



## Fiscal Estimate Narratives

DOR 8/1/2011

LRB Number	11-2289/2	Introduction Number	AB-0200	Estimate Type	Original
<b>Description</b> Temporary alcohol beverages licenses issued for fairgrounds and eligibility for state aid for fairs.					

### Assumptions Used in Arriving at Fiscal Estimate

Current law allows temporary "Class B" retail alcohol beverage licenses to be issued to certain clubs, fair associations, agricultural societies, churches, lodges, veteran organizations, and societies allowing the sale of wine at fairs, meetings, or other gatherings conducted by these organizations. Under current law a municipality may not issue more than two temporary "Class B" licenses to one of these organizations in any 12 month period. The fee for these temporary licenses is \$10, except that no fee is charged if the organization applies for a temporary license for the sale of fermented malt beverages at the same time for the same event.

In general, current law also prohibits a winery holding a winery permit from having a direct or indirect interest in a "Class B" retail license. An exception is provided, however, so that a winery may hold one "Class B" retail license, authorizing the sale of wine only, for the winery premises or for real estate owned or leased by the winery.

This bill authorizes a winery to make retail sales and provide taste samples of wine on fairgrounds, under the "Class B" license issued to the fair association, if the wine is purchased from a wholesaler. Under the bill, if a fair leases a stand to a winery, the winery may make retail sales of wine from the leased stand and may provide taste samples anywhere on the fairgrounds.

Also, under current law, the Department of Agriculture, Trade and Consumer Protection (DATCP) distributes aid to county fairs and certain other fairs. One condition for receiving this aid is that intoxicating beverages, except for malt beverages, are excluded from the fairgrounds. Under the bill, DATCP may distribute aid to a fair at which wine is available.

The provisions of the bill allowing a winery to lease a fairground stand and provide taste samples at the fairgrounds are not expected to have any significant fiscal effect. Any change in municipal fee revenue or issuing costs is expected to be minimal.

DOR does not have information regarding how the bill may impact the distribution of county fair aid.

### Long-Range Fiscal Implications