July 9, 2023

The Honorable Diedre Henderson
Lieutenant Governor
Utah State Capitol
Salt Lake City, Utah 84114

Dear Lieutenant Governor Henderson:

I am replying to your request, dated June 14, 2023, for an initial fiscal impact estimate on the application for an initiative titled “Citizens of Utah State Code Title 32B. Alcoholic Beverage Control Act Initiative” as required under UCA 20A-7-202.5.

Enactment of this proposed law could decrease General Fund revenue by $120 million annually and increase General Fund costs by $6 million one-time. The law would decrease the state's mark-up on alcoholic beverages by 54 percentage points on average (-65%), reducing revenue by $164 million annually. It would change licensee fees, increasing revenue by $2 million annually. State operating costs could decrease by $43 million annually while transfers to various education and enforcement programs could increase by $1 million annually. The sale of assets could nearly offset existing debt and other one-time costs, falling $6 million short.

If you have any questions about this estimate, please do not hesitate to contact me.

Sincerely,

Jonathan C. Ball
Legislative Fiscal Analyst

CC: Jeffrey D. Carter
     Johanna McMullin
     Jason Cowan
     Jared C Jensen
     Ryan Vance
     McKenzie Jackson