

Economic Impact Statement

LSA Document #19-496

[IC 4-22-2.1-5](#) Statement Concerning Rules Affecting Small Businesses

Estimated Number of Small Businesses Subject to this Rule:

The Indiana Alcohol and Tobacco Commission (ATC) has determined that this proposed amended rule, [905 IAC 1-32.1](#), will impose no costs and minimal additional requirements on those small businesses engaged in the group purchasing of alcoholic beverages.

Estimated Average Annual Reporting, Record Keeping, and Other Administrative Costs Small Businesses will Incur for Compliance:

Small businesses engaged in group purchasing of alcoholic beverages will incur minimal additional reporting, record keeping, or other administrative costs to comply due to the amended rule. A designated agent with an approved group purchasing agreement on file with the ATC will need to submit an extended floor plan. The filing of group purchasing agreements with the ATC is already required in [905 IAC 1-32.1](#).

Estimated Total Annual Economic Impact on Small Businesses:

There is no economic impact on small businesses with the implementation of the proposed rule.

Justification Statement of Requirement or Cost:

This amendment is intended to resolve differences in the industry practice and the current administrative rule governing group purchasing agreements. Current rule requires group purchased alcoholic beverage products to be delivered to the licensed premises or permit premises of the designated agent of the group. Licensed premises is defined in [IC 7.1-1-3-20](#) as a "building, or part of a building." Group purchasing agreements have grown in size and industry practices evolved. Current industry practice is to conduct a truck-to-truck transfer of the group purchased alcoholic beverage product in the parking lot or other outside area adjacent to the licensed premises. This practice does not comply with the rule because product is not delivered to the licensed premises. The requirement that a designated agent of a group purchasing agreement submit an extended floor plan to the ATC establishes procedures for the orderly purchase and distribution of group purchased products.

Regulatory Flexibility Analysis of Alternative Methods:

There no is cost impact on small businesses as discussed above.

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