

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5119-03
Bill No.: HCS for SB 786
Subject: Licenses - Miscellaneous; Public Safety Department
Type: Original
Date: May 7, 2014

Bill Summary: This proposal modifies provisions relating to intoxicating liquor manufactured for personal or family use.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	\$12,500	\$15,000	\$15,000
Total Estimated Net Effect on General Revenue Fund	\$12,500	\$15,000	\$15,000

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
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 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government	\$31,250	\$37,500	\$37,500

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety - Division of Alcohol and Tobacco Control (ATC)** state the proposal makes the following changes:

- Section 311.091.1 provides for a boat liquor license as long as the boat is licensed by the US Coast Guard to carry thirty or more passengers; and
- Section 311.091.2 related to a boat license for boats that could carry forty-five to ninety-nine passengers. This is being deleted because the changes in Subsection 1 will include these boats.

ATC states based on a projected number of licenses issued of 50 times the \$300 boat license fee, we estimate license fees of \$15,000. In FY 2015, the licenses aren't issued until August 28, 2014; therefore, the license would be prorated for ten months generating \$12,500.

Cities may charge 150% of state liquor license fees (Section 311.220). Based on a projected number of licenses issued of 50 times the \$450 (\$300 x 150%) boat license fee, we estimate license fees of \$22,500. In FY 2015, the licenses aren't issued until August 28, 2014; therefore, the license would be prorated for ten months, generating \$18,750.

Counties may charge the same liquor license fees as the State (Section 311.220). Based on a projected number of licenses issued of 50 times the \$300 boat license fee, we estimate license fees of \$15,000. In FY 2015, the licenses aren't issued until August 28, 2014; therefore, the license would be prorated for ten months, generating \$12,500.

Officials from the **Department of Revenue** and the **Department of Health and Senior Services** each assume the proposal would not fiscally impact their respective agencies.

This proposal may increase Total State Revenues.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
GENERAL REVENUE			
<u>Income</u> - Alcohol and Tobacco Control liquor license for boats carrying 30 passengers or more (§311.091)	<u>\$12,500</u>	<u>\$15,000</u>	<u>\$15,000</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	<u>\$12,500</u>	<u>\$15,000</u>	<u>\$15,000</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
LOCAL POLITICAL SUBDIVISIONS			
<u>Income</u> - Cities liquor license for boats carrying 30 passengers or more (§311.091)	\$18,750	\$22,500	\$22,500
<u>Income</u> - Counties liquor license for boats carrying 30 passengers or more (§311.091)	<u>\$12,500</u>	<u>\$15,000</u>	<u>\$15,000</u>
ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	<u>\$31,250</u>	<u>\$37,500</u>	<u>\$37,500</u>

FISCAL IMPACT - Small Business

Small businesses that would now qualify for a liquor license as a result of this proposal could be positively impacted.

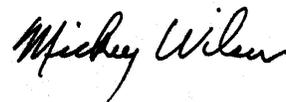
FISCAL DESCRIPTION

Currently, a person can apply for a liquor license to sell intoxicating liquor by the drink at retail for consumption on a boat or other watercraft vessel licensed to carry 100 or more passengers. This bill reduces the number of passengers to 30 or more and removes the restriction of operating a boat or vessel only on Table Rock Lake when the number of passengers is 45 to 99.

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
Department of Health and Senior Services
Department of Revenue



Mickey Wilson, CPA
Director
May 7, 2014

Ross Strobe
Assistant Director
May 7, 2014