



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: **HB 578** HLS 14RS 618
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 28, 2014 12:37 PM	Author: COX
Dept./Agy.: City of Mansfield	Analyst: Richard Aultman
Subject: Alcoholic Beverage Sales	

ALCOHOLIC BEVERAGES EG +\$1,800 LF RV See Note Page 1 of 1
 Authorizes the city of Mansfield to conduct local option elections regarding the sale of alcohol in restaurants

Purpose of Bill: This measure proposes to allow the city of Mansfield to include a proposition on the ballot in any election to allow restaurants inside the city limits to sell alcoholic beverages. This measure also provides for related definitions and election details.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$480	\$800	\$800	\$800	\$2,880
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	<u>\$0</u>	<u>\$600</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	\$3,600
Annual Total	\$0	\$1,080	\$1,800	\$1,800	\$1,800	\$6,480

EXPENDITURE EXPLANATION

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

Per an official with the Secretary of State's office, although the bill states that an election shall be held for the purpose of the measure, it is unlikely that a special election would be scheduled solely for the purpose of this measure. The item would most likely be included in a general election ballot at no additional cost.

REVENUE EXPLANATION

Beginning in fiscal year 2016, assuming the proposition passes, this measure may increase governmental revenues by \$1,080, increasing to \$1,800 annually for fiscal years 2017 through 2019.

Per an official with the city of Mansfield, there will be no revenue in fiscal year 2015 due to time needed to implement alcohol sales. In fiscal year 2016, assuming \$12,000 in sales, this measure will generate an additional \$1,080 in sales tax revenue. For fiscal years 2017 through 2019, assuming \$20,000 in sales, this measure will generate an additional \$1,800 in sales tax revenue annually.

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|---|----------------------------|--------------|--|
| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

Joy Irwin
Director of Advisory Services