

**First Regular Session
Seventieth General Assembly
STATE OF COLORADO**

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 15-0778.01 Yelana Love x2295

HOUSE BILL 15-1226

HOUSE SPONSORSHIP

Becker K.,

SENATE SPONSORSHIP

Hodge,

House Committees

Public Health Care & Human Services
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING ANNUAL LICENSE FEES FOR RETAIL FOOD**
102 **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>.)

The annual license fees are currently established in statute for retail food establishments that:

- ! Prepare or serve food in individual portions for immediate on- or off-premises consumption;
- ! Offer food for retail sale to consumers for off-premises consumption; and

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
Amended 2nd Reading
April 23, 2015

! Offer food for retail sale to consumers for off-premises consumption and prepare or serve food in individual portions for immediate consumption either on or off the premises.

The bill removes the annual license fees for these retail food establishments from statute and requires the state board of health to establish the fees by rule instead.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds and declares that:

4 (a) The retail food establishment industry, consisting of
5 restaurants, grocery stores, convenience stores, and other establishments
6 across the state, is a critical industry that supports communities and
7 provides jobs;

8 (b) It is a core function of local government to keep the food
9 supply safe and avoid the human and financial costs of food-borne illness
10 through regular inspections and the investigation and control of illness
11 outbreaks;

12 (c) The annual license fees for retail food establishments are
13 currently outlined in statute and have not been increased in six years;

14 (d) Before adjusting annual license fees, it is important to have
15 input from all stakeholders who wish to be heard; and

16 (e) Holding regular stakeholder meetings before deciding whether
17 to adjust annual license fees will best inform the legislature on how an
18 adjustment will affect all interested parties.

19 **SECTION 2.** In Colorado Revised Statutes, **add** 25-4-1607.5 as
20 follows:

21 **25-4-1607.5. Retail food establishment regulation - fees -**
22 **investigations - stakeholder process.** (1) THE EXECUTIVE DIRECTOR OF

1 THE DEPARTMENT OR HIS OR HER DESIGNEE SHALL CONVENE A
2 STAKEHOLDER GROUP, INCLUDING REPRESENTATIVES FROM COLORADO
3 ASSOCIATIONS REPRESENTING COUNTY OR DISTRICT PUBLIC HEALTH
4 AGENCIES, COUNTY COMMISSIONERS, RETAIL FOOD ESTABLISHMENTS, AND
5 ANY OTHER PARTY THAT REPRESENTS A RETAIL FOOD ESTABLISHMENT AND
6 EXPRESSES INTEREST IN PARTICIPATING.

7 (2) THE DEPARTMENT SHALL KEEP AND MAINTAIN A LIST OF
8 STAKEHOLDERS.

9 (3) THE DEPARTMENT SHALL CONVENE THE FIRST MEETING WITH
10 THE STAKEHOLDERS NO LATER THAN JUNE 15, 2015, AND AS NEEDED
11 THEREAFTER. AFTER SUBMISSION OF THE REPORT DESCRIBED IN
12 SUBSECTION (5) OF THIS SECTION, THE DEPARTMENT SHALL MEET WITH
13 THE STAKEHOLDERS AT LEAST ONCE EVERY THREE YEARS.

14 (4) THE DEPARTMENT SHALL MEET WITH THE STAKEHOLDERS TO
15 STUDY RETAIL FOOD ESTABLISHMENTS, RETAIL FOOD ESTABLISHMENT
16 LICENSE FEES, AND RETAIL FOOD INSPECTION PROGRAMS, INCLUDING:

17 (a) INCIDENTS OF, AND TRENDS IN, FOOD-BORNE ILLNESSES,
18 INCLUDING THE CORRELATION TO INSPECTIONS;

19 (b) UNIFORM STATEWIDE ADMINISTRATION, IMPLEMENTATION,
20 INTERPRETATION, AND ENFORCEMENT OF THE INSPECTION PROGRAM TO
21 INCLUDE, AT A MINIMUM:

22 (I) TRAINING;

23 (II) APPLICATION;

24 (III) COMMUNICATION TO THE PUBLIC;

25 (IV) GUIDANCE DOCUMENTS; AND

26 (V) INSPECTION FREQUENCY, INCLUDING COMPLIANCE
27 STRATEGIES;

- 1 (c) POTENTIAL REGULATORY CHANGES;
- 2 (d) COLLABORATION WITH THE INDUSTRY;
- 3 (e) A REQUESTED ANNUAL LICENSE FEE ADJUSTMENT WITH
- 4 APPROPRIATE DOCUMENTATION, INCLUDING COSTS OF PROVIDING AN
- 5 INSPECTION;
- 6 (f) AN ANNUAL LICENSE FEE CHARGED FOR PAROCHIAL, PUBLIC, OR
- 7 PRIVATE SCHOOLS; CHARITABLE ORGANIZATIONS AND BENEVOLENT,
- 8 NONPROFIT RETAIL FOOD ESTABLISHMENTS THAT ASSIST ELDERLY,
- 9 INCAPACITATED, OR DISADVANTAGED PERSONS; AND NONPROFIT OR
- 10 CHARITABLE ORGANIZATIONS THAT DONATE, PREPARE, SELL, OR SERVE
- 11 FOOD IN CONJUNCTION WITH AN EVENT OR CELEBRATION;
- 12 (g) ALTERNATIVE ADMINISTRATIVE ACTIONS;
- 13 (h) THE CURRENT ANNUAL LICENSE FEE STRUCTURE AND LICENSE
- 14 CATEGORIES;
- 15 (i) THE REVIEW OF RISK-BASED INSPECTION SCHEDULES; AND
- 16 (j) THE ACTUAL COST OF INSPECTIONS.
- 17 (5) ON OR BEFORE DECEMBER 1, 2015, AND EVERY THREE YEARS
- 18 THEREAFTER, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OR HIS OR
- 19 HER DESIGNEE SHALL PREPARE A REPORT OF THE FINDINGS AND
- 20 CONCLUSIONS OF THE STUDY AND SHALL PRESENT THE REPORT TO ALL
- 21 STAKEHOLDERS AND OTHERS UPON REQUEST.

22 **SECTION 3. Act subject to petition - effective date.** This act
23 takes effect at 12:01 a.m. on the day following the expiration of the
24 ninety-day period after final adjournment of the general assembly (August
25 5, 2015, if adjournment sine die is on May 6, 2015); except that, if a
26 referendum petition is filed pursuant to section 1 (3) of article V of the
27 state constitution against this act or an item, section, or part of this act

1 within such period, then the act, item, section, or part will not take effect
2 unless approved by the people at the general election to be held in
3 November 2016 and, in such case, will take effect on the date of the
4 official declaration of the vote thereon by the governor.