Bill Number:	H. 4729 Signed by Governor on April 4, 2018
Author:	Delleney
Subject:	Alcohol Licenses
Requestor:	House of Representatives
RFA Analyst(s):	Mitchell
Impact Date:	June 1, 2018

Estimate of Fiscal Impact

	FY 2018-19	FY 2019-20 to FY 2022-23
State Expenditure		
General Fund	$0	$0
Other and Federal	$0	$0
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	Undetermined	Undetermined
Other and Federal	$0	$0
Local Expenditure	$0	$0
Local Revenue	$0	$0

Fiscal Impact Summary
This bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds, as the revisions in the bill are not expected to fiscally or materially alter the responsibilities of the Department of Revenue.

The revenue impact of this bill is undetermined beginning in FY 2018-19 through FY 2022-23, during the five-year phase-in, as the number of additional retail dealer applications that will be submitted is unknown.

Explanation of Fiscal Impact

Signed by Governor on April 4, 2018
State Expenditure
This bill limits retail dealer licenses for the sale of alcoholic liquor to three retail dealer licenses per one licensee until May 31, 2018. A licensee may be issued up to three additional retail dealer licenses for retail locations in counties with populations in excess of 250,000. According to Census population estimates, these counties include: Greenville, Richland, Charleston, Spartanburg, Horry, Lexington, and York. The bill requires a five-year phase-in of the three additional retail dealer licenses.

For new liquors not previously sold in the state, the bill allows a licensee to purchase alcoholic liquor for sale by the drink from a licensed wholesaler during the first 180 days from the date of the first bill of lading in the State.

Retail dealer licenses for alcoholic liquors are administered by the Department of Revenue (DOR). DOR indicates that the bill will not materially or fiscally impact the department, as the issuance of retail dealer licenses for the sale of alcoholic liquor are within the course of normal agency business. The issuance of additional retail dealer licenses over the phase-in period of the bill can be managed within existing appropriations. As such, this bill will have no expenditure impact to the General Fund, Other Funds, or Federal Funds.

State Revenue

This bill requires a five-year phase-in of the three additional retail dealer licenses in counties with populations in excess of 250,000 residents. Until May 31, 2018, DOR shall not issue more than three retail dealer licenses to one licensee. Beginning June 1, 2018, no more than four retailer dealer licenses may be issued to one licensee. Beginning June 1, 2020, no more than five retail dealer licenses may be issued to one licensee. Beginning June 1, 2022, no more than six retail dealer licenses may be issued to one licensee.

Applicants for a retail dealer license must remit a $200 application fee to DOR. This bill allows DOR to issue up to three additional retail dealer licenses per one licensee over the course of a five-year phase-in. However, the number of retailers that will choose to obtain additional licenses is unknown. Therefore, the revenue impact of the bill is undetermined.

Local Expenditure

N/A

Local Revenue

N/A

Frank A. Rainwater, Executive Director