

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**April 23, 2007**

**TO:** Honorable Kino Flores, Chair, House Committee on Licensing & Administrative Procedures

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB984** by Isett, Carl (Relating to the amount a manufacturer may charge for an alcoholic beverage; providing civil penalties.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Alcoholic Beverage Code relating to the amount a manufacturer may charge for an alcoholic beverage.

The bill would amend Alcoholic Beverage Code, Chapter 102 which requires that a manufacturer who sells alcoholic beverages to a wholesaler shall file a price nondiscrimination agreement with the Alcoholic Beverage Commission (TABC). The price nondiscrimination agreement shall require the manufacturer to sell alcoholic beverages manufactured by the manufacturer to each wholesaler licensed in this state at the same price, including any discounts, without discrimination. The bill states before a manufacturer may change the price of an alcoholic beverage, the manufacturer shall provide written notice of the price change to each wholesaler not later than the 45th day before the date the price change takes effect. The bill also provides violations would result in specific penalties. The bill would take effect September 1, 2007 and a manufacturer is not required to file an agreement before January 1, 2008.

TABC states the fiscal impact would cost the state \$44,238 in 2008 and \$41,638 in 2009 and each year after including 1 full-time-equivalent to implement the provisions of the bill. It is assumed the TABC costs could be absorbed within the agency's current appropriations and therefore would not result in a significant fiscal impact to the state.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 458 Alcoholic Beverage Commission

**LBB Staff:** JOB, JRO, GG, LG