Fiscal Estimate - 2005 Session

| X | Original | | Updated | | Corrected | d [| Supple | emental | |
|--|--|-------------------------------------|--|------------------------|--------------------------|--|-------------------|------------|--|
| LRB | Number | 05-4151/1 | | Intro | duction | Number | SB-610 | | |
| Descr Creation premise | ng a new licer | nse authorizing d and the pena | retail sales of wine Ity for certain alcor | e by cert nol bever | ain restau age violat | rants for consions | sumption or | or off the | |
| Fiscal | Effect | | | | | | | | |
| | No State Fisca Indeterminate Increase E Appropriat Decrease Appropriat Create Ne | Existing tions Existing | ☐ Increase E Revenues ☐ Decrease Revenues | Existing | | Increase Co to absorb w ⊠Ye Decrease C | ithin agency s | | |
| | Indeterminate 1. Increase Permiss 2. Decreas | e Costs ive Mandato se Costs | 3. 🛛 Increase F | e∏Man Revenue | datory | Types of Loc Government Towns Counties School Districts | Units Affect | e 🛛 Cities | |
| Fund Sources Affected Affected Ch. 20 Appropriations GPR FED PRO PRS SEG SEGS | | | | | | | | | |
| Agenc | y/Prepared E | Зу | Auth | orized S | ignature | | | Date | |
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Fiscal Estimate Narratives DOR 3/1/2006

| LRB Number 05-4151/1 | Introduction Number | SB-610 | Estimate Type | Original | | | | | | |
|--|---------------------|--------|---------------|----------|--|--|--|--|--|--|
| Description | | | | | | | | | | |
| Creating a new license authorizing retail sales of wine by certain restaurants for consumption on or off the premises where sold and the penalty for certain alcohol beverage violations | | | | | | | | | | |

Assumptions Used in Arriving at Fiscal Estimate

Under current law, with specific exceptions, no person may sell alcoholic beverages unless the seller possesses a license or permit authorizing the sale. A "Class A" license authorizes the retail sale of intoxicating liquor, including wine, for consumption off the licensed premises. A "Class B" license authorizes the retail sale of intoxicating liquor for consumption on or off the licensed premises. A "Class C" license authorizes the retail sale of wine for consumption on the licensed premises.

This bill creates a "Class E" license authorizing the retail sale of wine for consumption on or off the licensed premises. A "Class E" license may only be issued to a restaurant that meets the requirements for issuance of a "Class C" license. The "Class E" licenses will be issued by municipalities and the annual fee for the license may not exceed \$100.

This portion of the bill may create a minor increase in local license revenue.

Under current law, there are various prohibitions relative to actions of a licensee or permittee such as, selling or giving away alcoholic beverages, contributing to the illegal provision of alcohol, and permitting or failing to take action to prevent the illegal consumption of alcoholic beverages by an underage person. A person who violates any of these prohibitions is subject to various penalties, ranging from a forfeiture of \$500 to a fine of \$10,000 and imprisonment for not more than nine months, as well as possible driver's license suspension and alcoholic beverage license suspension. Certain liquor licensees, however, are only subject to license suspension for violating underage drinking prohibitions.

This bill provides that a "Class C" or "Class E" licensee violating any of these prohibitions is also subject only to alcoholic beverage license suspension.

This portion of the bill may create a minor decrease in local revenues.

The Department of Revenue's cost for administration of the bill will be absorbed within the agency's budget.

Long-Range Fiscal Implications