# Local Mandate Fiscal Impact Estimate Kentucky Legislative Research Commission 2015 Regular Session

### **Part I: Measure Information**

Bill Request #: 1220							
Bill #: HB 224 HCS							
Bill Subject/Title: AN ACT relating to licensing							
Sponsor: Representative Mary Lou Marzian							
Unit of Government:XCityXCountyXUrban-CountyXCharter CountyXConsolidated LocalXGovernment							
Office(s) Impacted:     city or county clerk, local licensing office							
Requirement: Mandatory X Optional							
Effect on Powers & Duties: X Modifies Existing Adds New Eliminates Existing							

#### Part II: Purpose and Mechanics

HB 224 would create a license for authorized public consumption ("APC") of alcoholic beverages in a wet territory and in conjunction with specific activities and locations. The bill would do this by creating a new section of KRS Chapter 243 to establish an "Authorized Public Consumption (APC)" license that may be issued by the state to a commercial quadricycle business, a horse racetrack, or a university sports stadium. The effect of HB 224 would be to make "tailgating" at horse racing tracks and university stadium parking lots legal.

HB 224 HCS retains only those original provisions of the bill which would establish an APC license and licensing requirements for commercial quadricycle businesses, and removes those provisions that would establish such a license for horse racetracks and university sports stadiums.

In order to apply for a state APC license, HB 224 HCS Section 2 would require a commercial quadricycle business to first obtain a permit issued by the local government with jurisdiction to grant rights to operate its business on public roadways within the designated operations area. If a local government wishes to permit such a business, that same section would require the local government to adopt an authorizing ordinance and

sets out the elements such an ordinance must contain. One element of such ordinance would be local inspection requirements. Section 3 of the bill would establish a state APC license fee of \$250 and would forbid local APC fees from exceeding state fees. Sections 5 and 6 of HB 224 HCS would explicitly include APC licenses as those that a city and county, respectively, may issue and the annual license fee they may charge.

HB 224 HCS Section 1 would amend KRS 241.010 to define "commercial quadricycle."

## Part III: Fiscal Explanation, Bill Provisions, and Estimated Cost

#### The fiscal impact of HB 224 HCS is expected to be minimal.

The HCS would have the same fiscal impact on local government as the original bill. HB 224 HCS would not require local governments to allow commercial quadricycle businesses in their jurisdictions. If they choose to do so, the bill would require they first adopt an ordinance regulating operation of such businesses that complies with Section 2 (5)(d) of the bill, and issue permits for their operation. The cost of adopting ordinances is minimal and the number of applicants seeking permits from local governments to operate a quadricycle businesses that HB 224 HCS would apply to it is not expected there would be a lot of APC licenses applied for, and so not much revenue in fees payable to local governments.

Data Source(s):	Kentucky League of Cities, Kentucky Department of Alcoholic Beverage			
	Control, LRC Staff			

<b>Preparer:</b>	Mary Stephens	<b>Reviewer:</b>	MCY	Date:	2/26/15
------------------	---------------	------------------	-----	-------	---------