

Approved _____

Date

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS

The meeting was called to order by Senator Edward F. Reilly, Jr. at _____
Chairperson

11:00 a.m./p.m. on January 29, 1987 in room 254-E of the Capitol.

All members were present. ~~except~~

Committee staff present:

Mary Galligan, Legislative Research
Emalene Correll, Legislative Research
Mary Torrence, Assistant Revisor of Statutes
June Windscheffel, Secretary to the Committee

Conferees appearing before the committee:

The Chairman stated the staff has done an outline that will tell the Committee what it has done and what it has left to do and what must be done in the private clubs area. The Chairman said for the Committee to decide what to do about some things that were not in the issue papers.

Concerning the caterer's license, the Chairman asked if the Alcoholic Beverage Control has a briefing prepared concerning that. Mr. John Lamb, Director, said they have thought over many different scenarios. He said no state has a good handle on caterers' licenses. Mr. Lamb said they could prepare a summary for the Committee as to how other states incorporated those in their statutes. The Chairman said that it needs to learn from the Alcoholic Beverage Control what it envisions to be enforceable to give the Committee some direction. What enforcement powers to give the ABC so it may write the rules and regulations. The Chairman said he does not think there is a way to write anything that will include every problem.

There was Committee discussion that the definition of caterer must be carefully defined. The Chairman asked if there was any objection to including this in the liquor by the drink part of the proposal. Senator Vidricksen said this part of the bill ought to have a subcommittee to work on it. The Chairman said he agreed. He appointed a Subcommittee composed of Senator Morris, Senator Vidricksen and Senator Martin.

Staff distributed some material which she had been directed to outline. This is only for on-premise. (Attachment #1)

The Chairman asked Mr. Lamb to work up provisions dealing with catering and the temporary permits. Mr. Lamb said they can put together a proposal. Staff pointed out that they need some basic direction from the Committee with regard to food requirement concerning caterers.

The Subcommittee will work out the details with Mr. Lamb on the temporary permit, as well as the caterer's license, from the input of this Committee, staff and Alcoholic Beverage Control. The Chairman would like that ready Monday.

It was decided that in Attachment #1, Item II, that LBD establishments and clubs, would be separate from the liquor by the drink legislation. The Committee wanted that to apply to caterers, that they could be allowed to purchase from retailers and wholesalers.

In Item III, LBD establishments, clubs and CMB taverns, it was pointed out there is an area that was missed on the CMB: on-premise consumption, in such places as a Pizza Hut. It was envisioned that CMB would be available in establishments where you have food. Is it the intent of the Committee that CMB be served on Sunday in those establishments that only want to sell CMB.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS,
room 254-E, Statehouse, at 11:00 a.m./~~p.m.~~ on January 29, 1987

There was discussion as to whether to have one strength beer. The Chairman said he heard no objections to including the 3.2 beer sale on Sunday in restaurants. Senator Martin said he thought it would be better to have a separate bill and talk about it, the CMB part. Election day sales were taken care of.

It was pointed out that beverage handler training and licensed handling provisions were taken care of in 1988. Staff said those also relate to cereal malt. It was her thought that the commission recommended those with regard to CMB as well as liquor by the drink.

Senator Morris said he thinks there needs to be some state control over licensing. Perhaps a small fee to cover the work involved and so there could be a registry of where they are. Senator Vidricksen asked why not to authorize a state license for taverns, and referred to page 16 in the report from the Commission. That would be an issue to put in the CMB draft.

Concerning the allocation and tax collection, Senator Morris moved to reconsider the action of yesterday in regard to taxes. Seconded by Senator Hoferer. The motion carried.

Senator Morris moved there be a separate bill that would address the collection as well as the allocation. Seconded by Senator Vidricksen. The motion carried.

It was announced that the Subcommittee will meet in 254-E, at 7:15 a.m. tomorrow. The full Committee will meet Monday at its regular meeting time.

The meeting was adjourned at noon.

02-#1
1/29/87

I. Liquor-by-the drink

A. LBD establishments

1. Requirements
2. Fee
3. Rights

B. ~~Special permit~~ *Temporary Permits*

1. Requirements - who may obtain; caterer required
2. Fee
3. Limits - hours, number of days, number/year
4. Rights - where purchase liquor, liquor delivery to, sell CMB

C. Caterers

1. Requirements
2. Fee
3. Special permit
4. Limits - hours, dual licensure
5. Rights - where purchase liquor, liquor delivery to, sell CMB

II. LBD establishments and clubs

- A. Purchase from wholesalers
- B. Delivery by retailers, wholesalers

III. LBD establishments, clubs and CMB taverns

- A. Sunday sales
- B. Election day sales
- C. Beverage handler training and license

*Attachment # 1
FSA 1/29/87*