

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2010-11		FY 2011-12	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$242,560		\$242,560	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS		See Below		See Below
TOTAL FUNDS	\$242,560	See Below	\$242,560	See Below

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 834 amends the Nebraska Liquor Control Act, Nebraska Revised Statutes Sections 53-135, 53-1,104, and 53-132 dealing with issuance and renewal of licenses.

Section 53-132 is amended to provide that a burden of proof on whether an applicant can conform to all requirements of the Nebraska Liquor Control Act and commensurate rules and regulations is on the applicant.

Section 53-135 is amended to provide that an applicant filing for renewal of a license who has been found guilty or pleaded guilty to any violation of the Nebraska Liquor Control Act or been found guilty or pleaded guilty to any misdemeanor or felony during the previous license year must file a formal application and a formal hearing must be conducted before the local governing body and the Liquor Control Commission before a license is renewed.

Section 53-1,104 is amended to increase the fine in lieu of license suspension from \$50 to \$250 per day for the first suspension, and for a second or subsequent suspension the fine is increased from \$100 to \$300 per day.

In addition, for a third or subsequent suspension due to sales to a minor or minor in possession, the bill increases the consideration time period from four years to ten years, and requires the Commission to order the licensee not to sell alcoholic liquor for a period not to exceed 15 days. Currently it is at the discretion of the Commission to make such an order.

The Nebraska Liquor Control Commission estimates that the provisions of LB 834 will require the addition of 4 FTE in order to process applications and conduct hearings. The impact for each fiscal year is estimated at \$242,560 for salaries, benefits, and operating costs.

The increase in revenue is due to the increase in the level of fines imposed by the bill and is estimated by the Commission to be \$842,200 for each fiscal year. Fines are deposited in the Temporary School Fund and are distributed to the appropriate school districts as Other Receipts; this has the effect of reducing the need for state aid under TEEOSA which would have some effect on equalized school districts.

There is no basis to disagree with the Liquor Control Commission's estimate of revenue or expenditures.