

# SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT (803)734-0640 • RFA.SC.GOV/IMPACTS

Bill Number:	S. 0777 Introduced on January 9, 2018
Author:	Senn
Subject:	Permits for Alcohol at Motorsport and Tennis Events
Requestor:	Senate Judiciary
RFA Analyst(s):	Mitchell
Impact Date:	February 13, 2018 - Updated for Revised Agency Response

#### FY 2018-19 FY 2019-20 **State Expenditure** General Fund \$0 \$0 Other and Federal \$0 \$0 Full-Time Equivalent Position(s) 0.00 0.00 **State Revenue** General Fund \$0 \$0 Other and Federal \$0 **\$**0 Local Expenditure \$0 \$0 Local Revenue \$0 **\$**0

## **Estimate of Fiscal Impact**

### **Fiscal Impact Summary**

This bill will have no expenditure or revenue impact on the General Fund, Other Funds, or Federal Funds. This bill will not operationally or fiscally impact the Department of Revenue's (DOR) current practices because the state only has one professional soccer team and this team is currently licensed by DOR. This fiscal impact statement has been updated based on a revised response from DOR.

# **Explanation of Fiscal Impact**

#### Updated for Revised Agency Response Introduced on January 9, 2018 State Expenditure

This bill allows a soccer complex to apply for a permit to purchase and sell beer and wine for onpremises consumption. The bill also permits a soccer complex to apply for a biennial license to purchase and sell alcoholic liquors by the drink. A soccer complex is defined as a soccer stadium or other stadium used to host soccer games, along with its ancillary grounds and facilities that hosts a professional soccer team. Current law allows a motorsports entertainment complex, tennis specific complex, or baseball complex to apply for these permits. DOR currently issues the aforementioned permits and licenses to the owners of sports complexes.

DOR indicates that this bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds, since the additional number of permits and licenses can be managed within existing appropriations.

#### **State Revenue**

N/A

Local Expenditure N/A

#### Local Revenue

This bill permits DOR to issue a biennial permit for the purchase and sale of beer and wine for on-premises consumption and a biennial license for the purchase and sale of alcoholic liquors by the drink for on-premises consumption to the owner or designee of a soccer complex that hosts a professional soccer team. In the event that the owner or designee applies for both a license and a permit, only one fee is required, equal to the fee imposed pursuant to Section 61-6-2010. The revenue derived from the permit and license must be distributed to the municipality or county in which the retailer who paid the fee is located.

Based upon updated information provided by DOR, the professional soccer team in Charleston, South Carolina currently has a biennial permit for the purchase and sale of beer and wine for onpremises consumption and a biennial license for the purchase and sale of alcoholic liquors by the drink for on-premises consumption. Therefore, the bill will have no revenue impact to the General Fund, Other Funds, or Federal Funds. This fiscal impact statement has been updated based on a revised response from DOR.

#### Introduced on January 9, 2018 State Expenditure

This bill allows a soccer complex to apply for a permit to purchase and sell beer and wine for onpremises consumption. The bill also permits a soccer complex to apply for a biennial license to purchase and sell alcoholic liquors by the drink. A soccer complex is defined as a soccer stadium or other stadium used to host soccer games, along with its ancillary grounds and facilities that hosts a professional soccer team. Current law allows a motorsports entertainment complex, tennis specific complex, or baseball complex to apply for these permits. The Department of Revenue (DOR) currently issues the aforementioned permits and licenses to the owners of sports complexes.

DOR indicates that this bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds, since the additional number of permits and licenses can be managed within existing appropriations.

## State Revenue

N/A

#### **Local Expenditure** N/A

#### Local Revenue

This bill permits DOR to issue a biennial permit for the purchase and sale of beer and wine for on-premises consumption and a biennial license for the purchase and sale of alcoholic liquors by the drink for on-premises consumption to the owner or designee of a soccer complex that hosts a professional soccer team. In the event that the owner or designee applies for both a license and a permit, only one fee is required, equal to the fee imposed pursuant to Section 61-6-2010. The revenue derived from the permit and license must be distributed to the municipality or county in which the retailer who paid the fee is located.

Based upon information provided by DOR, the professional soccer team in Charleston, South Carolina does not currently have a biennial permit for the purchase and sale of beer and wine for on-premises consumption or a biennial license for the purchase and sale of alcoholic liquors by the drink for on-premises consumption. We anticipate the soccer complex will apply for the \$3,000 permit and license as allocated in Section 61-6-2010. Therefore, local revenue for the City of Charleston will increase by \$3,000 in FY 2018-19.

Frank A. Rainwater, Executive Director