

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1680H.02P
 Bill No.: Perfected HCS for HB 643
 Subject: Alcohol; Entertainment, Sports and Amusements; Public Safety, Department Of;
 Licenses - Liquor and Beer; Political Subdivisions; County Government;
 Counties; Lakes, Rivers and Waterways
 Type: Original
 Date: March 12, 2025

Bill Summary: This proposal modifies provisions relating to the establishment of Lakefront Entertainment Districts.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Local Government*	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>

* Potential revenues from issuing alcohol licenses within a Lakefront Entertainment District.

FISCAL ANALYSIS

ASSUMPTION

§§67.2500 & 311.094 – Theater, Cultural Arts, Entertainment and Lakefront Entertainment Districts

Officials from the **Department of Revenue (DOR)** state if the citizens approve the tax (under §67.2500), it should be noted that DOR is not involved in the collection of this sales tax. This is a local tax, and the local political subdivision is responsible for the collection and administration of this tax. Therefore, this will not fiscally impact DOR. DOR defers to Camden County for an estimate of the amount of tax the county may collect. DOR states §311.094 will not have a fiscal impact on this proposal.

Oversight notes this proposal allows a Theater, Cultural Arts, and Entertainment District and a Lakefront Entertainment District to be established in the counties of Camden, Miller and/or Morgan. Oversight notes these counties are currently not registered with the Missouri Legislative Information System (MOLIS).

Oversight assumes §67.2500 of the proposal would have no direct fiscal impact without action from the governing body of the counties. Therefore, Oversight will reflect a \$0 fiscal impact for this section of the proposal.

Oversight also assumes §311.094.3 grants a special license to the applicants within the Lakefront Entertainment District and will cost \$300 annually to sell intoxicating liquor by the drink for retail. Oversight will reflect a \$0 or unknown revenue for Camden, Miller or Morgan counties for this proposal.

Officials from the **Missouri Department of Transportation**, the **Missouri Department of Conservation**, the **Department of Public Safety (Division of Alcohol and Tobacco Control)** and the **Office of the Secretary of State** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
CAMDEN, MILLER OR MORGAN COUNTY FUNDS			
<u>Revenue</u> – potential revenues from issuing alcohol licenses within a Lakefront Entertainment District §311.094.3	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
ESTIMATED NET EFFECT ON CAMDEN, MILLER OR MORGAN COUNTY FUNDS	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>

FISCAL IMPACT – Small Business

Small businesses who apply for a license to sell alcohol within a Lakefront Entertainment District could be impacted as a result of this proposal.

FISCAL DESCRIPTION

This bill adds any county that borders the Lake of the Ozarks to an existing statutory authorization allowing the creation of a theater, cultural arts, and entertainment district.

The bill also defines a "Lakefront Entertainment District". The Supervisor of Alcohol and Tobacco Control may issue a Lakefront Entertainment District Special License to applicants who meet requirements specified in the bill. License holders will be authorized to sell intoxicating liquor by the drink for retail consumption during specified hours. Any applicant granted a license must pay a \$300 yearly license fee per district in addition to the fees required for each individual licensee.

Patrons of establishments that serve alcohol located within a Lakefront Entertainment District are authorized to leave those establishments with alcoholic beverages and bring the beverages with them into other areas of the Lakefront Entertainment District.

Additional requirements for license holders in Lakefront Entertainment Districts are provided in the bill. The governing body of the local government in which the Lakefront Entertainment District is located is authorized to adopt ordinances for the approval or rejection of such districts as well as additional rules and regulations related to the districts.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

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Department of Revenue
Department of Public Safety
Division of Alcohol and Tobacco Control
Missouri Department of Conservation
Missouri Department of Transportation
Office of the Secretary of State



Julie Morff
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March 12, 2025



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