



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Fiscal Note

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<b>Drafting Number:</b>	LLS 24-0165	<b>Date:</b>	January 19, 2024
<b>Prime Sponsors:</b>	Rep. Amabile; Catlin Sen. Roberts; Pelton B.	<b>Bill Status:</b>	House Business & Labor
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**Bill Topic:** **REGULATE SALE TRANSFER SODIUM NITRITE**

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

The bill regulates the sale of sodium nitrate products. The bill may increase state expenditures and revenue on an ongoing basis beginning FY 2024-25.

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**Appropriation Summary:** No appropriation is required.

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**Fiscal Note Status:** The fiscal note reflects the introduced bill.

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## Summary of Legislation

Beginning July 1, 2024, the bill regulates the sale or transfer of products containing sodium nitrate in concentrations greater than 10 percent of the mass or volume of the product. Sellers must verify that commercial businesses require the product before the sale or transfer, and must ensure that label requirements established in the bill are met. Sellers must also retain records of sales or transfers of the product for three years.

Violators are subject to civil penalties of \$10,000 for the first violation, and of up to \$1.0 million for the second violation. The Attorney General or individuals may bring forward civil actions to enforce this regulation.

## State Revenue

The bill may increase state revenue from civil penalties and filing fees beginning in FY 2024-25. The fiscal note assumes vendors will generally comply with the law and any revenue impacts will be minimal. Revenue collected is subject to TABOR.

## State Expenditures

Beginning FY 2024-25, the bill increases workload in the Judicial Department, the Department of Law, and other state agencies involved in public health and agriculture as described below.

**Judicial Department.** Trial courts may experience an increase in workload to the extent additional civil cases are filed under the bill. The fiscal note assumes high compliance and no change in appropriations is required.

**Department of Law.** The bill allows the department to enforce the regulation of sodium nitrate, which may minimally increase the number of complaints and enforcement actions taken by the department. This workload does not require additional appropriations.

**Other state agencies.** The Department of Public Health and Environment, the Department of Agriculture, and the Colorado State University Extension in the Department of Higher Education will have a minimal workload impact to update informational materials.

## Effective Date

The bill takes effect July 1, 2024, and applies to transactions occurring on or after that date.

## State and Local Government Contacts

Counties	District Attorneys	Judicial
Law	Municipalities	Public Health and Environment

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).