

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSSB 128(FIN)
 (S) Publish Date: 4/24/03

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title Common Carrier Liquor License BRU Alcoholic Beverage Control Board
 Component Alcoholic Beverage Control Board
 Sponsor Senator Cowdery
 Requester Senate Finance Committee Component No. 100

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ()	(18.0)	(2.0)	(18.0)	(2.0)	(18.0)	(2.0)

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
Fees with proposed legislation:						
Current fees:						
Change in Revenues:						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Liquor licenses currently are issued for two years, renewable in either an even or an odd year. This legislation would allow multiple license holders the option of renewing all of their licenses on the same two-year cycle.

This legislation also would amend the fee structure for common carriers, such as airlines, that hold multiple liquor licenses. At present, Alaska Airlines would be the largest license holder affected by this legislation. The company currently has 110 liquor licenses at \$700 per two-year license (under the existing fee structure). This legislation would change the requirement of licensing each airplane to licensing each Alaska destination served by the airline. Therefore, the savings to Alaska Airlines (and loss to the state) is based on the number of Alaska destinations (19 X \$2,000 for a two-year license) instead of the existing per-aircraft license fee structure. This would save Alaska Airlines approximately \$39,000 every two years.

This legislation also would raise the license fee for all other common carriers from \$700 to \$1,000 per license for each biennial period. Therefore, the net loss to the state in license revenue would average about \$10,000 per year.

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 Division Alcoholic Beverage Control Board Date/Time 4/22/03 2:39 PM
 Approved by: Larry Persily, Deputy Commissioner Date 4/22/2003
 Agency Department of Revenue