

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2019-20</b>		<b>FY 2020-21</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	\$13,500		\$8,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$13,500</b>		<b>\$8,000</b>	

**Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.**

LB 591 amends the Nebraska Liquor Control act to provide for alcohol impact zones. "Alcohol impact zone" is defined as a geographic area located in a city, village, or the unincorporated area of a county that is adversely affected by chronic public inebriation or illegal activity associated with sales or consumption of alcoholic liquor.

A city council, village board, or county board can apply to the commission to create an alcohol impact zone. The application must include a description of the basis for the request to create an alcohol impact zone, the geographic description of the area to be included in the zone as narrowly defined as possible and evidence demonstrating a need for an alcohol impact zone. The commission can require additional information from the applicant, licensees in the area, or other interested parties.

The commission must hold a public hearing on the application. The commission can place special conditions or restrictions on a licensee under the act having an establishment or otherwise conducting business in the alcohol impact zone. The conditions or restrictions must be reasonably linked to the problems associated with the described chronic public inebriation or illegal activity.

One year after creation of the alcohol impact zone and every 5 years thereafter, the requesting city council, village board, or county board must submit a report to the commission regarding the effectiveness of the conditions or restrictions on the alcohol impact zone. The report is due no later than 60 calendar days following the first anniversary after the creation of the alcohol impact zone. The commission must then conduct an assessment of the alcohol impact zone, analyzing the same categories of information and statistics originally used to request the alcohol impact zone and comments or petitions submitted by the affected parties. The assessments can be used to maintain, modify, or revoke the alcohol impact zone.

The alcohol impact zone remains in effect until the commission repeals it following a public hearing and a finding it is no longer necessary, or after the requesting city council, village board, or county board requests revocation following a public hearing and a finding it is no longer necessary. The commission can adopt and promulgate rules and regulations.

The commission estimates expenditures of \$13,000 in FY 19-20 and \$8,000 in FY 20-21 for GIS mapping of approved alcohol impact zones for review and public information. The expenditures include programming and maintenance fees to OCIO. The commission estimates an additional \$500 in FY 19-20 to modify the mainframe and assist with reporting. The commission estimates existing personnel are sufficient to hold hearings and complete assessments pursuant to the bill. These estimates seem reasonable.

There could be some costs to cities, villages, and counties, but the costs would vary based on the decision-making by the governing body. If the city council, village board, or county board applies to create an alcohol impact zone, the city, village, or county could face some administrative costs to apply and submit reports under the bill.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
<b>LB: 591</b>	<b>AM:</b>	<b>AGENCY/POLT. SUB: Nebraska Liquor Control Commission (035)</b>	
REVIEWED BY: Joe Wilcox	DATE: 01/31/2019	PHONE: (402) 471-4178	
COMMENTS: No basis to dispute the Nebraska Liquor Control Commission estimate of potential Fiscal Impact to the Agency from LB 591.			

Please complete ALL (5) blanks in the first three lines.

**2019**

**LB<sup>(1)</sup> 591**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Liquor Control Commission

Prepared by: <sup>(3)</sup> LeAnna Prange Date Prepared: <sup>(4)</sup> 1/30/19 Phone: <sup>(5)</sup> 402-471-4892

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>13,500</u>	<u>0</u>	<u>0</u>	<u>0</u>
CASH FUNDS	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
FEDERAL FUNDS	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
OTHER FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL FUNDS</b>	<b><u>13,500</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>

**Explanation of Estimate:**

NLCC is proposing \$13,500 expenditure to use GIS mapping of alcohol impact zones. This technology would be made available to NLCC by the Nebraska OCIO. In addition, NLCC would: 1) create in their existing mainframe action codes to allow manual tracking of alcohol impact zone requests and issuance; 2) hold the necessary public hearings after receipt of an application when determining whether or not to create the alcohol impact zone and subsequent decisions on modification of conditions or restrictions as well as requests from local governing bodies to revoke the creation of an alcohol impact zone. This would also include the costs of public hearings and staff to complete tasks associated with the proposed legislation of LB 591. No additional revenue is expected.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	<u>          </u>	<u>          </u>	<u>0</u>	<u>0</u>
Operating.....	<u>          </u>	<u>          </u>	<u>13,500</u>	<u>8,000</u>
Travel.....	<u>          </u>	<u>          </u>	<u>0</u>	<u>0</u>
Capital outlay.....	<u>          </u>	<u>          </u>	<u>0</u>	<u>0</u>
Aid.....	<u>          </u>	<u>          </u>	<u>0</u>	<u>0</u>
Capital improvements.....	<u>          </u>	<u>          </u>	<u>0</u>	<u>0</u>
<b>TOTAL.....</b>	<u>          </u>	<u>          </u>	<b><u>13,500</u></b>	<b><u>8,000</u></b>

The Nebraska OCIO has provided an estimate of approximately \$13,000 for GIS Mapping to be utilized for review and public information of approved alcohol impact zones. Annual maintenance of the GIS Mapping was estimated at \$8,000. An additional \$500 will be used to modify codes within the NLCC mainframe to assist with issuance and reporting of alcohol impact zones. Existing staffing and internal processes are in place at NLCC to absorb the costs of the public hearings that would be required according to the proposed LB 591.