First Regular Session Seventy-fifth General Assembly STATE OF COLORADO

ENGROSSED

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

LLS NO. 25-1013.01 Renee Leone x2695

SENATE BILL 25-285

SENATE SPONSORSHIP

Roberts,

HOUSE SPONSORSHIP

Lukens,

Senate Committees

House Committees

Finance Appropriations

A BILL FOR AN ACT

101 CONCERNING UPDATING THE FEE SCHEDULE FOR THE FEES PAID BY
102 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://leg.colorado.gov.)

The bill updates the ongoing schedule of annual fees imposed on retail food establishments, which fees are imposed to cover the cost of required health and safety inspections under current law.

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

1	SECTION 1. In Colorado Revised Statutes, 25-4-1602, add (1.5),
2	(5.5), (5.7), (9.5), (10.5), and (13.5) as follows:
3	25-4-1602. Definitions. As used in this part 16, unless the context
4	otherwise requires:
5	(1.5) "CATERER" MEANS A RETAIL FOOD ESTABLISHMENT THAT:
6	(a) ONLY PROVIDES FOOD OR BEVERAGES PREPARED IN BULK AT
7	ONE LOCATION FOR SERVICE IN INDIVIDUAL PORTIONS OR BUFFETS THAT
8	ARE NOT AVAILABLE FOR INDIVIDUAL PURCHASE AT ANOTHER LOCATION;
9	OR
10	(b) Provides food or beverage preparation or service on
11	PUBLIC OR PRIVATE PREMISES NOT UNDER THE OWNERSHIP OR CONTROL OF
12	THE CATERER.
13	(5.5) "GROCERY STORE" MEANS A RETAIL FOOD ESTABLISHMENT
14	THAT ONLY OFFERS PREPACKAGED, COMMERCIALLY PREPARED FOOD AND
15	BEVERAGES, INCLUDING THOSE THAT ARE REQUIRED TO BE REFRIGERATED
16	OR FROZEN AND ARE TIME OR TEMPERATURE CONTROLLED FOR SAFETY
17	FOR RETAIL SALE TO CONSUMERS, FOR OFF-PREMISES CONSUMPTION.
18	(5.7) "Grocery store with deli" means a retail food
19	ESTABLISHMENT THAT:
20	(a) OFFERS PREPACKAGED, COMMERCIALLY PREPARED FOOD FOR
21	OFF-PREMISES CONSUMPTION; AND
22	(b) Prepares or serves food in individual portions for
23	IMMEDIATE ON-PREMISES OR OFF-PREMISES CONSUMPTION.
24	(9.5) "LIMITED FOOD SERVICE ESTABLISHMENT" MEANS A RETAIL
25	FOOD ESTABLISHMENT THAT OFFERS LIMITED SERVICE, INCLUDING:
26	(a) Preparing or serving food that does not require time
27	OD TEMPEDATURE CONTROL FOR SAFETY.

-2- 285

1	(b) Providing self-service beverages;
2	(c) Offering Prepackaged, commercially prepared food
3	AND BEVERAGES THAT REQUIRE TIME OR TEMPERATURE CONTROL FOR
4	SAFETY; OR
5	(d) REHEATING COMMERCIALLY PREPARED FOODS THAT REQUIRE
6	TIME OR TEMPERATURE CONTROL FOR SAFETY.
7	(10.5) "Mobile food establishment" means a retail food
8	ESTABLISHMENT THAT:
9	(a) IS OPERATED FROM A MOVABLE, MOTOR-DRIVEN OR PROPELLED
10	VEHICLE, PORTABLE STRUCTURE, OR WATERCRAFT;
11	(b) CAN CHANGE LOCATION; AND
12	(c) Is intended to physically report to and operate from
13	A COMMISSARY FOR SERVICING, RESTOCKING, AND MAINTENANCE.
14	(13.5) "RESTAURANT" MEANS A RETAIL FOOD ESTABLISHMENT
15	THAT PREPARES AND SERVES FOOD IN INDIVIDUAL PORTIONS OR BUFFETS
16	FOR IMMEDIATE ON-PREMISES OR OFF-PREMISES CONSUMPTION.
17	SECTION 2. In Colorado Revised Statutes, 25-4-1607, amend
18	(1) introductory portion, (1)(e)(I)(B), (2), (3), (4), (5), and (13); repeal
19	(1.5) and (14); and add (1)(f) and (1.1) as follows:
20	25-4-1607. Fees - repeal. (1) Except as provided in subsections
21	(1)(d.5) and (14) of this section, effective January 1 of the year following
22	the increases specified in subsection (1.5)(a) of this section BEGINNING
23	JANUARY 1, 2019, AND ENDING DECEMBER 31, 2025, each retail food
24	establishment in this state shall be assessed an annual license fee as
25	follows:
26	(e) (I) Retail food establishment license fees shall be established
27	pursuant to this subsection (1); except that:

