TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 1143 - HB 1373

March 19, 2023

SUMMARY OF BILL AS AMENDED (006176): Authorizes an applicant for a license or permit issued by the Alcoholic Beverage Commission (ABC) or a local beer board to present a valid J-1 or F-1 student visa, as verified by the ABC.

FISCAL IMPACT OF BILL AS AMENDED:

Increase State Revenue - \$1,800/FY23-24 and Subsequent Years/ABC Fund

Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 4-58-103(a)(2), individuals seeking a professional or commercial license must currently either show that the applicant is either a United States citizen or is authorized under federal law to work in the United States as verified by the SAVE program.
- Currently, a person with a J-1 or F-1 student visa is able to accept employment only under certain conditions.
- This legislation will allow additional J-1 and F-1 student visa holders the opportunity to receive a license or permit from the ABC.
- Various government agencies use SAVE to verify immigration information.
- It is assumed that the ABC will need to register with the SAVE program in order to be able to adjudge the validity of J-1 and F-1 visas.
- Transactions fees for verifying agencies only pay for the SAVE program if the related account performs a transaction in a given month, at which point, a minimum service transaction fee of \$25 is charged, which is paid by the issuing agency.
- Each initial and additional verification is \$0.50.
- There will be 50 additional SAVE program transactions performed statewide as a result of this legislation.
- This legislation will result in federal government revenue of \$25 (50 transactions x \$0.50) and a recurring increase in state expenditures of \$25.
- Based on information provided by the Alcoholic Beverage Commission, this legislation will result in approximately 50 additional server permits issued by the Commission.
- The total number of additional licenses issued due solely to this legislation is assumed to remain constant into perpetuity.
- Server permits cost \$20, are renewable annually, and such fee revenue is allocated to the ABC Fund.

- Servers must take a server permit class, and of the fee received by the training entity, \$15 is sent to the ABC and thereby into the ABC Fund.
- A recurring increase in state revenue to the ABC Fund in FY23-24 and subsequent years of \$1,750 [50 permits x (\$20 + \$15)].
- Any additional work required of the ABC to issue such permits can be performed utilizing existing resources.

IMPACT TO COMMERCE OF BILL AS AMENDED:

NOT SIGNIFICANT

Assumption for the bill as amended:

• This legislation will have no significant impact on commerce or jobs in this state.

CERTIFICATION:

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

Krista Lee Carsner, Executive Director

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