



Legislative Council Staff
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Final Fiscal Note

Drafting Number:	LLS 22-0693	Date:	May 16, 2022
Prime Sponsors:	Sen. Fields; Gardner Rep. Soper	Bill Status:	Postponed Indefinitely
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Bill Topic: ALLOW VINTNER'S RESTAURANTS TO DELIVER TO CONSUMER

Summary of Fiscal Impact:	<input checked="" type="checkbox"/> State Revenue	<input checked="" type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill would have allowed vintner's restaurants to deliver wine to consumers by a common carrier. The bill would have increased state revenue and expenditures on an ongoing basis.

Appropriation Summary: For FY 2022-23, the bill would have required an appropriation of \$7,064 to the Department of Revenue.

Fiscal Note Status: The fiscal note reflects the introduced bill. The bill was not enacted into law; therefore, the impacts identified in this fiscal note do not take effect.

Table 1
State Fiscal Impacts Under SB 22-132

		Budget Year FY 2022-23	Out Year FY 2023-24
Revenue		-	-
Expenditures	Cash Funds	\$7,064	\$2,064
Transfers		-	-
Other Budget Impacts		-	-

Summary of Legislation

The bill allows vintner's restaurants to sell and deliver wine by a common carrier to a personal consumer. The person receiving the delivery must be at least 21 years old, must be the end consumer, may not resell the wine, and may not be located at a liquor-licensed location. The delivery must be made by a person who is at least 21 years old and is either an employee of the vintner's restaurant using a vehicle owned or leased by the business, or is delivering on behalf of a common carrier.

Delivered wine may not make up more than 50 percent of the vintner's restaurant's gross annual revenues from the sale of wine. The Department of Revenue must promulgate rules for the delivery of wine and may issue permits to vintner's restaurants that deliver.

Background

Vintner's restaurants. There are currently 16 vintner's restaurants in Colorado. Vintner's restaurants manufacture up to 925,000 gallons of wine annually and sell alcohol beverages and food for consumption on the licensed premises, as well as alcohol in sealed containers for off-premises consumption and to licensed retailers, with some limitations. At least 15 percent of the licensees' gross on-premises food and drink income must be from the sale of food.

State Revenue

The bill will increase fee revenue to the Liquor Enforcement Division Cash Fund by a minimal amount. The fee for a takeout and delivery permit is currently \$11. If the fee is set at that level and all 16 vintner's restaurant apply for a permit, fee revenue will increase by \$176. Expenditures not covered by the fee increase can be absorbed by the cash fund. Fee revenue is subject to TABOR.

State Expenditures

The bill increases expenditures in DOR by \$7,064 in FY 2022-23 and \$2,064 in FY 2023-24 from the Liquor Enforcement Division Cash Fund. Costs include \$5,000 in FY 2022-23 only to add the new delivery permit to the MyLo licensing system, and up to \$2,064 on an ongoing basis for compliance check costs, based on \$129 per compliance check and assuming all vintner's restaurant obtain a permit. DOR will also have increased workload to conduct rulemaking and process permit applications and violations; this workload does not require a change in appropriations.

Effective Date

The bill was postponed indefinitely by the Senate Business, Labor, and Technology Committee on March 9, 2022.

State Appropriations

In FY 2022-23, the bill requires an appropriation of \$7,064 from the Liquor Enforcement Division Cash Fund to the Department of Revenue.

State and Local Government Contacts

Law

Revenue