

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0485-08
Bill No.: Truly Agreed To and Finally Passed SS for SCS for HCS for HB 115
Subject: Alcohol; Licenses - Liquor and Beer; Business and Commerce; Airports
Type: Original
Date: May 25, 2017

Bill Summary: This proposal modifies provisions relating to the sale of intoxicating liquor.

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 5 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 **Department of Transportation** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Department of Revenue (DOR)** state this language is required to comply with federal requirements for "repeat" intoxication-related offenders under 23 U.S.C. § 164. This applies to a circumstance where state law allows a court-ordered waiver of ignition interlock device (IID) installation and use for motor vehicles which are solely owned and controlled by the offender's employer.

Federal law requires either IID installation for repeat intoxication-related offenders (two offenses within a five-year period) for limited driving privileges or license reinstatement OR a 'hard walk' or mandatory license suspension period. If an IID waiver for an employer-owned vehicle is allowed by state law, it must comply with the federal requirements and apply only in situations where the repeat offender has no ownership interest in or control over the entity that owns the vehicle.

This language was not contained in the version of §302.440 passed in the 2016 legislative session, and is required. Failure to include the language will place Missouri out of compliance with federal law for repeat intoxication-related offenders and will result in the possible loss or withholding of federal highway aid funds.

Officials from the **City of Kansas City** assume the proposal would not fiscally impact their agency.

In response to a similar version, officials from **St. Louis County** stated additional revenues to the county would probably increase for each distillery license (at \$450 per issued license). Therefore, St. Louis County assumes, for 2018 - 2019, an additional \$1,428 in revenue. 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 airports. 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

ASSUMPTION (continued)

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
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LOCAL POLITICAL SUBDIVISIONS

<u>Revenue</u> - potential additional liquor license fee revenue §311.179	<u>Minimal</u>	<u>Minimal</u>	<u>Minimal</u>
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ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	<u>Minimal</u>	<u>Minimal</u>	<u>Minimal</u>
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FISCAL IMPACT - Small Business

Certain small businesses in the intoxicating liquor industry could be impacted by this proposal.

FISCAL DESCRIPTION

This bill changes provisions relating to intoxicating liquor.

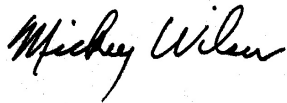
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Public Safety
Department of Revenue
Department of Transportation
St. Louis County
City of Kansas City

NOT RESPONDING:

Platte County



Mickey Wilson, CPA
Director
May 25, 2017

Ross Strobe
Assistant Director
May 25, 2017