

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 12, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3015 by Geren (Relating to production requirements for holders of winery permits; establishing minimum annual production requirements for permit holders.), **As Introduced**

The fiscal implications of the bill cannot be determined at this time due to the unavailability of data on the number of winery permit holders that would not meet the requirements of the bill and the indeterminate fiscal impact on related fees and revenue.

The bill would amend the Alcoholic Beverage Code as it relates to specific production requirements and activities, as described in the bill, for winery permit holders. Failure to comply with the requirements could be grounds for the Texas Alcoholic Beverage Commission (TABC) to cancel or suspend a winery permit, or deny a winery permit renewal. TABC anticipates any additional work resulting from the passage of the bill could be reasonably absorbed within current resources.

The Comptroller of Public Accounts (CPA) indicates the bill would likely affect storefront wineries that typically do not manufacture wine in quantities sufficient to meet the requirements of the bill. This would likely lead to a decrease in winery permit fees but could be offset by an increase in other permit fees if these businesses chose to obtain a different type of permit to sell wine manufactured by other wineries. The net fiscal impact cannot be determined by the CPA at this time.

The bill would take effect September 1, 2015.

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, CL, AI, JN, JHa