communities that many of you represent are seeing an influx of addiction and recovery funds. And millions of dollars are also available through the federal government in grants from the Substance Abuse and Mental Health Services Administration. Finally, according to the U.S. Centers for Disease Control's annual Youth Risk Behavior Survey, the trend of American teens drinking less continues, declining almost 15% in the past three years to some of the lowest levels ever recorded.

HB26-1271 would create three "enterprise fees," which are just another phrase for taxes, increasing the existing alcohol excise tax rate by 60% overall, with the possibility of going up to a 100% increase to generate up to \$60 million more in state alcohol tax revenue. By calling this a "fee," the legislature is circumventing Colorado's constitution and the will of Colorado voters by trying to implement what is clearly a tax without approval. We know alcohol taxes are deeply unpopular with 70% of Coloradans saying they oppose the idea because it will harm the economy and tourism.

HB26-1301 would increase existing alcohol tax rates by 100%. At least this bill is honest by calling it a tax that would then go to voters on a ballot. But the bills combined would mean at least a 160% tax increase. This will kill small businesses and jobs, resulting in overall less economic activity and revenue for the state.

Since the pandemic, Colorado has lost nearly 200 breweries, brewpubs and taprooms, and beer sales were down -6% last year according to Colorado's Liquor Enforcement Division, worse than the national average -5%. Despite these record closures and down sales, Colorado remains the most beer-job dependent state in the nation with 1 out of every 475 jobs generated by beer. These remaining 415 breweries help create 61,000 jobs, \$4 billion in wages each year and contribute \$1.3 billion in taxes and \$13.1 billion in economic activity for the state annually. The Beer Institute estimates a 160% tax increase on these job creators will result in the loss of more than 500 beer jobs, a \$31

million reduction in wages and the overall Colorado economy would contract by \$108 million – and that’s just the impact on beer.

Colorado’s more than 100 distilleries help support 41,000 jobs generating \$5.1 billion in economic activity for the state. Overall, sales are down 2% and the Distilled Spirits Council of the U.S. estimates HB26-1271 would result in the elimination of 900 Colorado jobs and HB26-1301 would result in another 1,500 gone.

Our 170 wineries and 750 acres of vineyards support the livelihoods of more than 30,000 Coloradans and generate more than \$1.8 billion in wages, \$873 million in taxes and \$5.7 billion in economic activity for the state. Nationally, wine sales were down 10% in 2025. While Colorado wine is gaining notoriety, lawmakers shouldn’t increase barriers on a growing sector for the state when so many others are contracting because of unprecedented headwinds.

Colorado’s beer, wine, cider and spirits producers, our workers and allied hospitality partners who supply the industry stand strongly united in opposition to these bad bills. Our products and businesses are an essential part of Colorado’s economy, identity, and culture. We are proud of what the industry contributes to our communities. Don’t make it harder for us to continue to contribute to our communities during these economically challenging times. Please oppose both HB26-1271 and HB26-1301, a combined massive 160% tax increase, that will kill jobs, causing a ripple effect through our small businesses, our local economies and our citizens’ wallets.

Thank you for the opportunity to express our collective concerns.

Respectfully submitted on behalf of:

American Cider Association
American Craft Spirits Association
American Distilled Spirits Alliance
Anheuser-Busch
Beer Institute
Boston Beer
Brewers Association
Colorado Beer Distributors Association
Colorado Beverage Coalition
Colorado Brewers Guild
Colorado Distillers Guild
Constellation Brands
Distilled Spirits Council of the U.S.
Haykin Family Cider
Heineken
Mark Anthony Brands Inc.
Molson Coors Beverage Company
New Belgium Brewing

Sauvage Spectrum Estate Winery & Vineyard
Wilding Brands
Wine Institute



March 13, 2026

Colorado General Assembly
House Health & Human Services Committee
via Assembly Portal

RE: **Oppose CO HB 26-1271** - Alcohol Impact and Recovery Enterprise Fees (Taxes)

Dear Chair Gilchrist, Vice Chair Lieder, and Members of the Health & Human Services Committee,

The American Distilled Spirits Alliance (ADSA) is a specialty trade association representing member companies with common interests in manufacturing, importation, and marketing of distilled spirits products in the United States. ADSA members produce roughly sixty percent of all distilled spirits sold in the U.S. Previously known as the Presidents' Forum of the Distilled Spirits Industry, ADSA traces its history back over 40 years. ADSA members range from global companies with well-known brands to iconic family-owned distillers and vintners.

At a time when the Colorado hospitality and tourism industry (including sales and consumption of alcoholic beverages) remains under intense economic pressure, lawmakers should be looking for every opportunity to support, not penalize, this sector. Instead, CO HB 26-1271 will result in higher alcohol prices and is sure to be viewed as an unpopular additional tax on your constituents.

