# Second Regular Session Seventieth General Assembly STATE OF COLORADO

## REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction HOUSE BILL 16-1401

LLS NO. 16-0260.01 Yelana Love x2295

#### **HOUSE SPONSORSHIP**

Becker K. and Priola,

Woods and Hodge,

## SENATE SPONSORSHIP

House Committees Business Affairs and Labor **Senate Committees** 

# A BILL FOR AN ACT

#### 101 **CONCERNING THE REGULATION OF RETAIL FOOD ESTABLISHMENTS.**

### **Bill Summary**

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://www.leg.state.co.us/billsummaries.)

Section 2 of the bill increases annual license fees for retail food establishments, phasing in the increase over the next 3 years, at minimum; creates a new fee category for retail food establishments that sell a limited range of specified foods; and limits the annual license fee exemption to certain specified entities. Section 2 also prohibits a county from spending the increased revenue from the fee increase on anything other than retail food health-related activities.

Section 3 of the bill requires the department of public health and





environment (CDPHE) to create a uniform system to communicate health inspection results to the public and sets limitations on the development of the uniform system.

Section 4 requires CDPHE to attain certain targets, including significant statewide compliance with the federal food and drug administration's voluntary national retail food regulatory program standards. To reach these targets, the bill requires CDPHE to audit certain local public health agencies and requires local public health agencies to audit CDPHE in certain situations.

Section 5 decreases the maximum period of suspension of a license or certificate of license from 6 months to one month, except in cases of closure due to an imminent health hazard. Section 5 also permits CDPHE and a county or district board of health to issue a cease-and-desist order if a person or licensee has been issued a civil penalty and remains in noncompliance.

1 Be it enacted by the General Assembly of the State of Colorado:

2

SECTION 1. In Colorado Revised Statutes, 25-4-1606, amend

3 (2) and (2.5) as follows:

4 **25-4-1606.** Licensure - exception. (2) Before granting any 5 license or certificate of license, the department or a county or district 6 board of health may visit and inspect CONDUCT AN INSPECTION OF the 7 retail food establishment or property on which the applicant conducts or 8 proposes to conduct business to assess whether the establishment can 9 operate in accordance TO DETERMINE COMPLIANCE with the rules 10 promulgated by the department. to provide a safe food product. If an THE 11 applicant complies with the requirements of this subsection (2) and 12 APPEARS TO BE IN COMPLIANCE WITH the rules promulgated pursuant to 13 AND WITH THE APPLICABLE PROVISIONS OF this part 16, the department or 14 a county or district board of health shall approve the application for a 15 license or certificate of license

16 (2.5) If a critical violation OR A NONCRITICAL VIOLATION THAT IS
 17 SIGNIFICANT IN NATURE is documented during an A PREOPERATIONAL

1 inspection, and the retail food establishment is unable to correct the 2 violation while the inspector is on site, follow-up activities shall be 3 conducted If the retail food establishment is able to correct the critical 4 violation during the inspection, the critical violation and the resolution 5 demonstrating compliance shall be documented on the inspection report 6 form, with no follow-up inspection required. If more than one follow-up 7 inspection is needed to correct the same critical violation at any type of 8 retail food establishment, the department or a county or district board of 9 health may pursue the civil penalty process outlined in section 25-4-1611 10 for correction and to recover any associated costs. FOR THE PURPOSE OF 11 GRANTING A LICENSE OR CERTIFICATE OF LICENSE.

SECTION 2. In Colorado Revised Statutes, 25-4-1607, amend
(1) and (9) (a); and add (1.5), (13), and (14) as follows:

14 25-4-1607. Fees - repeal. (1) EXCEPT AS PROVIDED IN
15 SUBPARAGRAPH (d.5) AND SUBSECTION (14) OF THIS SECTION (1),
16 EFFECTIVE JANUARY 1 OF THE YEAR FOLLOWING THE INCREASES SPECIFIED
17 IN PARAGRAPH (a) OF SUBSECTION (1.5) OF THIS SECTION, each retail food
18 establishment in this state shall be assessed an annual license fee in
19 accordance with the following provisions AS FOLLOWS:

