

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 6456**

**BILL NUMBER: SB 186**

**DATE PREPARED:** Feb 17, 2000

**BILL AMENDED:** Feb 16, 2000

**SUBJECT:** Alcoholic beverage license revocation.

**FISCAL ANALYST:** John Parkey

**PHONE NUMBER:** 232-9854

**FUNDS AFFECTED:**     **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** (Amended) This bill requires the Indiana Alcoholic Beverage Commission to revoke a bartender's permit if the bartender, knowing a person to be intoxicated, serves an alcoholic beverage to the intoxicated person. The bill requires the Alcoholic Beverage Commission to suspend the bartender's permit of a bartender who has been charged with knowingly serving an alcoholic beverage to an intoxicated person until the disposition of the charges.

The bill amends the definition of an alcoholic beverage salesman to exempt an Internet based consumer marketing service that promotes wine and liquor sales only through licensed Indiana wholesalers, dealers, and retailers. The bill removes a provision that allows a wine wholesaler to sell and deliver wine to a consumer's residence in permissible containers that does not exceed 50 gallons at any one time. The bill repeals a provision that allows a holder of a liquor wholesaler's permit to own one package liquor store in the permittee's county of residence. The bill allows a liquor dealer to deliver an unlimited quantity of liquor to a customer's residence or office. (Current law limits the quantity a liquor dealer may deliver to a customer's residence or office to twelve (12) quarts at any one (1) time.) The bill allows a wine dealer to sell an unlimited quantity of wine. (Current law limits the quantity that a wine dealer may sell to not more than twelve (12) quarts, at any one (1) time.) It also allows a wine dealer that holds a liquor permit to sell and deliver wine in permissible containers to a customer's residence or office.

**Effective Date:** July 1, 2000.

**Explanation of State Expenditures:** The Indiana Alcoholic Beverage Commission (ABC) would be able to absorb any additional administrative costs associated with this proposal given its current budget.

**Explanation of State Revenues:** (Revised) Indiana bartenders are required to pay a \$20 fee to obtain an employee's permit. The employee permit fee is available at a reduced rate (\$5) for bartenders who volunteer their services to a nonprofit entity. Bartenders must renew the employee permit biennially. An employee

permit allows the bearer to work as a bartender, waiter or waitress, a clerk in a package liquor store, or a manager of an establishment that sells alcoholic beverages by the drink. Individuals may be issued a temporary bartender's permit for the one-time fee of \$4.

This bill requires the ABC to revoke these permits under certain circumstances. While the revocation of these permits may result in fewer license renewals and less permit fee revenue, the fiscal impact of this provision is not expected to be significant.

This bill also repeals a provision which allows holders of liquor wholesaler permits to own one package liquor store in the permittee's county of residence. The state may lose fee revenue associated with these stores if their permits are not sold or renewed. These permits range in cost from \$50 to \$200, depending on the population of the city or town in which the store is located.

Revenue from these fees is deposited in the Enforcement Officer's Retirement Fund to assist with the provision of benefits and administrative costs. Surplus revenue is transferred to the Enforcement and Administration Fund to help defray the ABC's administrative costs.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Alcoholic Beverage Commission.

**Local Agencies Affected:**

**Information Sources:** Don Okey, Excise Industry Liaison, Alcoholic Beverage Commission, 232-2463.