-3-

1	(B) A county or district b	ooard of health	may establish	fees that are
2	lower than the fees listed in subsection (1.5) of this section THIS			
3	SUBSECTION (1) if the county or district board of health is in compliance			
4	with this part 16;			
5	(f) This subsection (l) is repealed	, EFFECTIVE .	JANUARY 1,
6	2026.			
7	(1.1) (a) FOR CALENDAR	R YEARS 2026,	2027, AND 20	28 AND FOR
8	EACH SUBSEQUENT CALENDAR	YEAR THEREA	FTER, EACH R	ETAIL FOOD
9	ESTABLISHMENT IN THIS STATE	MUST BE ASSES	SSED AN ANNU	JAL LICENSE
10	FEE AS FOLLOWS:			
11	(I) A RESTAURANT C	OR CATERER S	HALL BE ASS	SESSED THE
12	APPLICABLE ANNUAL FEE ON	OR AFTER TH	E DATES LIST	ED IN THE
13	FOLLOWING SCHEDULE:			
14	SEATING CAPACITY	1/1/2026	1/1/2027	1/1/2028
15	0 то 100	\$ 481	<u>\$ 567</u>	<u>\$ 682</u>
16	101 то 200	\$ 538	<u>\$ 634</u>	<u>\$ 763</u>
17	OVER 200	\$ 581	<u>\$ 687</u>	<u>\$ 826</u>
18	(II) A LIMITED FOOD SERV	VICE ESTABLISH	IMENT SHALLE	BE ASSESSED
19	THE APPLICABLE ANNUAL FEE	ON OR AFTER T	THE DATES LIS	TED IN THE
20	FOLLOWING SCHEDULE:			
21		1/1/2026	1/1/2027	1/1/2028
22		\$ 338	<u>\$ 394</u>	<u>\$ 475</u>
23	(III) A GROCERY STOR	E SHALL BE AS	SSESSED THE	APPLICABLE
24	ANNUAL FEE ON OR AFTER T	THE DATES LIS	TED IN THE	FOLLOWING
25	SCHEDULE:			
26	SQUARE FOOTAGE	1/1/2026	1/1/2027	1/1/2028
27	LESS THAN 15,001	\$ 244	<u>\$ 282</u>	<u>\$ 340</u>

-4- 285

1	OVER 15,000	\$ 441	<u>\$ 519</u>	<u>\$ 624</u>
2	(IV) A GROCERY STORE WITH DELI SHALL BE ASSESSED THE		ESSED THE	
3	APPLICABLE ANNUAL FEE ON	OR AFTER THI	E DATES LIST	ED IN THE
4	FOLLOWING SCHEDULE:			
5	SQUARE FOOTAGE	1/1/2026	1/1/2027	1/1/2028
6	Less than 15,001	\$ 469	<u>\$ 552</u>	<u>\$ 664</u>
7	OVER 15,000	\$ 894	<u>\$1,062</u>	<u>\$1,276</u>
8	(V) A RETAIL FOOD I	ESTABLISHMEN'	Γ OFFERING F	OOD AT A
9	TEMPORARY LIVING QUARTER FO	OR WORKERS AS	SSOCIATED WIT	TH OIL AND
10	GAS OPERATIONS SHALL BE ASSE	SSED THE APPLI	CABLE ANNUAI	L FEE ON OR
11	AFTER THE DATES LISTED IN THE	FOLLOWING SO	CHEDULE:	
12		1/1/2026	1/1/2027	1/1/2028
13		\$ 1,063	<u>\$1,264</u>	<u>\$1,519</u>
14	(VI) A MOBILE FOOD ES	STABLISHMENT	SHALL BE ASS	SESSED THE
15	APPLICABLE ANNUAL FEE ON	OR AFTER THI	E DATES LIST	ED IN THE
16	FOLLOWING SCHEDULE:			
17	MOBILE TYPE	1/1/2026	1/1/2027	1/1/2028
18	FULL SERVICE	\$ 481	<u>\$ 567</u>	<u>\$ 682</u>
19	PREPACKAGED FOOD	\$ 338	<u>\$ 394</u>	<u>\$ 475</u>
20	(VII) THE FEE AMOUNTS	LISTED FOR CAL	ENDAR YEAR 2	028 IN THIS
21	SUBSECTION (1.1)(a) APPLY TO	CALENDAR Y	ear 2029 ani	O TO EACH
22	SUBSEQUENT CALENDAR YEAR T	HEREAFTER UN	TIL A NEW FEE	SCHEDULE
23	IS ESTABLISHED.			
24	(b) (I) A RETAIL FOOD E	STABLISHMENT	IS SUBJECT TO	ONLY ONE
25	OF THE FEES SET FORTH IN SUBSI	ECTION (1.1)(a)	OF THIS SECTI	ION.
26	(II) A COUNTY OR DIS	TRICT PUBLIC	HEALTH AGEN	NCY SHALL
27	ESTABLISH THE LICENSE FEES FO	OR A RETAIL FO	OD ESTABLISH	MENT AT A

