

February 2, 2012

CORRECTED

The Honorable Pete Brungardt, Chairperson
Senate Committee on Federal and State Affairs
Statehouse, Room 136-E
Topeka, Kansas 66612

Dear Senator Brungardt:

SUBJECT: Corrected Fiscal Note for SB 299 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following corrected fiscal note concerning SB 299 is respectfully submitted to your committee.

SB 299 would amend the Liquor Control Act and the Club and Drinking Establishment Act by adding a "public venue license." A public venue license is defined as "an arena, stadium, hall or theater, used primarily for athletic or sporting events, live concerts, live theatrical productions, or similar seasonal entertainment events, not operated on a daily basis, and containing: (1) not less than 4,000 permanent seats; and (2) not less than two private suites."

A licensee would be allowed to sell and serve liquor by the individual drink, unlimited drinks for a fixed price, and all inclusive packages which include unlimited drinks for a fixed price in designated areas of the licensed premises. The licensee would be authorized to sell and serve alcoholic liquor also in the original container on the licensed premises in private suites. A "private suite," is defined in the bill as, "enclosed or semi-enclosed seating areas, having controlled access, and separated from the general admission areas by a permanent barrier." The fee to obtain a public venue license would be:

1. \$5,000 for a public venue with a maximum capacity of not more than 10,000 persons;
2. \$10,000 for a public venue with a maximum capacity of not more than 25,000 persons; and
3. \$20,000 for a public venue with a maximum capacity exceeding 25,000 persons.

SB 299 would allow the city or county where the public venue is located to levy a biennial occupation or license tax in an amount not less than \$200.

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Estimated State Fiscal Effect				
	FY 2012 SGF	FY 2012 All Funds	FY 2013 SGF	FY 2013 All Funds
Revenue	--	--	--	\$80,000
Expenditure	--	--	--	\$5,040
FTE Pos.	--	--	--	--

The Department of Revenue estimates that SB 299 would increase fee revenues by a minimum of \$80,000 every two years, beginning in FY 2013. The Department indicates that the number of public venues that would be licensed is unknown; therefore a precise revenue estimate cannot be determined. The Department estimates that the costs to update the computer processing system to implement the provisions of SB 299 would increase expenditures from its fee funds in FY 2013 by \$5,040. The original fiscal note incorrectly attributed the new revenue and expenditures to the State General Fund. Any fiscal effect associated with SB 299 is not reflected in *The FY 2013 Governor's Budget Report*.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Steve Neske, Revenue