

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1996 – SB 2089

February 23, 2016

**SUMMARY OF ORIGINAL BILL:** Authorizes the City of Gatlinburg to adopt an ordinance imposing a minimum distance, not to exceed 1,000 feet, between distilleries manufacturing spirits.

FISCAL IMPACT OF ORIGINAL BILL:

Other Fiscal Impact – To the extent one distillery closes and does not reopen in another allowable location as the result of an ordinance adopted by the City of Gatlinburg, there will be a recurring decrease in permit fee to the Alcoholic Beverage Commission estimated to be \$1,000. Any net impact to state and local tax revenue is estimated to be not significant.

**SUMMARY OF AMENDMENT (012799):** Adds language to the bill exempting any existing licensed distilleries that are in operation prior to the effective date of this legislation. Requires such exempt distilleries to remain exempt upon transfer of any ownership interest.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

NOT SIGNIFICANT

Assumptions for the bill as amended:

- The Department of Revenue and the Alcoholic Beverage Commission (ABC) confirm no impact on the operations of the departments.
- It is assumed that any future distilleries will locate the required distance from existing distilleries, and such distance requirements will not significantly impact the overall number of future distilleries located in Gatlinburg.

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".

Krista M. Lee, Executive Director

/jaw

HB 1996 – SB 2089