We strongly oppose House Bill 26-1271. The Enterprise Fees proposed in HB 26-1271 function exactly like an additional tax on manufacturers of beverage alcohol products. Not just an incremental additional fee/tax, but effectively a **60% increase** on the current tax rate of alcohol products. The bill directs the Executive Director of the Department of Revenue to '...collect, administer and enforce the Impact and Recovery Enterprise Fees in the same manner as the collection and enforcement of state alcohol excise taxes.' Such verbiage suggests the proposed Impact and Recovery Enterprise Fees are simply an additional tax by another name.

We are currently reviewing the Fiscal Note that was just released to better understand the Committee's estimate of fiscal impacts across the proposed Enterprises and at the Department of Revenue. Similarly, we will review for implications of Proposition 117, as estimates of new Impact and Recovery Enterprise Fees might top \$100 million over a five-year period, namely on spirits. Regardless, new fees will result in higher retail prices on all hard-working Coloradans and disproportionately impact lower income consumers.

We appreciate that the proposed new fees generated in HB 26-1271 would be 'continuously appropriated' to the beer, wine and spirits Impact and Recovery Enterprises and that the proposed new Enterprise Fees '...must not be deposited into or transferred to the General Fund or any other fund.'

We note that the respective Enterprises would be governed by an eleven-member Board. However, we also note that, as proposed, the Board is significantly weighted to public health and recovery interests. Given

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the purpose of the Enterprises, that makes sense. However, seven of eleven Board members would likely always have a bias for more and more Enterprise Fees. If the tables were turned, we would want public health professionals to object to seven members of the alcohol community being involved in their enterprise fee/rate setting. Should HB 26-1271 advance, we encourage the Committee to refine Board composition and scope.

Colorado lawmakers, and voters, should expect that current tax collections from all consumable intoxicating products are aligned around addiction, treatment and prevention services first. And alcohol should not be singled out for new Enterprise Fees (higher taxes) when the State of Colorado promotes more and more potentially addictive products that are not in the category of alcohol, nor taxed as heavily.

Moreover, a recent media report by *The Denver Post – Flawed Analysis Caused Colorado Medicaid Program Costs to Surge and Made it Attractive to Fraud (February 12, 2026)* – details three years of payments to providers that ‘ballooned to over \$300 million a year – more than quadruple ...’ the previous annual cost. The article also references ‘At least \$25 million was lost to fraud...’.

Rooting out such mis-applied payments and mistaken billing, let alone waste, fraud and abuse, would pay for the very Enterprise Fees established in HB 26-1271. So, too, would dedicating an ongoing portion of the \$788 million that Colorado will receive from the national opioid settlement over a period of seventeen years.

In closing, general increases in corporate, personal, property and sales taxes are meant to keep pace with normalized inflation and other cost drivers. A 60% increase in current alcohol taxes (aka Enterprise Fees) as envisioned in HB 26-1271 is extreme and would surely find its way to the retail prices of alcohol paid for by your constituents at a time when affordability is their top priority.

Please table HB 26-1271. Saddling Colorado businesses, citizens and responsible alcohol consumers with excessive fee/tax increases is not an effective solution to this otherwise well-intended legislation addressing a host of short- and long-term health care issues.

Sincerely,

Tom Perrick
National Director
State Government Affairs

cc: Representative Jamie Jackson
Representative Jennifer Bacon
Senator Judy Amabile
Senator Iman Jodah

Dear Chair Gilchrist and Members of the House Health & Human Services Committee,

My name is Dr. Sharon Langendoerfer, and I live in Denver. I am asking you to vote “YES” on HB26-1271 Alcohol Impact & Recovery Enterprise, creating a reliable funding mechanism to increase Colorado’s capacity to respond to the needs of Colorado children and adults impacted by Fetal Alcohol Spectrum Disorders (FASDs).

In my 35 year career as a Pediatrician at Denver Health, I cared for too many babies and children suffering from an FASD, often mis-diagnosed as a different behavioral problem at school and at home, so they were receiving the wrong treatment, which was failing. Some children had mothers with suspected or confirmed FASD themselves (because their mothers also drank alcohol.) These mothers showed especially poor judgment and poor problem-solving skills regarding their children’s care, typical of adults with an FASD.

As a long time advocate for resources for these conditions — which are more common than Autism Spectrum Disorders in Colorado — I continue to support efforts to educate medical providers and school staff about this often missed condition which leads to school failure and misery for impacted children and families. I am including a link to [AIRE Bill Fact Sheet 3-16-26-0807.pdf](#) with more information about the bill. Given that CDC data finds FASD (1:20 children) at least twice as common as Autism Spectrum Disorder (1:54 children) in Colorado, along with all the other costs of alcohol misuse outlined in the Fact Sheet, it is logical to support this bill.