20 (a) A retail food establishment preparing or serving food in
21 individual portions for immediate on- or off-premises consumption shall
22 be assessed an annual fee based on the following schedule:

23	Seating Capacity	Fee
24	0 to 100	<del>\$255</del> \$385
25	101 to 200	<del>285</del> 430
26	Over 200	<del>310</del> 465
27	(a.5) A RETAIL FOOD ESTA	BLISHMENT LIMITED TO PREPARING OR

SERVING FOOD THAT DOES NOT REQUIRE TIME OR TEMPERATURE CONTROL
 FOR SAFETY, PROVIDING SELF-SERVICE BEVERAGES, OFFERING
 PREPACKAGED COMMERCIALLY PREPARED FOOD AND BEVERAGES
 REQUIRING TIME OR TEMPERATURE CONTROL, OR ONLY REHEATING
 COMMERCIALLY PREPARED FOODS THAT REQUIRE TIME OR TEMPERATURE
 CONTROL FOR SAFETY FOR RETAIL SALE TO CONSUMERS SHALL BE
 ASSESSED AN ANNUAL FEE OF TWO HUNDRED SEVENTY DOLLARS.

8 (b) A retail food establishment ONLY offering PREPACKAGED 9 COMMERCIALLY PREPARED food AND BEVERAGES, INCLUDING THOSE THAT 10 ARE REQUIRED TO BE HELD AT REFRIGERATED OR FROZEN TIME OR 11 TEMPERATURE CONTROL FOR SAFETY for retail sale to consumers for 12 off-premises consumption, shall be assessed an annual fee based on the 13 following schedule:

14	<b>Square Footage</b>	Fee
15	Less than <del>3,500</del> 15,001	<del>\$115</del> \$195
16	<del>3,501 to</del> over 15,000	<del>180</del> 353
17	<del>15,001 to 25,000</del>	<del>200</del>
18	<del>25,001 to 45,000</del>	<del>235</del>
19	45,001 to 65,000	<del>290</del>
20	65,001 to 85,000	<del>415</del>
21	<del>over 85,000</del>	<del>500</del>

(c) A retail food establishment offering food for retail sale to
 consumers for off-premises consumption and preparing or serving food
 in individual portions for immediate consumption either on- or
 off-premises shall be assessed an annual fee based on the following
 schedule:

27 Square Footage Fee

1	Less than <del>3,500</del> 15,001	<del>\$207</del> \$375		
2	<del>3,501 to</del> OVER 15,000	<del>338</del> 715		
3	15,001 to 25,000	<del>360</del>		
4	25,001 to 45,000	<del>395</del>		
5	45,001 to 65,000	<del>450</del>		
6	65,001 to 85,000	<del>575</del>		
7	<del>over 85,000</del>	<del>690</del>		
8	(c.5) <del>(l)</del> A retail food esta	ablishment offering food at a temporary		
9	living quarter for workers associa	ated with oil and gas shall be assessed an		
10	0 initial licensing ANNUAL fee based on the following schedule: OF EIGHT			
11	HUNDRED FIFTY-FIVE DOLLARS.			
12	Seating Capacity	Initial License Fee		
13	<del>0-50</del>	<del>\$750</del>		
14	<del>Over 50</del>	<del>1,250</del>		
15	(II) Any future annual lic	cense fee or a change in location within		
16	the calendar year of the same retail food establishment offering food at a			
17	7 temporary living quarter for workers associated with oil and gas shall be			
18	18 assessed a renewal fee based on the following schedule:			
19	Seating Capacity	Renewal License Fee		
20	<del>0-50</del>	<del>\$275</del>		
21	<del>Over 50</del>	<del>500</del>		
22	(d) A retail food establish	hment shall be IS subject to only one of		
23	the fees established in this subsection (1); EXCEPT THAT EFFECTIVE			
24	SEPTEMBER 1, 2016, THE LICENSE FEES ESTABLISHED FOR RETAIL FOOD			
25	ESTABLISHMENTS AT A SPECIAL EVENT, AS DEFINED IN SECTION $25-4-1602$			
26	(16), must be established by the county or district public health			
27	AGENCY.			

