

**JBC STAFF FISCAL ANALYSIS
SENATE 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; and repealing the limit on the alcohol content of fermented malt beverages on January 1, 2019.

Prime Sponsors: Senator Steadman
Reps. Williams and Nordberg

JBC Analyst: Scott Thompson
Phone: 303-866-2061
Date Prepared: May 6, 2016

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 05/03/16.

	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>
XXX	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 Senate Business, Labor, and Technology Committee Report (05/06/16) includes amendments to the bill that affect the fiscal impact of the bill. The amendments increase the fiscal impact of the bill by \$211,499 cash funds and the bill therefore requires an appropriation of \$398,682 in FY 2016-17. The amendments also affect the fiscal impact in FY 2017-18 and beyond, but due to the timing of this bill, these costs have not yet been estimated. JBC staff and Legislative Council staff agree on the effect of the amendments on the fiscal impact in FY 2017-18.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
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 a total of \$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

SB16-197

JBC Staff Analysis

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.

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 not projected to increase state revenues 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 \$264,364. 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.