

Fiscal Estimate - 2001 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 01-1466/2	Introduction Number AB-217
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Subject
 Fruit-based liquors

Fiscal Effect

State:

- No State Fiscal Effect
- Indeterminate
- Increase Existing Appropriations
- Increase Existing Revenues
- Increase Costs - May be possible to absorb within agency's budget
- Decrease Existing Appropriations
- Decrease Existing Revenues
- Yes No
- Create New Appropriations
- Decrease Costs

Local:

- No Local Government Costs
- Indeterminate
- 1. Increase Costs
- 3. Increase Revenue
- 5. Types of Local Government Units Affected
- Permissive Mandatory
- Permissive Mandatory
- Towns
- Village
- Cities
- 2. Decrease Costs
- 4. Decrease Revenue
- Counties
- Others
- School Districts
- WTCS Districts
- Permissive Mandatory
- Permissive Mandatory

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PHS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By	Authorized Signature	Date
DOR/ Jacek Cianciara (608) 266-8133	Yeang-Eng Braun (608) 266-2700	3/26/01

Fiscal Estimate Narratives

DOR 3/27/01

LRB Number 01-1466/2	Introduction Number AB-217	Estimate Type Original
Subject Fruit-based liquors		

Assumptions Used in Arriving at Fiscal Estimate

Under current law, alcohol beverages are generally distributed to consumers under a three-tier distribution system. With specific exceptions, no person may sell outside the three-tier system and the seller must possess a license or permit authorizing the sale.

This bill creates an exception to allow a manufacturer or rectifier to sell, or provide free taste samples of intoxicating liquor directly to consumers, for consumption on or off the premises where sold, and manufactured or rectified. The bill provides an exception only to the intoxicating liquor manufactured or rectified exclusively from fermented fruit juice, such as brandy, and excludes liquor made from or containing grain.

The bill also allows the Department of Revenue to regulate sales under this exception, but the regulations must be consistent with requirements that apply to "Class B" licensees (persons licensed to sell intoxicating liquor to be consumed on the premises, such as taverns).

This bill would have a minimal effect, if any on state revenues.

Local alcohol license revenues may decrease, because a local license would not be needed if the manufacturer or rectifier only sells fruit-based alcohol manufactured or rectified on the premises. However, a local licence would still be required if the establishment sold any non-fruit based alcohol or alcohol not manufactured on the premises.

Long-Range Fiscal Implications

No long range fiscal implications

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

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Subject			
Fruit-based liquors			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues		\$	\$
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By		Authorized Signature	
DOR/ Jacek Cianciara (608) 266-8133		Yeang-Eng Braun (608) 266-2700	
		Date	
		3/26/01	