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(d.5) The fees established in this subsection (1) are
 effective September 1, 2018, for any new retail food
 establishment that was not licensed and in operation prior to
 that date.

(e) (I) Retail food establishment license fees shall be established
pursuant to this subsection (1); except that the city and county of Denver
may establish such fees by ordinance.

8 (II) Notwithstanding subparagraph (I) of this paragraph (e), the 9 fees established in this subsection (1) or by ordinance of the city and 10 county of Denver shall be the only annual license fees charged by the 11 state or any county, district, local, or regional inspection authority and 12 shall cover all inspections of a retail food establishment pursuant to this 13 subsection (1) throughout an annual license period.

14 (1.5) (a) EXCEPT AS PROVIDED IN SUB-SUBPARAGRAPH (VI) OF
15 THIS PARAGRAPH (a) AND SUBSECTION (14) OF THIS SECTION, EFFECTIVE
16 JANUARY 1, 2018, TO DECEMBER 31, 2018, EACH RETAIL FOOD
17 ESTABLISHMENT IN THIS STATE SHALL BE ASSESSED AN ANNUAL LICENSE
18 FEE AS FOLLOWS:

(I) A RETAIL FOOD ESTABLISHMENT PREPARING OR SERVING FOOD
IN INDIVIDUAL PORTIONS FOR IMMEDIATE ON- OR OFF-PREMISES
CONSUMPTION SHALL BE ASSESSED AN ANNUAL FEE BASED ON THE
FOLLOWING SCHEDULE:

23	SEATING CAPACITY	FEE
24	0 то 100	\$360
25	101 то 200	400
26	Over 200	435
27	(II) A RETAIL FOOD ESTABLISHMEN	NT PREPARING OR SERVING FOOD

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THAT DOES NOT REQUIRE TIME OR TEMPERATURE CONTROL FOR SAFETY,
 PROVIDING SELF-SERVICE BEVERAGES, OFFERING PREPACKAGED
 COMMERCIALLY PREPARED FOOD AND BEVERAGES REQUIRING TIME OR
 TEMPERATURE CONTROL OR ONLY REHEATING COMMERCIALLY PREPARED
 FOODS THAT REQUIRE TIME OR TEMPERATURE CONTROL FOR SAFETY FOR
 RETAIL SALE TO CONSUMERS SHALL BE ASSESSED AN ANNUAL FEE OF TWO
 HUNDRED FIFTY-THREE DOLLARS.

8 (III) A RETAIL FOOD ESTABLISHMENT ONLY OFFERING 9 PREPACKAGED COMMERCIALLY PREPARED FOOD AND BEVERAGES, 10 INCLUDING THOSE THAT ARE REQUIRED TO BE HELD AT REFRIGERATED OR 11 FROZEN TIME OR TEMPERATURE CONTROL FOR SAFETY FOR RETAIL SALE TO 12 CONSUMERS FOR OFF-PREMISES CONSUMPTION, SHALL BE ASSESSED AN 13 ANNUAL FEE BASED ON THE FOLLOWING SCHEDULE:

14 SQUARE FOOTAGE	FEE
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15 LESS THAN 15,001 \$183

16 OVER 15,000 330

17 (IV) A RETAIL FOOD ESTABLISHMENT OFFERING FOOD FOR RETAIL
18 SALE TO CONSUMERS FOR OFF-PREMISES CONSUMPTION AND PREPARING OR
19 SERVING FOOD IN INDIVIDUAL PORTIONS FOR IMMEDIATE CONSUMPTION
20 EITHER ON- OR OFF-PREMISES SHALL BE ASSESSED AN ANNUAL FEE BASED
21 ON THE FOLLOWING SCHEDULE:

22	SOUARE FOOTAGE	FEE

 SQUIILLIOUTIGE	I LL	

23 LESS THAN 15,001 \$350

24 OVER 15,000 665

(V) A RETAIL FOOD ESTABLISHMENT OFFERING FOOD AT A
 TEMPORARY LIVING QUARTER FOR WORKERS ASSOCIATED WITH OIL AND

27 GAS SHALL BE ASSESSED AN ANNUAL FEE OF EIGHT HUNDRED DOLLARS.

(VI) THE FEES ESTABLISHED IN THIS SUBSECTION (1) ARE
 EFFECTIVE SEPTEMBER 1, 2017, FOR ANY NEW RETAIL FOOD
 ESTABLISHMENT THAT WAS NOT LICENSED AND IN OPERATION PRIOR TO
 THAT DATE.

