

Department of Finance and Administration

Legislative Impact Statement

Bill: SB473

Bill Subtitle: TO ESTABLISH A STATE PARK RESTAURANT PRIVATE CLUB PERMIT; AND TO AUTHORIZE A STATE PARK RESTAURANT PRIVATE CLUB PERMIT HOLDER TO SERVE ALCOHOLIC BEVERAGES.

Basic Change :

Sponsors: Rep. L. Johnson and Sen. Irvin

SB473 establishes a state park restaurant private club permit and authorizes permit holders to serve alcoholic beverages. SB473 requires applicants to submit their application for a state park restaurant private club permit to the Department of Parks, Heritage, and Tourism before it is submitted to the Alcoholic Beverage Control Division. The bill imposes the same notice and fee requirements for applications, permit renewal fees, supplemental taxes, and restrictions on advertising as those for other private club permits.

Revenue Impact :

Unknown additional amount of permit fees would be collected.

Taxpayer Impact :

A non-profit corporation would be eligible to apply for a state park restaurant private club permit to serve alcohol to their guests and members.

Resources Required :

None.

Time Required :

Adequate time is provided for implementation.

Procedural Changes :

Updates to the sales and use tax rules will need to be promulgated.

Other Comments :

None.

Legal Analysis :

SB473 establishes a state park restaurant private club permit and authorizes a state park restaurant private club permit holder to serve alcoholic beverages. The bill requires a state park restaurant private club applicant to be a nonprofit corporation in operation for at least one year prior to application. The net revenues of the club must not directly or indirectly benefit its members, and its activities must be conducted for some reason other than for the consumption of alcoholic beverages. SB473 also requires an applicant to have more than one hundred (100) members, to own or lease a space for the

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operation of the restaurant, and to be located on property classified as a state park by the Department of Parks, Heritage, and Tourism.

Upon approval from the Department of Parks, Heritage, and Tourism, the application for a state park restaurant private club permit is submitted to the Alcoholic Beverage Control Division in the same way other private club permit applications are submitted to the division pursuant to § 3-9-222, including the same notice and fee requirements. Additionally, SB473 levies the same supplemental taxes on the gross proceeds derived from the charges for the serving of mixed drinks, beer, and wine as those levied in § 3-9-223. SB247 also imposes the same restrictions on advertising as those in § 3-9-226.

SB473 directs the Alcoholic Beverage Control Division to establish rules with respect to state park restaurant private club permits, which must be filed with the Secretary of State on or before January 1, 2022 or as soon as practicable after Legislative Council approval.