

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 1251** HLS 26RS 3922
 Bill Text Version: **ENROLLED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.: **HB 541**

Date: May 28, 2026 5:31 PM **Author:** LACOMBE
Dept./Agy.: Revenue, Alcohol and Tobacco Control **Analyst:** Darynn Hoppe
Subject: Microdistillery Permitting Costs

ALCOHOLIC BEVERAGES EN SEE FISC NOTE SG RV See Note Page 1 of 1
 Provides for a permit and cost of permit for microdistillers processing a certain number of gallons per year

Present law establishes a microdistillery permit for holders of a Retailer's Class A permit for an annual fee of \$1,000 which authorizes the distilling, making, blending, rectifying or processing of any alcoholic beverage in the state. Quantity is limited to 12,000 gallons per year for retail consumption on or off the licensed premises.

Proposed law creates a permit for in state manufacturing distillers who distill less than one hundred gallons for an annual fee amount of one hundred dollars

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

Proposed law creates a permit for in state manufacturing distillers who distill less than one hundred gallons in an annual fee amount of one hundred dollars. Alcohol and Tobacco Control, report that they are able to address any necessary licensing, programming, or software changes within its current budget, and will not require additional resources to implement these changes.

REVENUE EXPLANATION

Alcohol and Tobacco Control report that currently only 2 active microdistillery licenses exist. To the extent that more distillers apply for permits, SGR revenues will increase by \$100 per permit. The LFO is unable to definitively determine how many additional permits, if any, will be purchased a result of proposed law. Because of this, the fiscal impact to SGR revenues is currently indeterminable but assumed to increase.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Alan M. Boxberger
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Legislative Fiscal Officer