

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 24** SLS 202ES 46

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> September 29, 2020 1:54 PM	<b>Author:</b> TALBOT
<b>Dept./Agy.:</b> Revenue/Alcohol & Tobacco Control and Health/Public Health	<b>Analyst:</b> Patrice Thomas
<b>Subject:</b> Waived and Refunded Fees Due to COVID-19	

FEES/LICENSES/PERMITS OR DECREASE SG RV See Note Page 1 of 1  
Provides an exemption to certain fees collected by the Louisiana Department of Health and the office of alcohol and tobacco control. (gov sig) (Item #32)

Under current law, the Commissioner of Alcohol and Tobacco Control with the Department of Revenue is authorized to issue original permits and renewal permits for the sale of alcohol. Under current law, the Office of Public Health (OPH) within the Department of Health (LDH) is authorized to charge an annual food establishment fee to several types of food establishments. Proposed law provides that any applicant with an alcohol permit or a food establishment permit that was effective on March 17, 2020, shall be eligible for either of the following regarding the COVID-19 public health emergency: (1) exempt for payment of next regularly scheduled permit renewal fee if applicant temporarily closed operations; or (2) refunded permit fee if applicant permanently closed operations.

<b>EXPENDITURES</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	SEE BELOW	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	INCREASE	SEE BELOW	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>			<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	DECREASE	DECREASE	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>			<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

Proposed law creates an increased expenditure exposure as a result of refunding permit fees in FY 21 and eliminates self-generated revenues as a result of waiving permit fees in FY 21 and FY 22. The Office of Alcohol and Tobacco Control (ATC) and the Office of Public Health (OPH) utilize self-generated revenues to support certain functions and services within their agencies. The loss of revenues to support these expenditures is indeterminable (see Revenue Explanation). If ATC and OPH are to maintain its current functions and services, an alternative source of revenue would have to be utilized. State General Fund revenue would be the most likely alternative revenue sought for replacement.

**REVENUE EXPLANATION**

Proposed law will decrease SGR revenue collections in ATC and OPH by an indeterminable amount in FY 21 and FY 22. The LFO did not receive sufficient notice to gather information from ATC or OPH on the extent of the reduction to revenue at the time of this writing. Proposed law requires ATC and OPH to waive permit renewal fees in calendar year 2021 if applicant's business establish temporarily closed operations as a result of the COVID-19 public health emergency, or refund permit fees if applicant's business establishment permanently closed as a result of the COVID-19 public health emergency. For informational purposes, in FY 20, ATC issued 8,199 Class A and Class B alcohol permits and processed 6,435 permit renewals. In FY 20, OPH permitted and inspected nearly 32,000 retail food operations. The LFO will continue to work with the agency to collect information to identify specific reductions to revenues.

Senate Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

**Christopher A. Keaton**  
**Legislative Fiscal Officer**