

Department of Planning and Budget 2021 Special Session I Fiscal Impact Statement

1. **Bill Number:** SB1471H1

House of Origin Introduced Substitute Engrossed

Second House In Committee Substitute Enrolled

2. **Patron:** Dunnavant

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

4. **Title:** Local outdoor refreshment areas

5. **Summary:** The substitute bill replaces the “local special events license” with the "outdoor refreshment area" license. The bill established that outdoor refreshment area licensees are limited to 16 events per year, and the duration of any event cannot exceed three consecutive days. However, the Board may increase the frequency and duration of events after adoption of an ordinance by a locality requesting such increase in frequency and duration. Such ordinance must include the size and scope of the area within which such events will be held, a public safety plan, and any other considerations deemed necessary by the Board.

The state license fee for an outdoor refreshment area license is \$300. However, for any outdoor refreshment area license issued pursuant to a local ordinance, the annual fee is \$3,000. The local license fee for an outdoor refreshment area license is \$60. However, for any outdoor refreshment area license issued pursuant to a local ordinance, the annual fee is \$600.

6. **Budget Amendment Necessary:** No

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

8. **Fiscal Implications:** According to the Alcoholic Beverage Control Authority, the proposed bill is not expected to have a material fiscal impact on agency operations. ABC anticipates the outdoor refreshment area license fee will be sufficient to cover the Authority’s expenses to issue and monitor the new license.

It is not feasible to determine at this time if any additional revenue, above the Authority’s cost to issue and administer the new license, would be generated by this bill.

9. **Specific Agency or Political Subdivisions Affected:** Alcoholic Beverage Control Authority

10. **Technical Amendment Necessary:** No

11. **Other Comments:** None