5 (b) EXCEPT AS PROVIDED IN SUB-SUBPARAGRAPH (VI) OF THIS
6 PARAGRAPH (b), EFFECTIVE JANUARY 1, 2017, TO DECEMBER 31, 2017,
7 EACH RETAIL FOOD ESTABLISHMENT IN THIS STATE SHALL BE ASSESSED AN
8 ANNUAL LICENSE FEE AS FOLLOWS:

9 (I) A RETAIL FOOD ESTABLISHMENT PREPARING OR SERVING FOOD 10 IN INDIVIDUAL PORTIONS FOR IMMEDIATE ON- OR OFF-PREMISES 11 CONSUMPTION SHALL BE ASSESSED AN ANNUAL FEE BASED ON THE 12 FOLLOWING SCHEDULE:

13	SEATING CAPACITY	FEE
14	0 то 100	\$330
15	101 то 200	370
16	Over 200	405

17 (II) A RETAIL FOOD ESTABLISHMENT LIMITED TO PREPARING OR 18 SERVING FOOD THAT DOES NOT REQUIRE TIME OR TEMPERATURE CONTROL 19 FOR SAFETY, PROVIDING SELF-SERVICE BEVERAGES, OFFERING 20 PREPACKAGED COMMERCIALLY PREPARED FOOD AND BEVERAGES 21 REQUIRING TIME OR TEMPERATURE CONTROL OR ONLY REHEATING 22 COMMERCIALLY PREPARED FOODS THAT REQUIRE TIME OR TEMPERATURE 23 CONTROL FOR SAFETY FOR RETAIL SALE TO CONSUMERS SHALL BE 24 ASSESSED AN ANNUAL FEE OF TWO HUNDRED THIRTY-FIVE DOLLARS.

25 (III) A RETAIL FOOD ESTABLISHMENT ONLY OFFERING
26 PREPACKAGED COMMERCIALLY PREPARED FOOD AND BEVERAGES,
27 INCLUDING THOSE THAT ARE REQUIRED TO BE HELD AT REFRIGERATED OR

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FROZEN TIME OR TEMPERATURE CONTROL FOR SAFETY FOR RETAIL SALE TO
 CONSUMERS FOR OFF-PREMISES CONSUMPTION, SHALL BE ASSESSED AN

3 ANNUAL FEE BASED ON THE FOLLOWING SCHEDULE:

4	SQUARE FOOTAGE	FEE
5	LESS THAN 15,001	\$170
6	Over 15,000	305
7	(IV) A RETAIL FOOD ES	TABLISHMENT OFFERING FOOD FOR RETAIL
8	SALE TO CONSUMERS FOR OFF-P	REMISES CONSUMPTION AND PREPARING OR
9	SERVING FOOD IN INDIVIDUAL	PORTIONS FOR IMMEDIATE CONSUMPTION
10	EITHER ON- OR OFF-PREMISES S	HALL BE ASSESSED AN ANNUAL FEE BASED
11	ON THE FOLLOWING SCHEDULE	:
12	SQUARE FOOTAGE	FEE
13	LESS THAN 15,001	\$325
14	Over 15,000	620
15	(V) A RETAIL FOOD	ESTABLISHMENT OFFERING FOOD AT A

15 (v) A RETAIL FOOD ESTABLISHMENT OFFERING FOOD AT A
16 TEMPORARY LIVING QUARTER FOR WORKERS ASSOCIATED WITH OIL AND
17 GAS SHALL BE ASSESSED AN ANNUAL FEE OF SEVEN HUNDRED FORTY
18 DOLLARS.

