

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 16, 2009

TO: Honorable Edmund Kuempel, Chair, House Committee on Licensing & Administrative Procedures

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

IN RE: HB331 by Pierson (Relating to liability insurance for persons holding certain alcoholic beverage permits.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Alcoholic Beverage Code, Subchapter A, Chapter 11 by adding Section 11.14 requiring persons who hold a permit for the sale of alcoholic beverages for on-premises consumption to maintain a liability insurance policy. The bill also requires the Texas Alcoholic Beverage Commission (TABC) to adopt rules relating to the changes required by the bill no later than December 31, 2009. The bill would take effect on September 1, 2009 and apply to all persons who apply for a permit for the sale of alcoholic beverages for on-premises consumption on or after January 1, 2010, and to persons who hold a permit for the sale of alcoholic beverages for on-premises consumption on January 1, 2010, regardless of when the permit or license was issued.

This analysis assumes all costs associated with the bill can be absorbed within TABC's current appropriations, but TABC states the bill may have an undetermined impact on revenue depending on whether establishments subject to the bill's requirements choose to surrender their permits or licenses due to additional costs related to holding a permit or license.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 458 Alcoholic Beverage Commission

LBB Staff: JOB, JRO, GG, ESi