

Department of Planning and Budget

2017 Fiscal Impact Statement

1. Bill Number: HB1526H1

House of Origin	<input checked="" type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Albo

3. Committee: House Committee on General Laws

4. Title: Alcoholic beverage control; mixed beverage live entertainment venue license.

5. Summary: The bill defines “live entertainment venue” as an establishment devoted exclusively to the bona fide live performance of the performing arts, which establishment is open to the public no more than four days in any calendar week and where (i) at least 75 percent of the ticket sales for any performance at such venue is required to be purchased at least 12 hours in advance of the performance and (ii) the ticket price for the performance is based on the fair market value of the performance. The bill stipulates the “live entertainment venue” must be (i) owned by the licensee or is occupied under a bona fide long-term lease or concession agreement, the original term of which was more than five years, and (ii) has monthly gross receipts from the sale of food cooked, or prepared, and consumed on premises and nonalcoholic beverages served on the premises of at least \$4,000. Such license shall authorize the sale of alcoholic beverages for on-premises consumption in areas upon the licensed premises approved by the Board on the dates of performances from one hour prior to any such performance up to one hour after the conclusion of any performance, but no later than 2:00 a.m. The bill defines “performing arts” as arts or skills that are performed in front of an audience, including music, dance, comedy, theater, or other similar performance. The bill contains technical amendments.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: Indeterminate (see Item #8)

8. Fiscal Implications:

Implementing the provisions of the proposed bill will likely require the Department of Alcoholic Beverage Control (ABC) to develop policies and procedures to help licensees and agency enforcement personnel with compliance. The bill establishes the annual live entertainment venue license state tax at \$560 and the annual local license tax at \$300; however, since the number of establishments that may qualify for the license type proposed in the bill is unknown, the fiscal impact on ABC cannot be determined.

According to data obtained from ABC, the agency has 167 personnel, operating over various functional areas, involved in licensing administration. Current licensing fee assessments and

collections are lower than the cost of licensing administration which results in the agency using other revenues to support licensing operations.

9. Specific Agency or Political Subdivisions Affected: ABC

10. Technical Amendment Necessary: No

11. Other Comments: None