(VI) THE FEES ESTABLISHED IN THIS SUBSECTION (1) ARE
EFFECTIVE SEPTEMBER 1, 2016, FOR ANY NEW RETAIL FOOD
ESTABLISHMENT THAT WAS NOT LICENSED AND IN OPERATION PRIOR TO
THAT DATE. THIS SUBPARAGRAPH (VI) IS REPEALED, EFFECTIVE JANUARY
1, 2017.

24 (c) A RETAIL FOOD ESTABLISHMENT IS SUBJECT TO ONLY ONE OF
25 THE FEES ESTABLISHED IN THIS SUBSECTION (1.5) PER YEAR.

26 (d) RETAIL FOOD ESTABLISHMENT LICENSE FEES SHALL BE
27 ESTABLISHED PURSUANT TO THIS SUBSECTION (1.5); EXCEPT THAT THE

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1 CITY AND COUNTY OF DENVER MAY ESTABLISH SUCH FEES BY ORDINANCE.

2 (9) (a) A certificate of license may be issued to and in the name
3 and address of any:

4 (I) Parochial, public, or private school PUBLIC OR NONPUBLIC
5 SCHOOL FOR STUDENTS IN KINDERGARTEN THROUGH TWELFTH GRADE OR
6 ANY PORTION THEREOF;

(II) Penal institution;

7

8 (III) Charitable organization and benevolent, nonprofit retail food 9 establishment conducted for the purpose of assisting elderly, 10 incapacitated, or disadvantaged persons NONPROFIT ORGANIZATION THAT 11 PROVIDES FOOD SOLELY TO PEOPLE WHO ARE FOOD INSECURE, INCLUDING, 12 BUT NOT LIMITED TO, A SOUP KITCHEN, FOOD PANTRY, OR HOME DELIVERY 13 SERVICE; and

(IV) LOCAL GOVERNMENT ENTITY OR nonprofit or charitable
organization that donates, prepares, OR sells or serves food in conjunction
with an event or celebration if such donation, preparation, sale, or service
of food: AT A SPECIAL EVENT, INCLUDING, BUT NOT LIMITED TO, A SCHOOL
SPORTING EVENT, FIREFIGHTERS' PICNIC, OR CHURCH SUPPER, THAT TAKES
PLACE IN THE COUNTY IN WHICH THE LOCAL GOVERNMENT ENTITY OR
NONPROFIT ORGANIZATION RESIDES OR IS PRINCIPALLY LOCATED.

21 (A) Does not exceed the duration of the event or celebration or
 22 a maximum of fifty-two days within a calendar year; and

23 (B) Takes place in the county in which such nonprofit or
 24 charitable organization resides or is principally located.

(13) Legislative declaration - disposition of fee revenue.
(a) THE GENERAL ASSEMBLY DOES NOT INTEND FOR THE FEES PAID BY
RETAIL FOOD ESTABLISHMENTS AS OUTLINED IN SUBSECTIONS (1) AND

(1.5) OF THIS SECTION TO SUBSIDIZE INSPECTION OR OTHER COSTS
 ASSOCIATED WITH ENTITIES EXEMPT FROM FEES UNDER PARAGRAPH (a) OF
 SUBSECTION (9) OF THIS SECTION.

4 (b) Counties may only spend the increased revenue from
5 THE INCREASE OF RETAIL FOOD ESTABLISHMENT FEES ON RETAIL FOOD
6 HEALTH-RELATED ACTIVITIES. SUPPLANTING FUNDS FOR OTHER COUNTY
7 PROGRAMS IS PROHIBITED.

