

Fiscal Estimate Narratives

DOR 2/5/2014

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| LRB Number 13-3468/1 | Introduction Number AB-0632 | Estimate Type Original |
| Description Retail liquor license quotas | | |

Assumptions Used in Arriving at Fiscal Estimate

Under current law, municipalities may issue "Class B" intoxicating liquor licenses authorizing the retail sale of intoxicating liquor for consumption on the licensed premises and, subject to some restrictions, the retail sale for consumption off the retail premises. Current law imposes a quota on the number of "Class B" licenses that a municipality may issue. The quota is determined by a formula based on the number of licenses previously issued and the municipality's population.

This bill expands the number of "Class B" licenses by allowing a municipality to issue one additional "Class B" license, provided that the license holder meets the accessibility standards for public accommodations required by the Americans with Disabilities Act (ADA). Moreover, the additional "Class B" license may only be issued if the municipality has already reached its quota and issues the license to an establishment that satisfies the ADA accessibility standards for new construction.

This bill has minimal impact on the Department of Revenue since liquor licensing is a municipal function. However, this bill may have fiscal and administrative impacts on municipalities due to the need to determine if there are any establishments in a municipality with a "Class B" license which satisfy federal accessibility standards. Under current law, the annual fee for a "Class B" license may not exceed \$500 and must be the same for all licenses. One additional "Class B" license fee would increase annual revenue by a maximum of \$500 in each municipality that grants an additional "Class B" license.

Long-Range Fiscal Implications