

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 849 – SB 710**

April 10, 2019

**SUMMARY OF BILL:** Requires a technology services company that provides software or an application to connect retail licensees with consumers for the delivery of alcoholic beverages to have a delivery service license.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – \$1,500/One-Time/Alcoholic Beverage Commission  
\$800/Recurring/Alcoholic Beverage Commission**

Assumptions:

- Pursuant to Tenn. Code Ann. § 57-3-224(a)(2), a delivery service does not include, and no license is required under this title to operate, a technology services company that does not employ or contract with delivery drivers, but rather provides software or an application that connects retail licensees with consumers for the delivery of alcoholic beverages.
- Passage of this legislation will require technology services companies that do not employ or contract with delivery drivers, but provide software or an application to connect retail licensees with consumers for the delivery of alcoholic beverages, to also have a delivery service license.
- Pursuant to Tenn. Code Ann. § 57-3-224(c), each applicant for a delivery service license is required to pay a one-time, nonrefundable application fee of \$300 and pay an annual license fee of \$150 to the Alcoholic Beverage Commission (ABC).
- Based on information provided by the ABC, there are five technology services companies that will be required to obtain a delivery service license as a result of the proposed legislation.
- The one-time increase in revenue to the ABC is estimated to be \$1,500 (\$300 application fee x 5 companies).
- The recurring increase in revenue to the ABC for the annual license fee is estimated to be \$750 (\$150 license fee x 5 companies).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/jdb