

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE RETAIL SALE OF ALCOHOL BEVERAGES, AND, IN CONNECTION THEREWITH, RESTRICTING THE ISSUANCE OF NEW LIQUOR-LICENSED DRUGSTORE AND RETAIL LIQUOR STORE LICENSES EXCEPT UNDER SPECIFIED CIRCUMSTANCES; ALLOWING LIQUOR-LICENSED DRUGSTORE AND RETAIL LIQUOR STORE LICENSEES TO OBTAIN ADDITIONAL LICENSES UNDER LIMITED CIRCUMSTANCES; REPEALING THE LIMIT ON THE ALCOHOL CONTENT OF FERMENTED MALT BEVERAGES ON JANUARY 1, 2019; AND MAKING AN APPROPRIATION.

Prime Sponsors: Senator Steadman
Reps. Williams and Nordberg

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Date Prepared: May 10, 2016

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 05/09/16.

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

The House Business Affairs and Labor Committee Report (05/10/16) includes amendments to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendments do not change the fiscal impact of the bill.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.002	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

- The bill includes an appropriation clause that provides \$398,682 cash funds from the Liquor Enforcement Division and State Licensing Authority Cash Fund to the Department of Revenue for FY 2016-17. This provision also states that the appropriation is based on the assumption that the Department will require an additional 2.4 FTE. The provision also transfers \$228,024 of the appropriation made to the Department of Revenue to the Department of Law for the provision of legal services to the Department of Revenue.

2. The current appropriation clause does not provide an additional \$2,135 cash funds from the Colorado Bureau of Investigation (CBI) Unit Fund to the Department of Public Safety for FY 2016-17 to provide identification services to the Department of Revenue.

Description of Amendments in This Packet

J.002 Staff has prepared amendment **J.002** (attached) to change the existing clause to appropriate an additional \$2,135 to the Department of Public Safety from the CBI Investigation Unit Fund in FY 2016-17 for background checks. In addition, the amendment corrects the FTE assumption associated with the appropriation to the Department of Law (reducing it from 1.4 FTE to 1.3 FTE).

Points to Consider*TABOR/ Excess State Revenues Impact*

The Joint Budget Committee (JBC) has proposed a budget package for FY 2016-17 based on the March 2016 Legislative Council Staff revenue forecast. Based on the legislation that is included as part of the budget package, revenues are projected to be \$64.2 million lower than the threshold above which money will be required to be refunded under TABOR for FY 2016-17. This bill is projected to increase state revenues by \$61,557 FY 2016-17, and is thus not projected to trigger a TABOR refund for FY 2016-17. This bill would, however, increase the projected TABOR refund for FY 2017-18 by \$253,589. As TABOR refunds are paid from the General Fund, this bill would reduce the amount of General Fund available for other purposes in FY 2017-18.