-5- 285

2	(c) (I) The 2026 fee amounts set forth in subsection $(1.1)(a)$
3	OF THIS SECTION APPLY TO, AND SHALL BE ASSESSED FOR, A RETAIL FOOD
4	ESTABLISHMENT THAT COMMENCES OPERATIONS OR IS NEWLY LICENSED
5	ON OR AFTER SEPTEMBER 1, 2025.
6	(II) This subsection $(1.1)(c)$ is repealed, effective January
7	1, 2026.
8	(d) (I) RETAIL FOOD ESTABLISHMENT LICENSE FEES SHALL BE
9	IMPOSED PURSUANT TO THIS SUBSECTION (1.1) ; EXCEPT THAT:
10	(A) THE CITY AND COUNTY OF DENVER MAY ESTABLISH FEES BY
11	ORDINANCE; AND
12	(B) A COUNTY OR DISTRICT BOARD OF HEALTH MAY ESTABLISH
13	FEES THAT ARE LOWER THAN THE FEES LISTED IN SUBSECTION $(1.1)(a)$ OF
14	THIS SECTION IF THE COUNTY OR DISTRICT BOARD OF HEALTH IS IN
15	COMPLIANCE WITH THIS PART 16.
16	(II) EXCEPT AS PROVIDED IN SUBSECTION $(1.1)(d)(I)$ of this
17	SECTION, THE FEES SET FORTH IN SUBSECTION $(1.1)(a)$ OF THIS SECTION OR
18	BY ORDINANCE OF THE CITY AND COUNTY OF DENVER MUST:
19	(A) BE THE ONLY ANNUAL LICENSE FEES CHARGED BY THE STATE
20	OR BY A COUNTY, DISTRICT, LOCAL, OR REGIONAL INSPECTION AUTHORITY;
21	AND
22	(B) COVER ALL INSPECTIONS REQUIRED FOR A RETAIL FOOD
23	ESTABLISHMENT THROUGHOUT AN ANNUAL LICENSE PERIOD.
24	(1.5) (a) Except as provided in subparagraph (VI) of this
25	paragraph (a) and subsection (14) of this section, effective January 1,
26	2018, to December 31, 2018, each retail food establishment in this state
27	shall be assessed an annual license fee as follows:

1

SPECIAL EVENT.

-6- 285

(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:

4	Seating Capacity	Fee
5	0 to 100	\$ 360
6	101 to 200	400
7	Over 200	435

(II) A retail food establishment 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 fifty-three dollars.

(III) A retail food establishment only offering prepackaged commercially prepared food and beverages, including those that are required to be held at refrigerated or frozen time or temperature control for safety for retail sale to consumers for off-premises consumption, shall be assessed an annual fee based on the following schedule:

20	Square Footage	Fee
21	Less than 15,001	\$ 183
22	Over 15,000	330

(IV) 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:

-7-

1	Square Footage Fee
2	Less than 15,001 \$ 350
3	Over 15,000 665
4	(V) A retail food establishment offering food at a temporary living
5	quarter for workers associated with oil and gas shall be assessed an
6	annual fee of eight hundred dollars.
7	(VI) The fees established in this subsection (1.5) are effective
8	September 1, 2017, for any new retail food establishment that was not
9	licensed and in operation prior to that date.
10	(b) Effective January 1, 2017, to December 31, 2017, each retail
11	food establishment in this state shall be assessed an annual license fee as
12	follows:
13	(I) A retail food establishment preparing or serving food in
14	individual portions for immediate on- or off-premises consumption shall
15	be assessed an annual fee based on the following schedule:
16	Seating Capacity Fee
17	0 to 100 \$ 330
18	101 to 200 370
19	Over 200 405
20	(II) A retail food establishment limited to preparing or serving
21	food that does not require time or temperature control for safety,
22	providing self-service beverages, offering prepackaged commercially
23	prepared food and beverages requiring time or temperature control or
24	only reheating commercially prepared foods that require time or
25	temperature control for safety for retail sale to consumers shall be
26	assessed an annual fee of two hundred thirty-five dollars.
27	(III) A retail food establishment only offering prepackaged

