



February 22, 2016

SUMMARY OF ORIGINAL BILL: Deletes the requirement that retail food stores licensed to sell alcohol, that also hold a license to sell alcoholic beverages for consumption on premises, operate separately and distinctly from the premises of the retail food store.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (012313): Deletes and rewrites the bill such that the only substantive changes are as follows: adds language specifying that the Alcoholic Beverage Commission is authorized to issue a limited license to a retail food store authorizing a restaurant within a retail food store sell wine; exempts such restaurants located within a retail food store from seating requirements and minimum food sale requirements of wine-only restaurant permits; and requires the limited license fee be equal to the wine-only restaurant license fee for the lowest seating capacity, or \$270.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

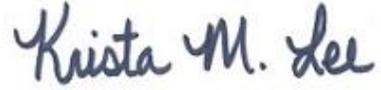
Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Based on information provided by the Alcoholic Beverage Commission, removing the requirement that the area be distinct and separated when selling for on premise consumption at retail food stores will not impact overall number of licenses issued.
- The Department of Revenue confirms that any impact on state or local tax revenue is considered not significant.
- Pursuant to Tenn. Code Ann. § 57-4-301(b)(1)(R), annual license fees for wine-only restaurants range from \$270 to \$350 depending on seating capacity. Restaurants with up to 125 seats pay \$270.
- The number of restaurants located within retail food stores with greater than 125 seats that will elect to obtain a wine-only restaurant permit is considered not significant; therefore, any forgone revenue resulting from the creation of a limited license for retail food store restaurants is considered not significant.

CERTIFICATION:

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

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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