



**Colorado  
Legislative  
Council  
Staff**

**HB16-1445**

**FINAL  
FISCAL NOTE**

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 16-0991  
**Prime Sponsor(s):** Rep. Ryden

**Date:** June 29, 2016  
**Bill Status:** Postponed Indefinitely  
**Fiscal Analyst:** Anna Gerstle (303-866-4375)

**BILL TOPIC:** PROHIBIT PERSONS UNDER 21 AT LIQUOR STORES

Fiscal Impact Summary	FY 2015-2016	FY 2016-2017	FY 2017-2018
<b>State Revenue</b>	<u>up to \$5,000</u>	<u>up to \$5,000</u>	<u>up to \$5,000</u>
Cash Fund	up to \$5,000	up to \$5,000	up to \$5,000
<b>State Expenditures</b>	Workload increase.		
<b>Appropriation Required:</b> None.			
<b>Future Year Impacts:</b> Ongoing state revenue and workload increase.			

**NOTE:** This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

**Summary of Legislation**

Under the bill, it is unlawful for a retail liquor licensee to allow a person under 21 years old on the premises unless the person is accompanied by someone 21 years of age or older.

**Background**

The Department of Revenue is the state liquor licensing authority and operates the Division of Liquor Enforcement. There are currently approximately 1,600 retail licensees in the state of Colorado.

**Comparable Crime**

Pursuant to Section 2-2-322 (2.5), C.R.S., Legislative Council Staff is required to include certain information in the fiscal note for any bill that creates a new crime, changes the classification of an existing crime, or changes an element of the existing crime that creates a new factual basis for the offense. Violating the law's prohibition is a class 2 petty offense. In the past three years, there have been 33 convictions for the unlawful sale of alcohol by licensed retailers. Of those, the minority status of the offenders was 24 Caucasian, 2 African American, 2 Asian, and 2 other races.

## State Revenue

Beginning in the current FY 2015-16, this bill is anticipated to increase state revenue by less than \$5,000 per year, credited to the Fines Collection Cash Fund in the Judicial Department. The fine penalty for a class 2 petty offense is up to \$250 per offense. Because the courts have the discretion on the amount of a fine, the precise impact to state revenue cannot be determined. However, based on 33 convictions for similar offenses over the last three years, the fiscal note assumes that any revenue generated is likely to be less than \$5,000.

## State Expenditures

The bill increases the workload for the Department of Revenue and the Judicial Department beginning in FY 2015-16. The specific impact is detailed below.

**Department of Revenue.** The bill increases the workload for the Department of Revenue to check for compliance with the bill's requirements. There will be time added to each compliance check of off-premise liquor retail establishments conducted by the Liquor Enforcement Division. The workload is expected to be accomplished within existing appropriations. Should additional resources be required, it will be requested through the annual budget process.

**Judicial Department.** The bill increases the workload in Judicial Department to handle additional trials related to the class 2 petty offense established by the bill. The fiscal note assumes that licensees will comply with the law and the increase in filings will be minimal. The increase can be accommodated within existing appropriations.

## Local Government Impact

Similar to the state impact, the bill may increase workload for the Denver County Court, to handle additional filings for the new petty offense created by the bill. The fiscal note assumes that this increase will be minimal.

## Effective Date

The bill was postponed indefinitely by the House Business, Affairs, and Labor Committee on May 3, 2016.

## State and Local Government Contacts

Information Technology      Judicial      Law      Revenue