

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2015-16</b>		<b>FY 2016-17</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$5,000	\$196,500	\$1,000	\$297,900
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$5,000</b>	<b>\$196,500</b>	<b>\$1,000</b>	<b>\$297,900</b>

**Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.**

LB 486 amends the Nebraska Liquor Control Act.

The bill would allow the holder of a Class C license (all alcoholic liquor on and off sale) or a craft brewery license to obtain a limited bottling endorsement. The endorsement would allow the licensee to sell beer for consumption off sale in containers up to 68-ounces. The limited bottling endorsement could not be used in conjunction with a special designated license.

Sales could only be conducted during the hours a licensee is permitted to sell beer and the beer would have to be sold in sanitary containers bearing the trade name, logo or unique identifying mark of the seller. The licensee is also required to seal the container in a manner designed to make it visibly apparent if the seal has been disturbed or opened or seals the container and places the container in a bag designed so that it is visibly apparent if the seal has been tampered with or opened.

The application fee for the limited bottling endorsement would be \$300, payable to the Commission.

The Liquor Control Commission estimates the LB 486 would increase revenue to the General Fund as follows:

FY2015-16: \$ 595,800  
 FY2016-17: \$ 595,800

We disagree with the Liquor Control Commission's estimate of fiscal impact. The Commission is projecting a 100% adoption rate for the first two fiscal years. We believe the adoption rate will be significantly lower for the first year and then phase in to close to a 100% rate in subsequent years. We estimate the following fiscal impact and increase to the General Fund for the biennium:

FY2015-16: \$ 196,500  
 FY2016-17: \$ 297,900

The Liquor Control Commission estimates a cost of \$5,000 to implement the provisions of LB 486, mostly for computer application expenditures, in FY2015-16 and \$1,000 in FY2016-17.

We have no basis to disagree with the Commission's estimate of cost.

Please complete ALL (5) blanks in the first three lines.

**2015**

**LB<sup>(1)</sup> 486**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup>

NEBRASKA LIQUOR CONTROL COMMISSION

Prepared by: <sup>(3)</sup> JERRY VAN ACKEREN

Date Prepared: <sup>(4)</sup> 1/28/2015

Phone: <sup>(5)</sup> 1-4892

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>\$5,000</u>	<u>\$595,800</u>	<u>\$1,000</u>	<u>\$595,800</u>
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b><u>\$5,000</u></b>	<b><u>\$595,800</u></b>	<b><u>\$1,000</u></b>	<b><u>\$595,800</u></b>

Explanation of Estimate:

Estimated financial Revenue Impact:

Number of licensees eligible 1,986  
 Licensee Fee: \$300

Estimated Revenue Impact \$595,800

Estimated Operating Expense Impact:

Operating \$5,000  
 Computer Application Costs

Other closely related administrative expenses.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....			<u>\$5,000</u>	<u>\$1,000</u>
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
<b>TOTAL.....</b>			<b><u>\$5,000</u></b>	<b><u>\$1,000</u></b>