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FISCAL IMPACT REPORT

ORIGINAL DATE 03/04/13

SPONSOR Griego LAST UPDATED _____ HB _____

SHORT TITLE Liquor Control Act Update Task Force SM 77

ANALYST Chavez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$30.0			Nonrecurring	Other State Funds

(Parenthesis () Indicate Expenditure Decreases)

Duplicates, Relates to, Conflicts with, Companion to HB 386, SB 351

SOURCES OF INFORMATION

LFC Files

Responses Received From

Regulation and Licensing Department (RLD)
Department of Health (DOH)

SUMMARY

Synopsis of Bill

Senate Memorial 77 (SM 77) requests that the RLD convene a task force to undertake a comprehensive review of the Liquor Control Act and make recommendations to the legislature regarding amendments to update the Liquor Control Act to better meet the needs of the public. The memorial also requests that the task force include representatives from industries covered by the Liquor Control Act, as well as representatives from any other groups that may have an interest in amending the Liquor Control Act. The task force should be geographically diverse to ensure that voices are heard from around the state.

FISCAL IMPLICATIONS

The RLD estimates the cost of the task force to be between \$10 thousand and \$30 thousand. No appropriation is attached to this memorial.

SIGNIFICANT ISSUES

According to the RLD, a comprehensive review and update of the Liquor Control Act is much needed and will likely lead to better enforcement of laws – covering gaps in areas not currently provided for and clarifying what the laws are. The Liquor Control Act has had various amendments over the years, and the result is a code that is not straightforward or easy to read/navigate. A comprehensive review with recommended updates to the Liquor Control Act will benefit all involved, as well as assist the legislature by providing research and information necessary to create a comprehensive set of liquor laws that will hopefully allow for economic development while still protecting the public health and safety.

The DOH also warns that several states have recently undertaken reevaluations of their state liquor control acts of the sort proposed by SM 77. In at least one state (Michigan), this process has resulted in recommendations that have been perceived by public health and public safety advocates as likely to weaken, rather than strengthen, liquor control. The DOH subsequently suggests that SM 77 might be improved by adding the DOH and the Human Services Department (HSD) to the list of state agencies to participate in the task force proposed by SM 77.

ALTERNATIVES

The DOH recommends adding the DOH and the HSD to the list of state agencies to participate in the task force proposed by SM 77.

KC/svb