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FISCAL IMPACT REPORT

SPONSOR Harrison DATE TYPED 2/7/2004 HB 308
 SHORT TITLE Alcohol Server Training Program Effectiveness SB _____
 _____ ANALYST Aguilar

APPROPRIATION

| Appropriation Contained | | Estimated Additional Impact | | Recurring or Non-Rec | Fund Affected |
|-------------------------|---------|-----------------------------|---------------|----------------------|---------------|
| FY04 | FY05 | FY04 | FY05 | | |
| | \$272.6 | | See Narrative | Recurring | General Fund |
| | | | | | |

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB171

SOURCES OF INFORMATION

LFC Files

Report of the Legislative Finance Committee to the Forty-Sixth Legislature, Second Session, January 2004 for Fiscal Year 2004 – 2005, pp. 280 – 301.

Responses Received From

Regulation and Licensing Department (RLD)

Public Defender Department (PDD)

Attorney General (AG)

SUMMARY

Synopsis of Bill

House Bill 308 appropriates \$272.6 thousand from the general fund to the Alcohol and Gaming Division of the Regulation and Licensing Department for the purpose of increasing the overall effectiveness of the state-mandated alcohol server training program. Any unexpended or unencumbered balance remaining at the end of fiscal year 2005 reverts to the general fund.

Significant Issues

The Regulation and Licensing Department has introduced a new “up front” regulation initiative designed to effectively train and educate the public and industry members. The primary focus of the initiative is to reduce the need and expense of enforcement litigation, penalties and deter-

rence activities. This initiative is designed to increase and improve the knowledge and skill of instructors and students and curtail alcohol related issues such as sales of alcoholic beverages to minors and intoxicated persons. The department also notes that the program anticipates a corresponding reduction in DWI incidents statewide. The request includes one time costs for program and curriculum development.

Recurring costs for program operation is expected to be derived from an application fee of \$20 dollars.

FISCAL IMPLICATIONS

The appropriation of \$272.6 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2005 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

Alcohol and Gaming Division staff will be required to monitor the program.

TECHNICAL ISSUES

HB 308 does not provide for the recurring costs of implementing the program. Consideration should be given to the creation of a fund into which the proceeds of the application fee are deposited. Yearly legislative approval of appropriation requests from the fund as a part of the agency budget request should also be considered.

A 1 FTE expansion may be necessary to allow the division to provide oversight of the program.

PA/yr