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FISCAL IMPACT REPORT

SPONSOR: Ruiz DATE TYPED: 03/05/01 HB 942
 SHORT TITLE: Prohibit Certain Sales By Liquor Licensee SB _____
 ANALYST: Valdes

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
			NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Alcohol and Gaming Division, Regulation and Licensing Department

SUMMARY

Synopsis of Bill

House Bill 942 makes it a violation of the Liquor Control Act to sell or deliver alcoholic beverages to a customer, receive cash for a sale or locate a cash register within ten feet of an exterior door of the licensed premises.

Significant Issues

The Alcohol and Gaming Division provided the following information on House Bill 942:

If this bill is enacted, liquor license holders who currently receive cash, and/or who have cash registers located within ten feet of an exterior door of the licensed premises would be required to change their licensed premises to ensure that the licensee does not sell or deliver alcoholic beverages to a customer, receive cash for a sale or locate a cash register within ten feet of an exterior door of the licensed premises.

In many instances, such as liquor licensed establishments that are located in a mall, or restaurants that have the host/hostess station next to the exterior door, for example, licensees may not be able to come into compliance with the proposed language without extensive remodeling.

Another example of liquor licensees potentially not being able to comply without major renovations is a convenience store. To deter shoplifting and for other safety reasons, many of these stores have cash registers that are located within ten feet of an exterior door.

Finally, the bill would also serve to prohibit wholesale deliveries to a licensee, all of which occur within ten feet of an exterior door.

The problem that this bill would propose to eliminate may be limited to those package liquor stores that have, in response to recent “drive-up window” legislation, renovated their drive-up window into a “walk-up” window. In these instances, a customer drives up near the window, parks the care, and steps up to the “walk-up” window to make his purchase of package liquor.

If the “walk-up” window is indeed the problem this bill would seek to eliminate, alternative language must be developed to eliminate that problem without unduly restricting licensees from conducting appropriate activities.

PERFORMANCE IMPLICATIONS

No impact on department performance measures.

ADMINISTRATIVE IMPLICATIONS

Impact unknown according to the Alcohol and Gaming Division. The Division does not have information that would indicate how many liquor establishments sell or deliver alcoholic beverages, receive cash for a sale or locate a cash register within ten feet of an exterior door. Administrative impact would depend on how many liquor licensee’s would be required to file floor plan changes to come into compliance with the proposed language in the bill, if enacted.

MV/ar