8 (14) (a) The FEE INCREASE IN SUBSECTION (1.5) OF THIS SECTION 9 DOES NOT TAKE EFFECT UNTIL THE DEPARTMENT AND ALL LOCAL PUBLIC 10 HEALTH AGENCIES CONTRACTED BY THE DEPARTMENT TO PERFORM 11 INSPECTIONS AND ENFORCE REGULATIONS REGARDING RETAIL FOOD 12 ESTABLISHMENTS PROVE COMPLIANCE WITH SECTION 25-4-1607.7 (2). IF 13 THE DEPARTMENT AND ALL LOCAL PUBLIC HEALTH AGENCIES ARE NOT IN 14 COMPLIANCE ON JANUARY 1, 2018, THE INCREASE DOES NOT TAKE EFFECT 15 UNTIL JANUARY 1 IN THE YEAR FOLLOWING PROVEN COMPLIANCE.

(b) THE FEE INCREASE IN SUBSECTION (1) OF THIS SECTION DOES
NOT TAKE EFFECT UNTIL THE DEPARTMENT PROVES COMPLIANCE WITH
SECTION 25-4-1607.9 (1). IF THE DEPARTMENT IS NOT IN COMPLIANCE ON
JANUARY 1 FOLLOWING THE FEE INCREASE SPECIFIED IN SUBSECTION (1.5)
OF THIS SECTION, THE INCREASE IN SUBSECTION (1) DOES NOT TAKE EFFECT
UNTIL JANUARY 1 IN THE YEAR FOLLOWING PROVEN COMPLIANCE.

(c) THE DIRECTOR OF THE DEPARTMENT SHALL NOTIFY THE
 REVISOR OF STATUTES, IN WRITING, WHEN THE CONDITIONS SPECIFIED IN
 PARAGRAPHS (a) AND (b) OF THIS SUBSECTION (14) HAVE BEEN SATISFIED.
 SECTION 3. In Colorado Revised Statutes, add 25-4-1607.7 as
 follows:

27

25-4-1607.7. Health inspection results - development of a

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1 uniform system - communication to the public. (1) ON OR BEFORE 2 JANUARY 1, 2017, THE DEPARTMENT SHALL SOLICIT INPUT FROM RETAIL 3 FOOD ESTABLISHMENTS, CONTRACTED LOCAL PUBLIC HEALTH AGENCIES, 4 COUNTY COMMISSIONERS, AND OTHERS WITH A VESTED INTEREST IN THE 5 RETAIL FOOD INSPECTION PROGRAM TO ESTABLISH A UNIFORM SYSTEM TO 6 COMMUNICATE HEALTH INSPECTION RESULTS TO THE PUBLIC. THE 7 UNIFORM SYSTEM ESTABLISHED PURSUANT TO THIS SECTION MUST 8 PROVIDE MEANINGFUL AND REASONABLY DETAILED INFORMATION TO THE 9 PUBLIC AND MUST NOT SUMMARIZE THE RESULTS OF THE INSPECTION WITH 10 A LETTER, NUMBER, OR SYMBOL GRADING SYSTEM, OR A SIMILAR, 11 OVERSIMPLIFIED METHOD OF QUANTIFYING RESULTS.

(2) AFTER JULY 1, 2017, THE DEPARTMENT OR A LOCAL PUBLIC
HEALTH AGENCIES CONTRACTED BY THE DEPARTMENT TO PERFORM
INSPECTIONS AND ENFORCE REGULATIONS REGARDING RETAIL FOOD
ESTABLISHMENTS SHALL ONLY UTILIZE THE SYSTEM DEVELOPED AND
APPROVED BY THE DEPARTMENT TO COMMUNICATE INSPECTION RESULTS.

SECTION 4. In Colorado Revised Statutes, add 25-4-1607.9 as
follows:

19 25-4-1607.9. Department targets - audits - reporting. (1) ON
20 OR BEFORE APRIL 1, 2017, THE DEPARTMENT SHALL RESPOND TO ALL
21 PLANS AND SPECIFICATIONS AND HACCP PLAN REVIEWS WITHIN
22 FOURTEEN WORKING DAYS AFTER RECEIPT, AS REQUIRED BY SECTION
23 25-4-1605 (4).

