

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 1, 2013

TO: Honorable Wayne Smith, Chair, House Committee on Licensing & Administrative Procedures

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3514 by Guillen (Relating to the marketing of certain alcoholic beverages by manufacturers and their agents; providing for a permitting fee.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB 3514, As Introduced: a positive impact of \$9,804 through the biennium ending August 31, 2015.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2014	\$9,804
2015	\$0
2016	\$9,804
2017	\$0
2018	\$9,804

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain from <i>General Revenue Fund</i> 1
2014	\$9,804
2015	\$0
2016	\$9,804
2017	\$0
2018	\$9,804

Fiscal Analysis

The bill would amend the Alcoholic Beverage Code by adding Chapter 15, which creates a new permit type called a Distiller's Agent's Permit and establishes an annual state fee of \$10 for the new permit. The holder of a distiller's agent's permit may represent the holder of a distiller's and rectifier's permit, solicit and take orders from authorized permit holders for the sale of distilled spirits manufactured by the permit holder represented by the agent, and conduct free distilled spirits tastings on the premises of the holder of a package store permit.

Methodology

There are currently 43 holders of distiller's permits in the state. The Alcoholic Beverage Commission (TABC) estimates that each holder will have two agents represent them, which would create 86 entities eligible for the new permit type. The annual fee for the permit is \$10 and TABC would establish a new annual surcharge for the permit in the amount of \$47. Therefore, the biennial fee for the permit would be \$114, resulting in an estimated revenue stream of \$9,804 (86 x \$114) every other year.

Technology

No impact to technology is anticipated.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 458 Alcoholic Beverage Commission

LBB Staff: UP, RB, AI, KNi