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FISCAL IMPACT REPORT

ORIGINAL DATE 02/07/12
LAST UPDATED 02/08/12 **HB** _____

SPONSOR Griego, P.

SHORT TITLE Beer, Wine & Liquor Tastings **SB** 282/a SPAC

ANALYST Wilson

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY12	FY13	FY14		
	Unknown*	Unknown*	Recurring	General Fund

(Parenthesis () Indicate Revenue Decreases)

*See Synopsis of Bill

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY12	FY13	FY14	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Unknown*	Unknown*		Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

*See Fiscal Implications

SOURCES OF INFORMATION

LFC Files

Responses Received From

Attorney General's Office (AGO)
 Department of Public Safety (DPS)
 Regulation & Licensing Department (RLD)

SUMMARY

Synopsis of SPAC Amendment

The Senate Public Affairs Committee amendment to Senate Bill 282 changes the fees from \$100 to \$10 per tasting event.

Synopsis of Original Bill

Senate Bill 282 creates a new provision under the Liquor Control Act. This new section will

allow permits to be issued by the Alcohol and Gaming Division (AGD) of RLD for third party tastings to be conducted on licensed premises. The person serving the tastes will have to be certified servers under the Liquor Control Act. The permit will be valid for one year and cost \$100. Notification of any tasting event must be given to AGD at least 48 hours prior to the event.

FISCAL IMPLICATIONS

The fiscal impact is difficult to figure for RLD, because it is unknown the number of permits that will be issued under this proposal. There are over 2,300 licensees eligible to receive this permit.

DPS notes the addition of new types of permits will expand areas of responsibility for Special Investigations Division (SIC) agents enforcing the provisions of this bill. This will require an indeterminate amount of additional overtime when staff vacancies are as high as they are currently.

RLD notes there is no impact to the value of the liquor licenses.

SIGNIFICANT ISSUES

The bill allows for two licenses to operate in one location by issuing a permit. There is no limit to the amount of tastings covered under these permits. The bill will allow unlimited tastings to occur at licensed premise for a nominal fee.

ADMINISTRATIVE IMPLICATIONS

The bill will require AGD to issue another set of permits.

SB 144 will require increased enforcement time as agents will need to patrol tastings to insure the Liquor Control Act is not being violated. At these types of events there is always a concern for serving under age individuals.

It will be important to notify the SID of DPS of these events in order to monitor the service to under-aged individuals.

DW/svb:amm