



*Colorado Legislative Council Staff Fiscal Note*  
**NO FISCAL IMPACT**

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**Drafting Number:** LLS 12-0658

**Date:** January 31, 2012

**Prime Sponsor(s):** Sen. White  
Rep. Acree

**Bill Status:** Senate Local Government

**Fiscal Analyst:** Harry Zeid (303-866-4753)

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**TITLE:** CONCERNING THE REPEAL OF THE REQUIREMENT FOR A HOTEL AND RESTAURANT ALCOHOL LICENSE THAT TWENTY-FIVE PERCENT OF SALES MUST BE FROM MEALS.

### Summary of Legislation

Current law states that restaurants and hotels may only be licensed to sell alcohol beverages if meals are actually and regularly served on the premises. Also, sales of food and non-alcoholic drink must be at least 25 percent of the gross income of the licensed premises. This bill repeals the 25 percent gross income from food and drink requirement for the issuance to hold a hotel and restaurant license to sell alcohol.

The bill becomes effective August 7, 2012, if the General Assembly adjourns on May 9, 2012, as scheduled, and no referendum petition is filed.

### Assessment

The bill is assessed as no fiscal impact since state and local revenue and expenditures will remain unchanged. One possible impact of the bill is that some establishments currently holding a tavern license will apply for a hotel and restaurant license instead. The registration fee for both a hotel and restaurant license and for a tavern license is \$75 for the local licensing authority and \$500 for the state. Therefore, a change in the license classification will not affect application fee revenue.

### Departments Contacted

Revenue      Local Affairs