I respectfully urge you to support HB26-1271 by voting ‘yes’.

Many thanks,

Sharon Langendoerfer, MD
3790 South Harlan Street
Denver, CO 80235



James R. Potter
Legislative Advocate
1111 Red Feather Road
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jamesraymondpotter@gmail.com
March 16, 2026

Colorado House Health & Human Services Committee
Colorado State Capitol
200 E Colfax Avenue
Denver, CO 80203

Re: Support for HB21-1271

Dear Chair Gilcrest, Vice-Chair, Lieder and Members of the Committee:

I am writing today to urge your support for HB26-1271, which establishes vital "impact and recovery enterprises" to address the significant public health challenges associated with alcohol use in Colorado.

This legislation is a necessary step toward creating a sustainable funding model for behavioral health services. By establishing three distinct enterprises for beer/cider, spirits, and wine this bill ensures that the costs of mitigation are shared by the industries that distribute these products and those that consume them.

Because the fees collected from manufacturers and wholesalers will be directly reinvested into recovery and impact services this will provide resources required by the Behavioral Health Administration. In addition, the creation of an Alcohol Impact and Recovery Enterprise Board, together with state auditing, will ensure that these funds are managed with professional oversight and effectiveness.

HB26-1271 provides a fair and effective mechanism to fund these essential programs without placing the entire burden on the general taxpayer.

I respectfully request a "YES" vote on HB26-1271 to help Colorado build a more robust and responsive recovery infrastructure.

Sincerely,

A handwritten signature in black ink that reads "James R. Potter". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

James R. Potter, Board Member



IT'S A CALLING
FOUNDATION

March 16, 2026

Chair and members of the committee,

Thank you for the opportunity to submit written testimony in support of House Bill 26 1271.

My name is Nick Metz, and I currently serve as a licensed mental health therapist in Colorado, working primarily with first responders including police officers, firefighters, paramedics, dispatchers, victim advocates, and emergency room medical personnel. Prior to entering this field, I spent decades in law enforcement and ultimately served as a police chief here in Colorado. I have seen this issue from the street, from the command staff level, and now from the therapy chair.

Across all three roles, one reality has remained constant. Alcohol and substance misuse are deeply intertwined with mental health struggles and trauma in our communities. They remain among the most commonly used unhealthy coping mechanisms.

First responders are often called when someone is in the middle of a mental health or substance related crisis. We see the consequences up close. Overdoses, domestic violence fueled by alcohol, impaired driving crashes, suicide attempts, and families in crisis. These calls take a toll not only on the individuals involved, but also on the responders who repeatedly witness that level of pain.

Today, as a therapist, I work with many of those same responders after the fact. They carry cumulative trauma from years of responding to preventable tragedies linked to substance misuse. Many also struggle personally with stress, depression, and substance use as they attempt to cope with what they have experienced. Tragically, across our country and here at home, suicide among responders and their families continues to rise. This is one of the reasons we created the Suicide Loss Support Group in partnership with Revital Colorado, to ensure that those left behind receive the support they need to move forward in a healthy way.

The truth is that treatment works, but access to treatment is often the barrier. Too many people who need help for substance use and related mental health concerns cannot access it in time. When treatment is unavailable or delayed, the consequences show up in our emergency rooms, our jails, our streets, and in the lives of first responders who are left to pick up the pieces.

Nick Metz

It's A Calling, Foundation | www.itsacalling.org

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5350 S. Roslyn Street, Suite 240 – Greenwood Village, CO 80111

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nick.metz@code4counseling.com

House Bill 26 1271 represents a practical and responsible step forward. By creating a modest fee on alcohol to support treatment for substance use and mental health services, the bill acknowledges a reality that those of us in public safety see every day. Alcohol related harm places a significant burden on individuals, families, and public systems.

Investing those resources directly into treatment and recovery is not about punishment. It is about prevention. It is about helping people before they reach a crisis that requires police, ambulances, or hospitalization. It is about reducing suffering, strengthening families, and ultimately easing the demands placed on our emergency response systems.

It is about saving lives.

From my experience as a police chief and now as a therapist, I can tell you that when people receive timely treatment, lives change. Crises decrease. Families stabilize. And first responders spend less time responding to the same preventable tragedies.

House Bill 26 1271 is an investment in healthier communities and a stronger public safety system. I respectfully urge you to support this bill.

Sincerely,

Nicholas Metz

Nicholas Metz, Licensed Professional Counselor & Retired Police Chief
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