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FISCAL IMPACT REPORT

SPONSOR Cook ORIGINAL DATE 02/23/21
LAST UPDATED _____ HB 303
SHORT TITLE Unlawful Liquor License Inducements SB _____
ANALYST Nichols

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY21	FY22	FY23	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI			

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB320

SOURCES OF INFORMATION

LFC Files

Responses Received From

Regulation and Licensing Department (RLD)

SUMMARY

Synopsis of Bill

House Bill 303 adds a new section to the Liquor Control Act to prohibit liquor license holders to give or permit to be given money or other things of value in an effort to induce an individual to persuade or influence another individual to purchase any particular brand of alcohol, or persuade an individual to refrain from purchasing a particular brand of alcohol. The bill also prohibits a licensee from receiving or accepting an inducement prohibited by the new materials.

The effective date of this bill is July 1, 2021.

FISCAL IMPLICATIONS

None anticipated.

SIGNIFICANT ISSUES

Under current provisions of the Liquor Control Act, it is a violation for an importer, manufacturer, nonresident licensee, or any type of wholesaler to provide a retailer, restaurant,

club, governmental, or other licensee with anything of substantial value in order to persuade or influence them to purchase specific brands of alcoholic beverages. HB303 would also make it a violation for a retailer, restaurant, club, or other type of licensee to solicit or accept financial or other inducements from suppliers or wholesalers.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Senate Bill 320 proposes new liquor license types, and also amends language relating to inducements by changing the reference to a “retailer” to a reference to a “package licensee.”

AN/rl