-8-

required to be held at refrigerated or frozen time or temperature control for safety for retail sale to consumers for off-premises consumption, shall be assessed an annual fee based on the following schedule:

5	Square Footage	Fee
6	Less than 15,001	\$ 170
7	Over 15,000	305

(IV) 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:

13	Square Footage	Fee
14	Less than 15,001	\$ 325
15	Over 15,000	620

(V) A retail food establishment offering food at a temporary living quarter for workers associated with oil and gas shall be assessed an annual fee of seven hundred forty dollars.

19 (VI) Repealed.

- (c) A retail food establishment is subject to only one of the fees established in this subsection (1.5) per year.
- 22 (d) Retail food establishment license fees shall be established 23 pursuant to this subsection (1.5); except that:
 - (I) The city and county of Denver may establish such fees by ordinance; and
 - (II) A county or district board of health may establish fees that are lower than the fees listed in this subsection (1.5) if the county or district

-9-

board of health is in compliance with this part 16.

- (2) At the time a plan is submitted for review, an application fee of one hundred FIFTY-FIVE dollars shall be paid to the department or a county or district board of health. The fee for plan review and preopening inspection of a new or remodeled retail food establishment shall MUST be the actual cost of such review which shall AND MUST not exceed five hundred eighty NINE HUNDRED dollars. Such costs shall MUST be payable at the time the plan is approved and an inspection is completed to determine compliance.
- (3) At the time an equipment review is submitted, an application fee of one hundred FIFTY-FIVE dollars shall be paid to the department. The fee for equipment review by the department to determine compliance with applicable standards shall MUST be the actual cost of such review which shall AND MUST not exceed five hundred SEVEN HUNDRED SEVENTY-FIVE dollars. Such costs shall MUST be payable when the review is completed.
- (4) The fee for an HACCP plan review of a specific written process shall be the actual cost of such review, which shall not exceed one hundred dollars. The review of an HACCP plan for a process already conducted at a facility shall be the actual cost of such review, which shall MUST not exceed four hundred SIX HUNDRED TWENTY dollars. Costs shall be paid at the time the plan is approved and an inspection is completed.
- (5) The fee for services requested by any A person seeking department or county or district board of health review of a potential retail food establishment site shall MUST be seventy-five ONE HUNDRED TWENTY dollars or the actual cost of such review, whichever is greater. Seventy-five ONE HUNDRED TWENTY dollars of such fee shall be billed at the time the review is requested, and the remainder shall MUST be payable

-10-

when services are completed.

(13) **Legislative dec**(a) The general assembly does

- (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) (1.1) of this section to subsidize inspection or other costs associated with entities exempt from fees under paragraph (a) of subsection (9) SUBSECTION (9)(a) of this section.
 - (b) Counties may only spend the increased revenue from the increase of retail food establishment fees on retail food health-related activities. Prior to January 1, 2019, supplanting funds for other county programs is prohibited.
 - (14) (a) The fee increase in subsection (1.5) of this section does not take effect until the department and all local public health agencies contracted by the department to perform inspections and enforce regulations regarding retail food establishments prove compliance with section 25-4-1607.7 (2). If the department and all local public health agencies are not in compliance on January 1, 2018, the increase does not take effect 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 executive 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.

-11- 285

1	SECTION 3. In Colorado Revised Statutes, amend 25-4-160/./
2	as follows:
3	25-4-1607.7. Health inspection results - development of a
4	uniform system - communication to the public. (1) On or before
5	January 1, 2017, the department shall solicit input from retail food
6	establishments, contracted local public health agencies, county
7	commissioners, and others with a vested interest in the retail food
8	inspection program to establish a uniform system to communicate health
9	inspection results to the public. The uniform system established pursuant
10	to this section must provide meaningful and reasonably detailed
11	information to the public and must not summarize the results of the
12	inspection with a letter, number, or symbol grading system, or a similar,
13	oversimplified method of quantifying results.
14	(2) After July 1, 2017, The department or a local public health
15	agency contracted by the department to perform inspections and enforce
16	regulations regarding retail food establishments shall only utilize the
17	system developed and approved by the department to communicate
18	inspection results.
19	(3) After January 1, 2020, The system developed and approved by
20	the department to communicate inspection results may only be revised
21	through the triennial stakeholder process required by section 25-4-1607.5.
22	SECTION 4. In Colorado Revised Statutes, 25-4-1607.9, amend
23	(1) and (2) introductory portion as follows:
24	25-4-1607.9. Department targets - audits - reporting. (1) On
25	or before April 1, 2017, The department shall respond to all plans and
26	specifications and HACCP plan reviews within fourteen working
27	BUSINESS days after receipt, as required by section 25-4-1605 (4).

