

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2349 – HB 2397

March 9, 2014

SUMMARY OF BILL: Deletes chapters in Tennessee Code Annotated that deal with alcohol sales by druggists or physicians and sales of soft drinks containing alcohol. Increases, from nine liters per month to 18 liters per month, the amount of wine a direct shipper can ship to an individual. Additionally, the amount of wine a shipper will be permitted to ship an individual will increase from 27 liters to 37 liters per year.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – Exceeds \$1,000

Increase Local Revenue – Exceeds \$500

Assumptions:

- Deletion of existing law related to the sale of alcohol by druggists and physicians will have no fiscal impact.
- Increasing the amount of wine a direct shipper can ship will not have an impact on licensing fees for these entities.
- The fiscal impact of this bill is dependent upon several unknown factors such as the number of individuals that will have more than nine liters of wine shipped to them per month, the number of individuals that will have more than 27 liters of wine shipped to them per year, the extent of any such persons' purchases under current law, the number of wineries with operations sufficient to ship additional wine, the change in consumption of wine as a result of passed legislation that will allow wine to be purchased in certain grocery stores in certain jurisdictions, and the price of any additional wine that will be shipped. Given the extent of unknown factors, determining a precise fiscal impact is difficult. However, the recurring increases to state and local revenue are reasonably estimated to exceed \$1,000 and \$500 respectively.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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