

## Department of Planning and Budget 2012 Fiscal Impact Statement

**1. Bill Number:** HB359

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

**2. Patron:** McClellan

**3. Committee:** House Committee on General Laws

**4. Title:** Alcohol beverage control (ABC); leasing of licensed premises by breweries.

**5. Summary:** Provides that ABC law does not prohibit any licensed brewery from leasing its licensed premises and equipment located thereon to a person holding a brewery license for the manufacture of beer by such person at such times as specified in the lease agreement. Any such lease agreement shall require that (i) title to the beer at all stages of the manufacturing process be retained by the respective licensee using the licensed premises to manufacture the beer, (ii) the respective licensee maintain separate records as required by ABC law and Board regulations, and (iii) each licensee otherwise comply with Board regulations. This arrangement is commonly known as alternating proprietorship.

**6. Budget Amendment Necessary:** No

**7. Fiscal Impact Estimates:** Preliminary (see Item 8)

**8. Fiscal Implications:** According to the Alcoholic Beverage Control Board, this legislation has no fiscal impact on agency operations.

**9. Specific Agency or Political Subdivisions Affected:** ABC

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None

**Date:** January 26, 2012

**Document:** g:\2012 fis\completed\hb359.doc

c: Secretary of Public Safety