-12- 285

1	(2) On or before December 31, 2019, The department shall ensure
2	significant statewide compliance with the federal food and drug
3	administration's voluntary national retail food regulatory program
4	standards by verifying that:
5	SECTION 5. In Colorado Revised Statutes, 25-4-1608, amend
6	(2) as follows:
7	25-4-1608. Food protection cash fund - creation.
8	(2) Forty-three FIFTY-FIVE dollars of each fee collected by the department
9	and OR a county or district board of health pursuant to section 25-4-1607
10	(1)(a),(1)(a.5),(1)(b),(1)(c),(1)(c.5),(1)(e)(I)(B),(1.5)(a)(I),(1.5)(a)(II),
11	(1.5)(a)(III), (1.5)(a)(IV), (1.5)(a)(V), (1.5)(b)(I), (1.5)(b)(II),
12	(1.5)(b)(III), (1.5)(b)(IV), (1.5)(b)(V), and (1.5)(d)(II) shall (1) AND
13	(1.1)(a) SHALL be transmitted to the state treasurer, who shall credit the
14	fee to the food protection cash fund created in subsection (1) of this
15	section. This portion of the fee shall be used by the department to conduct
16	the duties and responsibilities set forth in section 25-4-1604 (1)(a), (1)(b),
17	(1)(c), (1)(f), (1)(g), and (1)(i). The remainder of the fee shall be retained
18	by the county or district board of health for deposit in the appropriate
19	county or district public health agency fund in accordance with section
20	25-1-511 or, if the fee is collected by the department, it shall be deposited
21	pursuant to subsection (1) of this section, and used to pay a portion of the
22	cost of conducting a retail food establishment protection program.
23	SECTION 6. In Colorado Revised Statutes, 8-4-124, amend
24	(1)(a) as follows:
25	8-4-124. Third-party food delivery services - prohibitions -
26	penalties - definitions. (1) As used in this section, unless the context
2.7	otherwise requires:

-13-

1	(a) "Retail food establishment" means a retail food establishment,
2	as defined in section 25-4-1602 (14), that pays an annual license fee as
3	required by section 25-4-1607. (1)(a), (1.5)(a)(I), or (1.5)(b)(I). "Retail
4	food establishment" does not include grocery stores or convenience
5	stores.
6	SECTION 7. In Colorado Revised Statutes, 30-11-129, amend
7	(1)(b) as follows:
8	30-11-129. Third-party food delivery service fee restrictions
9	- definitions. (1) As used in this section, unless the context otherwise
10	requires:
11	(b) "Retail food establishment" means a retail food establishment,
12	as defined in section 25-4-1602 (14), that pays an annual license fee as
13	required by section 25-4-1607. (1)(a), (1.5)(a)(I), or (1.5)(b)(I). "Retail
14	food establishment" does not include grocery stores or convenience
15	stores.
16	SECTION 8. In Colorado Revised Statutes, 31-15-904, amend
17	(1)(b) as follows:
18	31-15-904. Third-party food delivery service fee restrictions
19	- definitions. (1) As used in this section, unless the context otherwise
20	requires:
21	(b) "Retail food establishment" means a retail food establishment,
22	as defined in section 25-4-1602 (14), that pays an annual license fee as
23	required by section 25-4-1607. (1)(a), (1.5)(a)(I), or (1.5)(b)(I). "Retail
24	food establishment" does not include grocery stores or convenience
25	stores.
26	SECTION 9. Act subject to petition - effective date. This act
27	takes effect at 12:01 a.m. on the day following the expiration of the

-14- 285

- 1 ninety-day period after final adjournment of the general assembly; except
- 2 that, if a referendum petition is filed pursuant to section 1 (3) of article V
- 3 of the state constitution against this act or an item, section, or part of this
- 4 act within such period, then the act, item, section, or part will not take
- 5 effect unless approved by the people at the general election to be held in
- 6 November 2026 and, in such case, will take effect on the date of the
- 7 official declaration of the vote thereon by the governor.

-15- 285