

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2013-14</b>		<b>FY 2014-15</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS		(\$1,500)		(\$1,500)
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>		(\$1,500)		(\$1,500)

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

LB 230 amends the Nebraska Liquor Control Act, Section 53-123.15, regarding shipping licenses.

The bill changes language to allow a manufacturer to obtain a shipping license to sell and ship directly to a consumer in Nebraska. The current language in the statute refers to a “person” who sells and ships directly to the consumer. The bill strikes “person” and inserts “manufacturer.” With this proposed change, a “person” would no longer be eligible to obtain a shipping license.

Additional new language in this section allows the commission to issue a shipping license to an “exclusive importer” who is an agent for a winery in another state that annually produces 250,000 gallons or less of wine and ships directly to a Nebraska consumer. The winery may have only one such agent but an exclusive importer may be the agent for more than one such winery under the shipping license.

The Liquor Control Commission indicates that there are three individuals who would no longer be eligible for a shipping license as a result of the change proposed by LB 230. Revenue from the shipping license fee is credited to the Winery & Grape Producers Promotional Fund. As a result of LB 230 there would be a reduction in revenue to the cash fund of \$1,500 per fiscal year.

We agree with the Commission’s estimate of fiscal impact.

The fiscal impact of the provision in LB 230 for an exclusive importer shipping license is indeterminate at this time but there is the potential for an increase in revenue as a result of this change.

There should be no cost to the Commission to implement LB 230.

IMPACT TO POLITICAL SUBDIVISIONS:

No fiscal impact.

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

2013

LB<sup>(1)</sup> 230 FISCAL NOTE

State Agency OR Political Subdivision Name: (2) Nebraska Liquor Control Commission

Prepared by: (3) Jerry Van Ackeren Date Prepared: (4) 1-23-2013 Phone: (5) 1-4892

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS		-\$1500.00		-\$1500.00
TOTAL FUNDS		-\$1500.00		-\$1500.00

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate: The Commission has issued 289 S-1 type shipping licenses. The current annual license fee is \$500.00. Ref. Statute 53-124 & 53-124.01. Current Funding: 289 licensees X \$500.00 = \$144,500.00. This money is received by the Nebraska Liquor Control Commission, remitted to State Treasurer for credit to the Winery & Grape Producers Promotional Fund. From the review of license applications, it appears that only one percent of the total issued are not first line suppliers or manufacturers but out of state retailers. Therefore it appears the financial impact to the Grape Producers Fund is roughly a negative \$1500.00.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2013-14	2014-15
	13-14	14-15	EXPENDITURES	EXPENDITURES
			0	0
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			0	0