

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 452 - SB 769**

March 4, 2015

**SUMMARY OF BILL:** Authorizes the Tennessee Alcoholic Beverage Commission (ABC) to issue temporary licenses, not to exceed 30 days, for any new applicant for a license for consumption of alcoholic beverages on premises. Requires a licensee to notify ABC in its annual renewal application if the ownership of an establishment changes after a license is issued, and prohibits ABC from requiring a notice prior to the annual renewal application if less than 50 percent of the ownership interest in the establishment is transferred to a new owner. Increases, from five to ten percent, the threshold ownership interest of a person convicted of certain offenses that prevents an establishment from receiving such license or a beer permit.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- The ABC reports that currently there are approximately 4,000 liquor-by-the-drink establishments licensed by the Commission.
- The proposed legislation does not explicitly prohibit or authorize the ABC to impose a fee for issuance of temporary licenses. It is assumed that, if any fees are issued by the ABC, the amounts will be prorated in anticipation that the applicant will subsequently apply for an annual license.
- As a result, there will not be a significant increase in state or local revenue.
- Any impact on statewide alcohol sales will be not significant.
- No additional personnel or resources will be required by the ABC.
- Increasing, from five to ten percent, the threshold ownership interest of a person convicted of certain offenses that prevents an establishment from receiving such license or a beer permit will not significantly reduce the number of licensed establishments.

**CERTIFICATION:**

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

A handwritten signature in black ink that reads "Jeffrey L. Spalding".

Jeffrey L. Spalding, Executive Director

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