

HF9042 - 0 - Strong Beer & Wine License; Municipalities

Chief Author: **Jim Nash**
 Committee: **Commerce Finance and Policy**
 Date Completed: **2/7/2022 4:46:26 PM**
 Agency: **Public Safety Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact	X	

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
General Fund	-	-	25	26	26	
Total	-	-	25	26	26	
Biennial Total			25		52	

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
General Fund	-	-	.25	.25	.25
Total	-	-	.25	.25	.25

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 2/7/2022 4:46:26 PM
Phone: 651-284-6543 **Email:** laura.cecko@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2021	FY2022	FY2023	FY2024	FY2025
General Fund	-	-	-	25	26	26
Total	-	-	-	25	26	26
Biennial Total				25		52
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	-	-	25	26	26
Total	-	-	-	25	26	26
Biennial Total				25		52
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total				-		-

Bill Description

HF9042 amends MN 340A.404 to allow a municipality to issue an on-sale wine and an on sale malt liquor license to a baseball team competing in a league established by the Minnesota Baseball Association for the purpose of summer town ball games.

The bill proposal is effective the day following enactment.

Assumptions

AGED contacted the Minnesota Baseball Association and learned there are approximately 433 teams as potential liquor licensing applicants. An Office Administrative Specialist Intermediate (OASI) will complete the remaining licensing functions to receive and review the application for completeness, verify liquor liability insurance, confirm the licensing fee has been paid to the local authority, obtain any related buyers' card permit fees, reconcile those permit with the liquor license within the state wide database, issue the liquor license, and communicate any concerns to the applicant and/or the issuing authority.

On-sale wine and on-sale liquor licenses are issued by the local authority. AGE's role is to certify the local authority's application, verify liquor liability insurance, approve the license then add it to state wide liquor licensing data base.

AGED contacted the Minnesota Baseball Association and learned there are approximately 433 teams as potential liquor licensing applicants. AGED assumes a very high demand for the teams participating in the Minnesota Baseball Association to obtain liquor licensing.

On-sale wine and on-sale liquor licenses are issued by the local authority. AGE's role is to certify the local authority's application, verify liquor liability insurance, approve the license then add it to state wide liquor licensing data base.

AGE has one Special Agent (SA) with access to the statewide liquor licensing data base. This agent will add the new liquor license type, and add the accompanying name, doing business as, address, phone, email, and insurance data entry fields.

Expenditure and/or Revenue Formula

HF9042 Wine and Beer Town Ball tasks required by Bill Introduction			
	OASI hours	LCIS hours	Special Agent hours
Add new license type to records management system			0.25
Receive and review application for completeness, verify liquor liability insurance.	0.25		
Data entry for application, license fee, daily deposit	0.25		
Follow-up and final license issuance	0.25		
RIC permit (buyers card)	0.25		
	1	0	0.25
1 hour of OASI tasks x the assumed 433 applications=	433	hours/ 2080	.2 FTE
.25 hour SA x the assumed 433 applications=	108	hours/2080	.05 FTE

No revenues are realized at the state. On-sale wine and on-sale malt liquor licenses are issued by the local authority. Licensing fees are paid to the issuing authority.

OASI Office Administrative Assistant Intermediate

SA Special Agent. AGED has not hired a Special Agent at or below midrange salary recently. Instead, all Special Agents have been salaried at steps towards the highest brackets available to them, due to experience. Because of this, it is necessary to account for

actual possible costs via the maximum salary and fringe benefit request. Costs are calculated effective July 1, 2021.

	FTE	FY21	FY22	FY23	FY24	FY25
Special Agent	.05	0	0	\$ 8,328.92	\$ 8,505.23	\$ 8,505.23
Office Admin. Spec. Intermediate	0.25	0	0	\$ 16,836.29	\$ 17,130.16	\$ 17,130.16
Salary & Fringe Total		0	0	\$ 25,165.21	\$ 26,635.39	\$ 26,635.39

Long-Term Fiscal Considerations

The number of baseball teams competing in the Minnesota Baseball Association may increase or decrease over time.

Local Fiscal Impact

On-sale wine and on-sale malt liquor licenses are issued by the local authority, and any licensing fee is set by and paid to the local authority.

References/Sources

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