

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0485-02
Bill No.: HCS for HB 115
Subject: Alcohol; Licenses - Liquor and Beer; Business and Commerce; Airports
Type: Original
Date: February 3, 2017

Bill Summary: This proposal modifies provisions relating to the sale of intoxicating liquor at the St. Louis and Kansas City international airports.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|--|------------|------------|------------|
| FUND AFFECTED | FY 2018 | FY 2019 | FY 2020 |
| | | | |
| Total Estimated Net Effect on General Revenue | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2018 | FY 2019 | FY 2020 |
| | | | |
| Total Estimated Net Effect on <u>Other</u> State Funds | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2018 | FY 2019 | FY 2020 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2018 | FY 2019 | FY 2020 |
| | | | |
| | | | |
| Total Estimated Net Effect on FTE | 0 | 0 | 0 |

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2018 | FY 2019 | FY 2020 |
| Local Government | Minimal | Minimal | Minimal |

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety - Alcohol and Tobacco Control** and the **City of Kansas City** each assume the proposal would not fiscally impact their respective agencies.

In response to a previous version, officials from **St. Louis County** stated the proposed legislation allowing persons to leave establishments with an alcoholic beverage and enter other designated areas throughout the airport will amount to approximately \$6,600 for a portion of the first year depending upon an effective date, followed by \$13,200 in revenue for the next year, and then \$10,200 each year thereafter due to renewing of licenses and permits. St. Louis County also assumed they would incur administrative costs of initial communication to all affected entities amounting to \$250 per year.

Oversight assumes this proposal does not create an additional liquor license, which would have generated additional license fee revenue. The proposal may, however, entice new retailers to open establishments in the airport. Due to the relative small amounts estimated, Oversight will reflect a minimal amount of additional revenue to St. Louis County (and no corresponding city revenue as the airport is in unincorporated St. Louis County), Platte County and the City of Kansas City resulting from this proposal.

| | | | |
|---|---------------------|------------|------------|
| <u>FISCAL IMPACT - State Government</u> | FY 2018 (10 Mo.) | FY 2019 | FY 2020 |
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

| | | | |
|---|---------------------|---------|---------|
| <u>FISCAL IMPACT - Local Government</u> | FY 2018 (10 Mo.) | FY 2019 | FY 2020 |
|---|---------------------|---------|---------|

LOCAL POLITICAL SUBDIVISIONS

| | | | |
|---|----------------|----------------|----------------|
| <u>Revenue</u> - potential additional liquor license fee revenue §311.179 | <u>Minimal</u> | <u>Minimal</u> | <u>Minimal</u> |
|---|----------------|----------------|----------------|

| | | | |
|---|----------------|----------------|----------------|
| ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS | <u>Minimal</u> | <u>Minimal</u> | <u>Minimal</u> |
|---|----------------|----------------|----------------|

FISCAL IMPACT - Small Business

Certain small businesses within the St. Louis and Kansas City international airports could be impacted by this proposal.

FISCAL DESCRIPTION

This bill enables retail establishments selling liquor by the drink within St. Louis Lambert International Airport to apply for a permit which allows patrons to leave the licensed establishment with an alcoholic beverage and carry it into other designated areas within the airport. All such retail establishments in the airport are required to serve their alcoholic beverages in containers displaying the retailer's name or logo.

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
St. Louis County
City of Kansas City

NOT RESPONDING:

Platte County



Mickey Wilson, CPA
Director
February 3, 2017

Ross Strope
Assistant Director
February 3, 2017