

Department of Planning and Budget

2018 Fiscal Impact Statement

1. Bill Number: HB1602ER

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

2. Patron: Peace

3. Committee: Passed Both Houses

4. Title: Confectionery license

5. Summary: Creates a confectionery license, which authorizes the licensee to prepare and sell confectionery that contains five percent or less alcohol by volume. Any alcohol contained in such confectionery shall not be in liquid form at the time such confectionery is sold.

The bill also establishes state and local fees for confectionery and requires the Alcoholic Beverage Control Board to promulgate regulations to implement the bill provisions, including regulations to define the term “confectionary” and labeling requirements.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: Final (see Item 8)

8. Fiscal Implications: The proposed legislation creates a confectionary license with an annual state license tax of \$100 and a local license tax of \$20.

According to the Alcoholic Beverage Control Authority (ABC), it is not possible to determine the fiscal impact of the legislation because ABC is unable to project how many establishments would apply for this new license type. The new confectionery license will have an indeterminate revenue impact; however, ABC does not believe revenue collections will be sufficient to cover enforcement costs.

9. Specific Agency or Political Subdivisions Affected: ABC

10. Technical Amendment Necessary: No

11. Other Comments: None