

Fiscal Estimate - 2015 Session

Original Updated Corrected Supplemental

LRB Number 15-2844/1	Introduction Number SB-236	
Description Temporary alcohol beverage retail licenses		
Fiscal Effect		
State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
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 <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 5. Types of Local Government Units Affected <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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Fiscal Estimate Narratives

DOR 8/31/2015

LRB Number	15-2844/1	Introduction Number	SB-236	Estimate Type	Original
Description					
Temporary alcohol beverage retail licenses					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, subject to certain exceptions, no person may sell alcohol beverages unless the seller possesses a license or permit authorizing such a sale. Current law authorizes municipalities to issue temporary Class "B" (beer) and "Class B" (wine) licenses to certain organizations such as clubs, fair associations, agricultural societies and churches that authorize the retail sale of beer and wine at various events hosted by these organizations. Under current law, a municipality may not issue to one of these organizations more than two temporary "Class B" licenses in any 12-month period, except that under current law there is no such limit on issuance of Class "B" licenses.

This bill authorizes municipalities to issue temporary Class "B" and "Class B" licenses to local chambers of commerce and similar nonstock corporations, such as civic or trade organizations, organized promote economic growth and opportunity within a local geographical area. The bill allows a municipality to issue up to 20 temporary "Class B" licenses to the same licensee for a one-day event held at multiple locations within the municipality for the same date and time, provided that an admission fee is charged for participation in the event and no additional fee is charged for service of alcohol at the event.

Under current law, with some exceptions, a Class "B" license may not be issued for premises where another business is conducted. The bill creates an exception under which a temporary Class "B" license may be issued for premises where another business is located, if certain conditions are met. The bill further clarifies that a municipality may issue a temporary "Class B" license without also issuing a temporary Class "B" license. In addition, the bill allows a municipal governing body to set the fee for a temporary "Class B" license if the fee does not exceed the current fee of \$10.

The bill would permit municipalities to issue additional temporary licenses that may result in a minimal increase in local revenue. Additional time and multiple places where alcohol will be legally served may need additional police presence leading to a slight increase in local government costs.

Under current law, the Department is required to prepare a booklet explaining the state statutes and administrative rules relating to the retail sale of alcohol beverages and to provide copies of the booklet to municipalities for distribution to licensees. This bill requires DOR to update the booklet to reflect changes enacted in the bill. Administrative costs for the department of revenue could be absorbed within existing resources.

Long-Range Fiscal Implications