

JBC Staff Fiscal Analysis
Senate Appropriations Committee

Concerning a spirituous liquor manufacturer's authority to conduct tastings.

Prime Sponsors:

Senators Marchman; Gonzales J.
Representatives Soper; Titone

Date Prepared:

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Fiscal Impacts

Appropriation Required, Amendment in Packet

TABOR Impact

Fiscal Note Status

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/07/2025.

Amendments in This Packet

- J.001 Staff-prepared appropriation amendment
- L.009 Bill Sponsor amendment – changes fiscal impact and appropriation

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001

Staff amendment **J.001** (attached) appropriates a total of \$19,106 cash funds from the Liquor Enforcement Division Cash Fund to the Department of Revenue for FY 2025-26. This provision also states that the appropriation is based on the assumption that the Department of Revenue will require an additional 0.2 FTE.

L.009

Bill Sponsor Amendment **L.009** (attached) changes the number of sales room locations that spirit manufacturers may operate from three to two. This Amendment reduces the workload for the Liquor Enforcement Division, and the Division can absorb this impact with existing resources, and eliminates the need for an appropriation in the bill.

If the Committee adopts Amendment **L.009**, it should **NOT** adopt Amendment **J.001**.

Points to Consider

TABOR/ Excess State Revenues Impact

The March 2025 Office of State Planning and Budgeting (OSP) revenue forecast projects a TABOR surplus liability of \$642.7 million for FY 2025-26 and \$775.8 million for FY 2026-27 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 Joint Budget Committee has proposed a budget package for FY 2025-26 based on the March 2025 OSPB revenue forecast. The budget package includes \$18.2 million General Fund set aside for other legislation outside of the JBC budget package. This may be used for appropriations, transfers, or increases in TABOR refunds for FY 2025-26.

This bill is estimated to increase cash fund revenues by \$23,104 in FY 2025-26 and by \$11,850 in FY 2026-27, 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 \$23,104 for FY 2025-26, reducing the \$18.2 million General Fund set aside for FY 2025-26 by the same amount.

*Bill sponsor amendment **L.009** eliminates this TABOR impact.*