

**STATE
FISCAL IMPACT**

Drafting Number: LLS 13-0412
Prime Sponsor(s): Sen. Brophy
 Rep. Priola

Date: January 22, 2013
Bill Status: Senate SVMA
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TITLE: CONCERNING THE ABILITY OF AN ESTABLISHMENT LICENSED TO SELL ALCOHOL BEVERAGES FOR ON-PREMISES CONSUMPTION TO SERVE AN ALCOHOL BEVERAGE TO AN ADULT UNDER TWENTY-ONE YEARS OF AGE WHEN THE UNDERAGE PERSON'S PARENT PURCHASES THE ALCOHOL BEVERAGE FOR THE UNDERAGE PERSON.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue	See State Revenue section.	
State Expenditures	See State Expenditures section.	
FTE Position Change		
Effective Date: August 7, 2013, if the General Assembly adjourns on May 8, 2013, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2013-2014: None required.		
Local Government Impact: See Local Government Impact section.		

Summary of Legislation

This bill allows a restaurant or other establishment licensed for on-premises consumption of alcohol to serve an alcoholic beverage to a person between the ages of 18 and 21 if the beverage is purchased by a parent or legal guardian and that parent or legal guardian is present while the underage person consumes the beverage. The licensee may request proof of the relationship when the difference between the underage person and the parent or legal guardian is less than 16 years. If the person purchasing the beverage is not the parent or legal guardian but the licensee relied on the proof or representation of the relationship, the licensee serving the underage person is not subject to revocation or suspension of his or her license for reliance on the customer's documentary proof.

State Revenue

This bill may result in an increase in General Fund revenue from sales and excise taxes on alcohol. Because the amount of sales generated from parents or legal guardians purchasing alcohol for underage people is unknown, this amount is not estimated for the fiscal note.

State Expenditures

This bill may result in an increase in enforcement actions by the Department of Revenue Liquor Enforcement Division. While the licensee is not subject to license revocation for accepting invalid proof of a parental or legal guardian relationship, those individuals misrepresenting the relationship, both the adult and underage person, violate liquor control laws. The number of violations cannot be determined, but is expected to be addressed within existing appropriations.

Local Government Impact

Local law enforcement has the authority to enforce liquor control laws and, like the Liquor Enforcement Division, may see an increase in violations as a result of this bill. The number of violations cannot be determined, but is expected to be addressed within existing resources.

Departments Contacted

Judicial Local Affairs Revenue Transportation