



**Fiscal Note**  
**Legislative Council Staff**  
Nonpartisan Services for Colorado’s Legislature

**SB 25-285: UPDATING FOOD ESTABLISHMENT INSPECTION FEES**

**Prime Sponsors:**

Sen. Roberts  
Rep. Lukens; Soper

**Fiscal Analyst:**

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**Bill Outcome:** Signed into Law  
**Drafting number:** LLS 25-1013

**Version:** Final Fiscal Note  
**Date:** August 6, 2025

**Fiscal note status:** The final fiscal note reflects the enacted bill.

**Summary Information**

**Overview.** The bill updates the fee schedule for food safety inspections.

**Types of impacts.** The bill is projected to affect the following areas on an ongoing basis:

- State Revenue
- State Expenditures
- TABOR Refunds
- Local Government

**Appropriations.** No appropriation is required.

**Table 1**  
**State Fiscal Impacts**

| Type of Impact                  | Budget Year<br>FY 2025-26 | Out Year<br>FY 2026-27 | Out Year<br>FY 2027-28 |
|---------------------------------|---------------------------|------------------------|------------------------|
| State Revenue (Cash Funds)      | \$159,928                 | \$346,677              | \$380,206              |
| State Expenditures (Cash Funds) | \$159,928                 | \$346,677              | \$380,206              |
| Transferred Funds               | \$0                       | \$0                    | \$0                    |
| Change in TABOR Refunds         | \$159,928                 | \$346,677              | \$380,206              |
| Change in State FTE             | 0.0 FTE                   | 0.0 FTE                | 0.0 FTE                |

## Summary of Legislation

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Retail food establishments pay fees to the Department of Public Health and Environment (CDPHE), a county health department, or a district board of health for:

- annual licenses;
- construction or remodeling plans;
- equipment reviews;
- hazardous analysis critical control point principles (HACCP) plan reviews;
- health review of a potential retail food establishment site; and
- food protection services for special events.

The bill increases the maximum fee levels by 25 percent starting January 1, 2026, with additional increases of about 17 percent in 2027 and 20 percent in 2028. When a county health department or a district board of health collects a fee, current law requires it to submit \$43 of the fee to the state to offset CDPHE's costs for food safety activities. The bill increases this amount to \$55 beginning in 2025.

## State Revenue

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The bill increases state fee revenue to the Food Protection Cash Fund in CDPHE by about \$160,000 in FY 2025-26, \$350,000 in FY 2026-27, and \$380,000 in FY 2027-28 and subsequent years, as discussed below.

## Fee Impact on Retail Food Establishments

Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. These fee amounts are estimates only, actual fees will be set administratively by agency name based on cash fund balance, program costs, and the number of licenses or reviews subject to the fee. Table 2A below identifies the impact of this bill. The FY 2025-26 estimate represents a half-year impact since fees operate on a calendar year schedule. Fee revenue is subject to TABOR.

**Table 2A**  
**State Revenue**

| <b>Fund Source</b>        | <b>Budget Year<br/>FY 2025-26</b> | <b>Out Year<br/>FY 2026-27</b> | <b>Out Year<br/>FY 2027-28</b> |
|---------------------------|-----------------------------------|--------------------------------|--------------------------------|
| Food Protection Cash Fund | \$159,928                         | \$346,677                      | \$380,206                      |
| <b>Total Revenue</b>      | <b>\$159,928</b>                  | <b>\$346,677</b>               | <b>\$380,206</b>               |

Certain fees increase each year for three years, as set in the bill. Table 2B shows the current levels of the fees impacted by the bill and how they change under SB 25-285. In future years, fees will remain at 2028 levels.

**Table 2B**  
**Annual License Fees Under SB 25-285**

| Type of Fee                                   | Current Fee | 2026 Fee | 2027 Fee | 2028 Fee |
|---|-------------|----------|----------|----------|
| Restaurants (up to 100 seats)                 | \$385       | \$481    | \$567    | \$682    |
| Restaurants (101 to 200 seats)                | \$430       | \$538    | \$634    | \$763    |
| Restaurants (over 200 seats)                  | \$465       | \$581    | \$687    | \$826    |
| Limited food service                          | \$270       | \$338    | \$367    | \$475    |
| Grocery stores (up to 15,000 sqft.)           | \$195       | \$244    | \$282    | \$340    |
| Grocery stores (over 15,000 sqft.)            | \$353       | \$441    | \$519    | \$624    |
| Grocery stores with deli (up to 15,000 sqft.) | \$375       | \$469    | \$552    | \$664    |
| Grocery stores with deli (over 15,000 sqft.)  | \$715       | \$894    | \$1,062  | \$1,276  |
| Retail food at temporary oil and gas housing  | \$855       | \$1,063  | \$1,264  | \$1,519  |
| Mobile food establishment (full service)      | \$385       | \$481    | \$587    | \$682    |
| Mobile food establishment (prepackaged)       | \$270       | \$338    | \$394    | \$475    |

The fee changes in Table 2C come into effect on the bill's effective date, and do not change from year to year. While a maximum is set in statute, the actual fee charged must be equal to the actual cost of conducting the plan review.

**Table 2C**  
**Other Fees on Retail Food Establishments**

| Type of Fee             | Current Fee | New Fee     |
|-------------------------|-------------|-------------|
| Plan – Application      | \$100       | \$155       |
| Plan – Review           | up to \$580 | up to \$900 |
| Equipment – Application | \$100       | \$155       |
| Equipment – Review      | up to \$500 | up to \$775 |
| HACCP Plan              | up to \$400 | up to \$620 |
| Health Site Review      | \$75        | \$120       |

## State Expenditures

The bill minimally impacts state expenditures in the Department of Public Health and Environment beginning in FY 2025-26. CDPHE's inspection program currently costs more than it generates in fee revenue; the additional revenue stabilizes the fund without changing overall expenditures. In future years, except for this bill, program activities would decrease or another source of funding would be required. The additional revenue may also allow CDPHE to take over additional food safety activities from local public health agencies.

## **TABOR Refunds**

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The bill is expected to increase the amount of state revenue required to be refunded to taxpayers by the amounts shown in the State Revenue section above. This estimate assumes the March 2025 LCS revenue forecast. A forecast of state revenue subject to TABOR is not available beyond FY 2026-27. Because TABOR refunds are paid from the General Fund, increased cash fund revenue will reduce the amount of General Fund available to spend or save.

## **Local Government**

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The bill increases revenue and expenditures to county health departments and district boards of health to perform additional inspections and related food safety activities.

## **Effective Date**

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The bill was signed into law by the Governor on May 30, 2025, and took effect on August 6, 2025

## **State and Local Government Contacts**

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Counties

Public Health and Environment