LEGISLATIVE FISCAL OFFICE Fiscal Note



Fiscal Note On: **HB 546** HLS 25RS 1000

Bill Text Version: ORIGINAL

Opp. Chamb. Action: Proposed Amd.:

Date: April 28, 2025

2:20 PM

Sub. Bill For.:

Author: KNOX

Dept./Agy.: LA Office of Alcohol and Tobacco Control

Analyst: Noah O'Dell

Subject: Legislators and the Ability to Deny Local Alcohol Permits

ALCOHOLIC BEVERAGE PERMT

OR SEE FISC NOTE SG RV

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Provides with respect to the issuance of alcoholic beverage permits

<u>Current law</u> provides for an application process for alcohol permits with the Commissioner of Alcohol and Tobacco Control (ATC) and allows citizens to file a sworn affidavit of opposition to ATC within 35 days of the application request. The Commission is required to hold a hearing to consider the cause(s) for withholding a permit.

<u>Proposed law</u> requires ATC to notify a state senator and state representative that a permit has been requested in their legislative district within 5 days of receiving the request for a permit or renewal of an existing permit. The legislator is authorized to prevent the issuance of an alcoholic beverage permit or renewal by filing a petition with the Commission of ATC within 35 days of the date the application is received by the Commissioner.

Effective August 1, 2025

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$177,792	\$79,348	\$80,934	\$82,553	\$84,204	\$504,831
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	\$177,792	\$79,348	\$80,934	\$82,553	\$84,204	\$504,831
REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW					
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW					
Annual Total						

EXPENDITURE EXPLANATION

The bill is anticipated to increase SGR expenditures by \$177,792 in the Office of Alcohol and Tobacco Control (ATC) in FY26. The office reports two Administrative Coordinators (\$38,896 with salary and related benefits each) will be needed each year to assist processing, maintaining, and monitoring the submission to timely notify the legislators of the requested permits and renewals in their districts. The bill requires the office to notify legislators about applications for new alcohol permits or the renewal of existing permits. The current ATC system will require one time costs of \$100,000 for programming and testing in order to generate a daily report for staff to contact legislators concerning applications for permits in their respective districts.

LFO acknowledges the increased workload predicted by ATC. To the extent the workload is less than predicted, the bill may be achievable with fewer than two positions.

For informational purposes, ATC currently has 12,000 active alcohol permits throughout the state.

REVENUE EXPLANATION

The impact of the bill on revenue receipts from alcohol permits at the state and local level is unknown. To the extent legislators exercise the right to oppose the issuance or renewal of permits, this could decrease self-generated revenue in ATC and local revenue received from alcohol permits. If legislators never exercise this right, the bill has no impact on receipts from alcohol permits. To the extent local permits are premised on successful application of state permits, local revenue could be impacted in the same manner.

<u>Senate</u> x 13.5.1 >=	<u>Dual Referral Rules</u> \$100,000 Annual Fiscal Cost {S & H}	House 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	Dhl Vii
13.5.2 >=	\$500,000 Annual Tax or Fee Change {S & H}	6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	Deborah Vivien Chief Economist