

FISCAL NOTE

Nonpartisan Services for Colorado's Legislature

Drafting Number: LLS 19-0861 Date: February 19, 2019

Bill Status: Senate Local Government **Prime Sponsors:** Sen. Donovan Fiscal Analyst: Todd Herreid | 303-866-3522 Rep. Roberts

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□ TABOR Refund

ENTERTAINMENT DISTRICTS COUNTIES OPTIONAL PREMISES **Bill Topic:**

Summary of □ State Revenue □ State Expenditure **Fiscal Impact:**

□ State Transfer □ Statutory Public Entity

This bill allows county governments to authorize an entertainment district and expands the types of licenses within an entertainment district that can serve alcohol to include optional premises licenses. The bill increases workload, revenue, and

expenditures for local governments.

Appropriation Summary:

No appropriation is required.

Fiscal Note Status:

The fiscal note reflects the introduced bill.

Summary of Legislation

Under current law, a municipality is allowed to form an entertainment district that may include certain liquor licensed premises, such as a licensed tavern, brew pub, or hotel and restaurant, as part of a common alcohol consumption area. This bill allows a county to form an entertainment district and expands the types of premises to include optional premises licenses as approved by a local licensing authority.

Background

An optional premises license allows an outdoor sports and recreational facility to sell alcohol by the drink only to customers for consumption on the licensed optional premises.

Local Government Impact

The bill will increase workload for county governments to review new applications for entertainment districts within the unincorporated areas of counties. It could also increase the workload of municipalities to review applications for new optional premises to be included in an entertainment district. Because local authorities are allowed to charge a fee to recover the costs of processing these applications, the revenue to local governments will also increase by minimal amounts.

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Effective Date

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Counties Municipalities Revenue Special Districts