



# Senate

General Assembly

**File No. 206**

January Session, 2011

Senate Bill No. 864

*Senate, March 24, 2011*

The Committee on General Law reported through SEN. DOYLE of the 9th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

## ***AN ACT CONCERNING GROCERY STORE BEER PERMITS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (c) of section 30-20 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *January 1, 2012*):

4 (c) "Grocery store" means any store commonly known as a  
5 supermarket, food store, grocery store, convenience store or  
6 delicatessen, [primarily] engaged in the retail sale of all sorts of canned  
7 goods and dry goods such as tea, coffee, spices, sugar and flour, either  
8 packaged or in bulk, with or without fresh fruits and vegetables, and  
9 with or without fresh, smoked and prepared meats, fish and poultry,  
10 except that no store primarily engaged in the retail sale of seafood,  
11 fruits and vegetables, candy, nuts and confectioneries, dairy products,  
12 bakery products or eggs and poultry shall be included in the definition  
13 of "grocery store".

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2012</i>	30-20(c)

**GL**      *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

**OFA Fiscal Note**

**State Impact:**

<b>Agency Affected</b>	<b>Fund-Effect</b>	<b>FY 12 \$</b>	<b>FY 13 \$</b>
Department of Revenue Services	GF - Revenue Gain	800,000	1,700,000
Consumer Protection, Dept.	GF - Revenue Gain	1,386,000	306,000
Consumer Protection, Dept.	GF - Cost	150,594	276,609
Comptroller Misc. Accounts (Fringe Benefits) <sup>1</sup>	GF - Cost	31,464	60,598

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

It is anticipated that the bill would increase beer consumption in the state by roughly 10%, which is estimated to result in a gain from the alcoholic beverage and sales taxes of \$1.7 million annually and \$800,000 in FY 12 (partial year).

The bill results in a revenue gain of approximately \$1,386,000 in FY 12 and \$306,000 in FY 13 from increased permit fee revenue. An estimated 1,800 additional outlets would apply for a provisional grocery store beer permit (\$500 permit fee) and then apply for a grocery store beer permit (\$100 application fee and \$170 permit fee) in FY 12. In FY 13 revenue would continue from the annual \$170 permit

<sup>1</sup> The fringe benefit costs for state employees are budgeted centrally in the Miscellaneous Accounts administered by the Comptroller on an actual cost basis. The following is provided for estimated costs associated with changes in personnel. The estimated non-pension fringe benefit rate as a percentage of payroll is 23.76%. Fringe benefit costs for new positions do not initially include pension costs as the state's pension contribution is based upon the 6/30/10 actuarial valuation for the State Employees Retirement System (SERS) which certifies the contribution for FY 12 and

fee.

The bill results in a cost to the state of \$182,058 in FY 12 and \$337,207 in FY 13 as 5 additional personnel would be required in the Department of Consumer Protection. These staff include 2 Liquor Control Agents, 1 Processing Technician, 1 Staff Attorney and 1 Paralegal Specialist. Total personnel costs in FY 12 are \$132,425 along with supporting operating and equipment costs of \$18,169. Total personnel costs in FY 13 are \$255,041 along with supporting operating and equipment costs of \$21,568. Fringe benefits would cost \$31,464 in FY 12 and \$60,598 in FY 13. The personnel would be needed for permit processing, ongoing inspections, liquor law violation investigation and to handle remonstrances. The FY 12 costs are half year funding.

### ***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of permits and sales.

*Sources: DRS FY 10 Annual Report; <http://www.alcoholawes.org/georgiaalcoholawes.html>*

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FY 13. Therefore, new positions will not impact the state's pension contribution until FY 14 after the next scheduled certification on 6/30/2012.

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**OLR Bill Analysis****SB 864*****AN ACT CONCERNING GROCERY STORE BEER PERMITS.*****SUMMARY:**

This bill allows convenience stores to sell beer. It amends the definition of "grocery store" for purposes of a grocery beer permit to include convenience stores and eliminates the requirement that a convenience store primarily sell groceries.

EFFECTIVE DATE: January 1, 2012

**COMMITTEE ACTION**

General Law Committee

Joint Favorable

Yea 10 Nay 8 (03/15/2011)