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FISCAL IMPACT STATEMENT

LS 6853

BILL NUMBER: HB 1354

NOTE PREPARED: Jan 5, 2012

BILL AMENDED:

SUBJECT: Small Breweries.

FIRST AUTHOR: Rep. Sullivan

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill allows small brewers to participate in a trade show or an exposition at which products of each small brewer participant are displayed, promoted, and sold. It provides that the approval of the Alcohol and Tobacco Commission is required for a small brewer to participate and each small brewer's participation is limited to not more than 45 days in a calendar year. It allows a small brewer to sell the brewery's beer to consumers for carryout by means of a glass container or can at a farmers' market that is operated on a nonprofit basis.

Effective Date: July 1, 2012.

Explanation of State Expenditures: *Alcohol and Tobacco Commission (ATC):* This bill could increase administrative expenditures for the ATC by requiring the ATC to grant approvals for small brewers to participate in trade shows or expositions. The ATC's existing level of resources should be sufficient.

Explanation of State Revenues: To the extent that any of the provisions of this bill affect alcoholic beverage sales, state revenues will be impacted. Sales changes will affect collections of both alcoholic beverage excise taxes and the sales tax.

The alcoholic beverage excise taxes are distributed in varying amounts to the following funds: state General Fund, the Post War Construction Fund, the Enforcement and Administration Fund, the Addiction Services Fund, and the Wine Grape Market Development Fund. The state retains 50% of the General Fund distribution of beer and wine excise tax revenue. The remainder is distributed to cities and towns based on population.

Sales Tax revenue is deposited in the state General Fund (99.848%), the Commuter Rail Service Fund (0.123%), and the Industrial Rail Service Fund (0.029%).

Explanation of Local Expenditures:

Explanation of Local Revenues: See *Explanation of State Revenues*.

State Agencies Affected: ATC.

Local Agencies Affected:

Information Sources:

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