

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1320-04
Bill No.: HCS for SCS for SB 262
Subject: Alcohol; Licenses - Liquor and Beer.
Type: Original
Date: April 22, 2005

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2006 | FY 2007 | FY 2008 |
| General Revenue | \$1,667 | \$2,000 | \$2,000 |
| | | | |
| Total Estimated Net Effect on General Revenue Fund | \$1,667 | \$2,000 | \$2,000 |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2006 | FY 2007 | FY 2008 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>Other</u> State Funds | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2006 | FY 2007 | FY 2008 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2006 | FY 2007 | FY 2008 |
| Local Government | \$4,168 | \$5,000 | \$5,000 |

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety - Alcohol and Tobacco Control (ATC)** state the bill allows places of entertainment in St. Charles County to sell liquor by the drink on Sundays if the establishment has gross annual sales in excess of \$150,000, has been operation for at least one year, and pays a fee of \$200 per year in addition to the licensing fee.

ATC estimates that there will be 10 new licenses issued in St. Charles County. Therefore, the additional revenue that will be collected from this bill is calculated as follows:

| | | |
|-------------------------|--------------------|----------------------------|
| | <u>Annual Fees</u> | <u>FY 2006 (10 months)</u> |
| 10 new licenses x \$200 | \$2,000 | \$1,667 |

ATC states cities may charge 150% of state liquor licenses fees (Section 311.220) and counties may charge a fee equal to the state liquor license fees (Section 311.220). It is also assumed under this proposal, that all places of entertainment are within municipalities. Therefore, the additional revenue is calculated as follows:

| | | |
|--------------------------------|--------------------|----------------------------|
| | <u>Annual Fees</u> | <u>FY 2006 (10 months)</u> |
| General Revenue fee estimate | \$2,000 | \$1,667 |
| City and County multiplication | x <u>2.5</u> | x <u>2.5</u> |
| Total local government revenue | \$5,000 | \$4,168 |

ASSUMPTION (continued)

Officials from **St. Charles County** did not respond to Oversight's request for fiscal impact.

This proposal may increase Total State Revenues.

| <u>FISCAL IMPACT - State Government</u> | FY 2006 (10 Mo.) | FY 2007 | FY 2008 |
|--|-----------------------|-----------------------|-----------------------|
| GENERAL REVENUE | | | |
| <u>Income</u> - additional liquor license fee revenue from places of entertainment in St. Charles County | <u>\$1,667</u> | <u>\$2,000</u> | <u>\$2,000</u> |
| ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND | <u>\$1,667</u> | <u>\$2,000</u> | <u>\$2,000</u> |

| <u>FISCAL IMPACT - Local Government</u> | FY 2006 (10 Mo.) | FY 2007 | FY 2008 |
|--|-----------------------|-----------------------|-----------------------|
| LOCAL POLITICAL SUBDIVISIONS | | | |
| <u>Income</u> - additional liquor license fee revenue from places of entertainment in St. Charles County | <u>\$4,168</u> | <u>\$5,000</u> | <u>\$5,000</u> |
| ESTIMATED NET EFFECT TO THE LOCAL POLITICAL SUBDIVISIONS | <u>\$4,168</u> | <u>\$5,000</u> | <u>\$5,000</u> |

FISCAL IMPACT - Small Business

This proposal could impact small businesses that could be considered places of entertainment in St. Charles County.

DESCRIPTION

Section 311.070, RSMo, allows wine manufacturers to apply for and be issued a license to sell intoxicating liquor by the drink if the premises is in close proximity to the winery. Currently, there are limitations as to when the premises may remain open. This act provides that such premises must be closed between 1:30 am and 6:00 am on weekdays, and between 1:30 am Sunday and 6:00 am Monday. However, such premises may remain open between the hours of 9:00 am and midnight on Sunday.

Section 311.070, RSMo, also allows a person to apply for and be issued a license to sell intoxicating liquor by the drink. This act requires that 75% or more of the drinks sold shall be Missouri-produced wines.

Section 311.080, RSMo, requires a person intending to obtain a liquor license for an establishment within one hundred feet of any school, church or other building regularly place of religious worship to first obtain the consent in writing of the board of alderman, city council, or other proper authorities of any incorporated city, town or village. Currently, licenses cannot be granted for liquor sales within 100 feet of any school or church. This bill creates an exception to the prohibition for church, school, civic, service, fraternal, veteran, political, or charitable clubs or organizations observing Fourth of July celebrations or which are exempt from federal taxes. Premises holding licenses issued prior to January 1, 2004, are also exempt from the prohibition.

Section 311.082, RSMo, changes some of the provisions of the keg identification requirements.

Section 311.104, RSMo, allows places of entertainment in St. Charles County to sell liquor by the drink on Sundays if the establishment has gross annual sales in excess of \$150,000, has been in operation for at least one year, and pays a fee of \$200 per year in addition to the licensing fees.

Section 311.332, RSMo, allows liquor wholesalers donate brandy in addition to beer and wine to charitable or religious organizations. The section specifies that a charge for admission to an event or activity at which beer, wine, brandy or nonintoxicating beer is available without separate charge shall not constitute resale.

Section 311.485, RSMo, changes the specifications of a temporary liquor permit. Currently, they are effective for a period not to exceed 120 consecutive hours (5 day), this proposal increase it to 168 hours (7 days).

Section 311.615, RSMo, specifies that all references to "liquor control" in statute shall mean "the division of alcohol and tobacco control".

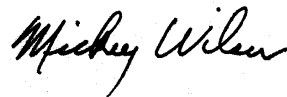
DESCRIPTION (continued)

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Public Safety - Alcohol and Tobacco Control

NOT RESPONDING: St. Charles County



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Director
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