## Fiscal Estimate - 2007 Session

Original Updated	Corrected Suppleme	∍ntal
LRB Number <b>07-3374/1</b>	Introduction Number SB-322	
Description Municipal quotas for retail intoxicating liquor lice	enses	
Fiscal Effect		
Appropriations  Decrease Existing Appropriations  Appropriations  Create New Appropriations  Create New Appropriations  Local: No Local Government Costs Indeterminate  1. Increase Costs Permissive Mandatory Permissive Permission Permissive Permissive Permissive Permissive Permissive Permission Permissive Pe	rease Revenue Counties Others School WTCS Districts Districts	oudget No No
Fund Sources Affected  GPR FED PRO PRS	Affected Ch. 20 Appropriations SEG SEGS	
Agency/Prepared By	Authorized Signature Da	te
DOR/ Jacek Cianciara (608) 266-8133	Paul Ziegler (608) 266-5773 12/12/2007	

## Fiscal Estimate Narratives DOR 12/12/2007

LRB Number	07-3374/1	Introduction Number	SB-322	Estimate Type	Original		
Description							
Municipal quotas for retail intoxicating liquor licenses							

## **Assumptions Used in Arriving at Fiscal Estimate**

Current law prohibits a person from selling alcohol beverages at retail unless the seller possesses a license or permit authorizing the sale. A "Class B" license authorizes the retail sale of intoxicating liquor for consumption on the licensed premises subject to certain limitations. Also, current law imposes a quota on the number of "Class B" licenses that a municipality may issue.

Several exceptions to the quotas have been established. One exception allows a municipality to issue a "Class B" license to a full-service restaurant that has a seating capacity of 300 or more persons.

This bill modifies the quota exception for full-service restaurants by eliminating the limitation on seating capacity and defining "full-service restaurant" as a restaurant in which the sale of alcohol beverages accounts for 50 percent or less of the establishment's gross receipts for the most recent licensing year.

A "Class B" license issued under this modified exception authorizes the sale of intoxicating liquor only for consumption on the premises. The bill also prohibits a person holding a "Class B" license, other than one issued under this exception, from surrendering that license and applying for a new license under this exception. In addition, if any license issued under the bill's revised exception for full-service restaurants is surrendered, revoked, or not renewed, the license may only be reissued under the bill to another full-service restaurant.

Under this proposal, there may be slight increase in local government revenues and costs.

There will be no additional administrative costs to the department under this proposal.

**Long-Range Fiscal Implications**