

HB 168-FN-A – AS INTRODUCED

2013 SESSION

13-0136
09/04

HOUSE BILL ***168-FN-A***

AN ACT increasing the beer tax.

SPONSORS: Rep. Weed, Ches 16; Rep. R. Eaton, Hills 38

COMMITTEE: Ways and Means

ANALYSIS

This bill increases the beer tax and designates the increase to the alcohol abuse prevention and treatment fund.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears ~~[in brackets and struck through]~~
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Thirteen

AN ACT increasing the beer tax.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Beer Tax Increase; Alcohol Abuse Prevention and Treatment Fund. Amend RSA 176:16, I-III
2 to read as follows:

3 I. Except as provided in paragraph [H] **III**, the state treasurer shall credit all gross revenue
4 derived by the commission from the sale of liquor, or from license fees, and interest received on such
5 moneys, to a special fund, to be known as the liquor commission fund, from which the treasurer shall
6 pay all expenses of the commission incident to the administration of this title. Any balance left in
7 such fund after such expenses are paid shall be deposited in the general fund on a daily basis.

8 II. Notwithstanding any provision of law, or the designation of the funds allocated by the
9 state to the liquor commission as the liquor commission fund, the general court shall retain
10 budgeting authority and control over the liquor commission.

11 III. **Ten cents of every \$.40 collected under RSA 178:26, I and RSA 178:30, V and** 50
12 percent of the amount by which the current year gross profits exceed fiscal year 2001 actual gross
13 profit, but not more than 5 percent of the current year gross profits derived by the commission from
14 the sale of liquor and other revenues, shall be deposited into the alcohol abuse prevention and
15 treatment fund established by RSA 176-A:1.

16 2 Beer Tax Increased. Amend RSA 178:26, I to read as follows:

17 I. In addition to the annual license fees provided in this chapter, a fee of [~~\$.30~~] **\$.40** for each
18 gallon of beverage sold or transferred for retail sale or to the public shall be required for licenses
19 issued to wholesale distributors, beverage manufacturers, and brew pubs; provided, however, that if
20 beverage container mandatory deposit legislation is enacted, such fee shall be \$.18 per gallon as of
21 the effective date of such legislation. For failure to pay any part of the fees provided [~~or~~] **for** under
22 this section when due, 10 percent of such fees shall be added and collected by the commission from
23 the licensee.

24 3 Beer Tax Increased. Amend RSA 178:30, V to read as follows:

25 V. Beverages registered with the commission under paragraph IV shall be purchased by the
26 holder of the license. Additionally, fees of [~~\$.30~~] **\$.40** per gallon of beverages or specialty beer
27 purchased under this paragraph shall be paid to the commission by the licensee within 10 business
28 days of the expiration of the license. Payment shall be accompanied by any forms and
29 documentation required by the commission.

30 4 Effective Date. This act shall take effect July 1, 2013.

HB 168-FN-A - FISCAL NOTE

AN ACT increasing the beer tax.

FISCAL IMPACT:

The New Hampshire State Liquor Commission and the Department of Health and Human Services state this bill, as introduced, would increase state restricted revenue and expenditures by approximately \$4,295,108 in FY 2014 and each year thereafter. There would be no fiscal impact on county and local revenue or expenditures.

METHODOLOGY:

The New Hampshire State Liquor Commission states this bill increases the beer tax from \$0.30 to \$0.40, and dedicates the additional \$0.10 to the alcohol abuse prevention and treatment fund. In FY 2012, 42,951,080 gallons of beer were sold resulting in \$12,885,324 of beer tax revenue. Assuming beer sales would remain constant, the Commission estimates increasing the beer tax by \$0.10 would generate an additional \$4,295,108 to be deposited into the alcohol abuse treatment and prevention fund.

The Department of Health and Human Services states additional funds would be used to contract for alcohol direct prevention and treatment services as well as defraying any additional administrative costs associated with these services. Although this bill does not establish positions, the Department assumes it would need to establish 3 full-time Prevention and Treatment Program Specialist positions to provide technical assistance and contract management. The Department estimates costs for the 3 position as follows –

	FY 2014	FY 2015	FY 2016	FY 2017
Salary (3 Positions)	\$134,258	\$140,166	\$146,309	\$152,742
Benefits	\$75,069	\$80,528	\$86,354	\$92,639
Current Expenses	\$15,000	\$15,000	\$15,000	\$15,000
Equipment	\$4,500	\$0	\$0	\$0
In State Travel	<u>\$2,500</u>	<u>\$2,500</u>	<u>\$2,500</u>	<u>\$2,500</u>
Total	\$231,327	\$238,194	\$250,163	\$262,881

The Department states the remainder of the funds would be used for treatment (70%) and prevention (30%) services. The Department estimates this would allow the Bureau of Drug and

Alcohol Services to provide treatment services to an estimated 1,820 individuals, and direct prevention services to selected and indicated services to approximately 18,700 individuals.