



## Fiscal Estimate Narratives

DOR 11/4/2005

LRB Number	05-2715/1	Introduction Number	SB-399	Estimate Type	Original
<b>Description</b> Creating a new license issued by municipalities authorizing the retail sale of wine in unopened original containers for consumption off the premises where sold					

### Assumptions Used in Arriving at Fiscal Estimate

SENATE BILL 399

Under current law, alcoholic beverages are generally distributed to consumers under a three-tier distribution system. With specific exceptions, no person may sell outside the three tier system and no person may sell alcoholic beverages to a consumer unless the seller possesses a license or permit authorizing the sale.

There are presently three classes of licenses authorizing the retail sale of intoxicating liquor, including wine: A "Class A" license authorizes consumption off the licensed premises. A "Class B" license authorizes consumption on or off the licensed premises. A "Class C" license authorizes the retail sale of wine by the glass or in an opened original container for consumption on the licensed premises and may only be issued for a restaurant. Each of these licenses is issued by a municipality.

This bill creates the fourth class, a "Class D" license, authorizing the retail sale of wine in unopened original bottles or other unopened original containers for consumption off the licensed premises. The annual fee for the license is determined by the issuing municipality, but may not exceed \$100. The restrictions and requirements governing "Class A" licenses under current law also apply to "Class D" licenses.

The bill has no state fiscal effect. While local governments may have higher fee revenues and higher administrative costs under the bill, these local fiscal impacts are likely to be insignificant.

### Long-Range Fiscal Implications