(2) ON OR BEFORE DECEMBER 31, 2019, THE DEPARTMENT SHALL
ENSURE SIGNIFICANT STATEWIDE COMPLIANCE WITH THE FEDERAL FOOD
AND DRUG ADMINISTRATION'S VOLUNTARY NATIONAL RETAIL FOOD
REGULATORY PROGRAM STANDARDS BY VERIFYING THAT:

(a) AT LEAST SEVENTY PERCENT OF COLORADO'S RETAIL FOOD
 PROGRAM STAFF MEET THE NATIONAL CRITERIA FOR APPROPRIATE
 TRAINING AND EDUCATION TO ADEQUATELY PERFORM REQUIRED
 INSPECTIONS; AND

5 (b) AT LEAST SEVENTY PERCENT OF COLORADO'S RETAIL FOOD 6 PROGRAM STAFF MEET THE NATIONAL CRITERIA REGARDING THE FOCUS OF 7 INSPECTIONS ON CRITICAL ITEM RISK FACTORS, THE CORRECTION OF 8 DOCUMENTED DEFICIENCIES, AND THE FOCUS OF INSPECTIONS ON THE 9 HIGHEST-RISK ESTABLISHMENTS.

10

(c) TO VERIFY COMPLIANCE WITH THIS SECTION:

(I) THE DEPARTMENT SHALL AUDIT ANY LOCAL PUBLIC HEALTH
 AGENCY THAT CONDUCTS INSPECTIONS WITHIN ITS JURISDICTION; AND

(II) LOCAL PUBLIC HEALTH AGENCIES SHALL AUDIT THE
DEPARTMENT REGARDING THE JURISDICTIONS WHERE THE DEPARTMENT
CONDUCTS INSPECTIONS.

16 (d) THE RESULTS OF THE AUDITS CONDUCTED PURSUANT TO
17 PARAGRAPH (c) OF THIS SUBSECTION (2) MUST BE DOCUMENTED AND
18 REPORTED DURING EACH STAKEHOLDER PROCESS HELD PURSUANT TO
19 SECTION 25-4-1607.5.

20 SECTION 5. In Colorado Revised Statutes, 25-4-1609, amend
21 (1) and (2); and add (2.5) as follows:

22 25-4-1609. Disciplinary actions - closure - revocation 23 suspension - review. (1) The department or a county or district board of
24 health may, on its own motion or complaint and after an investigation and
25 hearing at which the licensee is afforded an opportunity to be heard,
26 suspend or revoke a license or certificate of license for any violation of
27 this part 16, any rule adopted pursuant to this part 16, or any of the terms,

conditions, or provisions of such license or certificate of license. A
 written notice of suspension or revocation, as well as any required notice
 of hearing, shall be sent TO THE LICENSEE by certified mail, to the licensee
 OR BY ONE OR MORE OTHER METHODS THAT ASSURE RECEIPT, at the
 address contained in the license or certificate of license.

6 (2) Except in cases of closure due to an imminent health hazard, 7 proceedings for the revocation or suspension of a license or certificate of 8 license may not be commenced until after the imposition of the penalties 9 prescribed by section 25-4-1611. The maximum period of suspension is 10 six months ONE MONTH. When a license or certificate of license is 11 suspended or revoked, no part of the fees paid for a license may be 12 returned to the licensee.

13 (2.5) THE DEPARTMENT OR A COUNTY OR DISTRICT BOARD OF
14 HEALTH MAY ISSUE A CEASE-AND-DESIST ADMINISTRATIVE ORDER IF A
15 PERSON OR LICENSEE HAS BEEN ISSUED A CIVIL PENALTY IN ACCORDANCE
16 WITH SECTION 25-4-1611 (1) AND REMAINS IN NONCOMPLIANCE.

17 **SECTION 6.** Act subject to petition - effective date. This act 18 takes effect at 12:01 a.m. on the day following the expiration of the 19 ninety-day period after final adjournment of the general assembly (August 20 10, 2016, if adjournment sine die is on May 11, 2016); except that, if a 21 referendum petition is filed pursuant to section 1 (3) of article V of the 22 state constitution against this act or an item, section, or part of this act 23 within such period, then the act, item, section, or part will not take effect 24 unless approved by the people at the general election to be held in 25 November 2016 and, in such case, will take effect on the date of the 26 official declaration of the vote thereon by the governor.