

Fiscal Estimate - 2015 Session

Original
 Updated
 Corrected
 Supplemental

| | |
|-----------------------------|------------------------------------|
| LRB Number 15-1604/1 | Introduction Number AB-0038 |
|-----------------------------|------------------------------------|

Description
 Issuance of retail alcohol beverage licenses for premises on which another business is conducted and the presence of underage persons on premises operating under a retail alcohol beverage license

Fiscal Effect

State:

| | | |
|---|---|--|
| <input type="checkbox"/> No State Fiscal Effect | <input type="checkbox"/> Increase Existing Revenues | <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget |
| <input type="checkbox"/> Indeterminate | <input type="checkbox"/> Decrease Existing Revenues | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Increase Existing Appropriations | | <input type="checkbox"/> Decrease Costs |
| <input type="checkbox"/> Decrease Existing Appropriations | | |
| <input type="checkbox"/> Create New Appropriations | | |

Local:

| | | |
|---|---|--|
| <input type="checkbox"/> No Local Government Costs | | |
| <input type="checkbox"/> Indeterminate | | |
| 1. <input checked="" type="checkbox"/> Increase Costs | 3. <input checked="" type="checkbox"/> Increase Revenue | 5. Types of Local Government Units Affected |
| <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | |
| 2. <input type="checkbox"/> Decrease Costs | 4. <input type="checkbox"/> Decrease Revenue | |
| <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | |
| | | <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities |
| | | <input type="checkbox"/> Counties <input type="checkbox"/> Others |
| | | <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |

| | |
|--|---------------------------------------|
| Fund Sources Affected | Affected Ch. 20 Appropriations |
| <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS | |

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| Agency/Prepared By DOR/ Jacek Cianciara (608) 266-8133 | Authorized Signature Robert Schmidt (608) 266-5773 | Date 2/20/2015 |
|--|--|--------------------------|

Fiscal Estimate Narratives

DOR 2/20/2015

| | | | | | |
|---|------------------|---------------------|----------------|---------------|-----------------|
| LRB Number | 15-1604/1 | Introduction Number | AB-0038 | Estimate Type | Original |
| Description | | | | | |
| Issuance of retail alcohol beverage licenses for premises on which another business is conducted and the presence of underage persons on premises operating under a retail alcohol beverage license | | | | | |

Assumptions Used in Arriving at Fiscal Estimate

Under current law, a Class "B" license authorizes the retail sale of fermented malt beverages (beer) for consumption on or off the premises and a "Class B" license authorizes the sale of intoxicating liquor (wine and distilled spirits) on premises and off premises under certain conditions. A "Class B" license cannot be issued unless the applicant holds a Class "B" license. Also, under current law the issuance of a Class "B" license for any premises where another business is conducted is prohibited, subject to certain exceptions including businesses such as hotels, restaurants, bowling centers, and movie theaters.

Under current law, no person under 21 years of age and not accompanied by a parent, guardian, or spouse who is at least 21 years of age (unaccompanied underage person) may enter or be on any licensed premises allowing the retail sale of alcohol beverages, subject to various exemptions. These exceptions include premises such as a hotel, bowling center, movie theater, or center for the visual or performing arts.

The bill defines a painting studio and creates a special exception for a painting studio to hold a class "B" license. Under the bill, an unaccompanied underage person may enter or be present on premises of a painting studio operating under a retail alcohol beverage license.

Issuing a Class "B" license for a painting studio, as authorized by this bill, would generate a minor increase in local revenues and possibly a small increase local government costs. An article in Travel Wisconsin, a publication of the Wisconsin Department of Tourism, and research by the Department of Revenue, suggest 19 "paint and sip" establishments operate in Wisconsin.

Assuming that there are 20 painting studios across the state and that municipalities issue all the establishments a Class "B" license at the fee of \$500 per license, additional local revenues would increase by a total of \$10,000.

The Department's administrative expenses related to revisions of various publications and forms, would be minimal, and could be absorbed with existing resources.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

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| | | |
|---|--|-----------------|
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| Description Issuance of retail alcohol beverage licenses for premises on which another business is conducted and the presence of underage persons on premises operating under a retail alcohol beverage license | | |
| I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): | | |
| II. Annualized Costs: | | |
| | Annualized Fiscal Impact on funds from: | |
| | Increased Costs | Decreased Costs |
| A. State Costs by Category | | |
| State Operations - Salaries and Fringes | \$ | \$ |
| (FTE Position Changes) | | |
| State Operations - Other Costs | | |
| Local Assistance | | |
| Aids to Individuals or Organizations | | |
| TOTAL State Costs by Category | \$ | \$ |
| B. State Costs by Source of Funds | | |
| GPR | | |
| FED | | |
| PRO/PRS | | |
| SEG/SEG-S | | |
| III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.) | | |
| | Increased Rev | Decreased Rev |
| GPR Taxes | \$ | \$ |
| GPR Earned | | |
| FED | | |
| PRO/PRS | | |
| SEG/SEG-S | | |
| TOTAL State Revenues | \$ | \$ |
| NET ANNUALIZED FISCAL IMPACT | | |
| | <u>State</u> | <u>Local</u> |
| NET CHANGE IN COSTS | \$ | \$ |
| NET CHANGE IN REVENUE | \$ | \$See text |
| Agency/Prepared By | | |
| Authorized Signature | | Date |
| DOR/ Jacek Cianciara (608) 266-8133 | | 2/20/2015 |
| Robert Schmidt (608) 266-5773 | | |