

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 1866 – HB 2191

March 13, 2018

**SUMMARY OF ORIGINAL BILL:** Changes the date, from February 1 to February 15, by which local beer boards are required to file an annual statistical report with the Tennessee Alcoholic Beverage Commission (ABC).

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENTS (013915, 014953):** Amendment 013915 deletes all language after the enacting clause. Prohibits any delivery of alcoholic beverages, by an alcoholic beverage retailer or deliver service, to a person other than the individual who placed the delivery order. Requires the delivery personnel to verify the individual who placed the order through proof of identity.

Requires any common carrier of beer or alcoholic beverages to prepare and file a monthly report with the Department of Revenue (DOR).

Amendment 014953 prohibits a member of the Tennessee Alcoholic Beverage Commission (ABC) from collecting the monthly installment of the \$6,000 annual compensation paid to members, whenever a member fails to attend a regularly scheduled monthly meeting.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:**

**Decrease State Expenditures - \$1,500/ABC**

Assumptions for the bill as amended:

- Prohibiting a delivery service from delivering alcoholic beverages to someone other than the individual who places the delivery order will have no significant impact on state government.
- Establishing reporting requirements for common carriers of beer or alcoholic beverages will have no significant impact on state government.

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- Any impact on alcoholic beverage sales in the state and any associated state and local revenue will be not significant.
- Amendment 014953 prohibits a member of the ABC from collecting the monthly installment of the \$6,000 annual compensation paid to members, whenever a member fails to attend a regularly-scheduled monthly meeting.
- Pursuant to Tenn. Code Ann. § 57-1-102(a), the ABC consists of three members.
- Pursuant to Tenn. Code Ann. § 57-1-103(c), members of the ABC receive an annual compensation of \$6,000, payable in monthly installments.
- Prohibiting members from collecting the monthly installment will result in a decrease in state expenditures of \$500 per member for each meeting missed (\$6,000 / 12 months).
- Based on information provided by the ABC, there were three separate times during calendar year 2017 in which one of the three Commission members were absent from a monthly meeting.
- It is assumed on average there will be three instances each fiscal year in which a member of the Commission fails to attend a regularly-scheduled monthly meeting. The recurring decrease in state expenditures for the ABC is estimated to be \$1,500 (3 x \$500).

**CERTIFICATION:**

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



Krista M. Lee, Executive Director

/jdb