



**State of Arkansas
Department of Finance and Administration
Fiscal Impact Statement**

Bill: SB447

Bill Subtitle: TO REQUIRE PERMITTED COMMON CARRIERS TO SUBMIT REPORTS DETAILING SHIPMENTS OF ALCOHOLIC BEVERAGES INTO THE STATE.

Sponsors:

Sen. Petty and Rep. Hawk

Basic Change:

SB447 creates the "Common Carrier Reporting Act" to require a common carrier to submit a quarterly report to the Department of Finance and Administration (DFA) detailing shipments of alcoholic beverages to individual consumers in the state. The report must contain the following information:

- Name, business address, and registration identification for the common carrier's certificate of public convenience and necessity;
- Time period covered by the report;
- Total gallons of each type of alcoholic beverage the common carrier shipped to Arkansas addresses during the reporting period;
- Dates of delivery for each delivery made during the reporting period, including:
 - Name brand of the alcoholic beverages delivered;
 - Common carrier's parcel tracking number for the shipment; and
 - Recipient's zip code; and
- Name, business address, and Alcohol and Tobacco Tax and Trade Bureau permit number for each supplier or manufacturer of each delivery.

DFA is required to report to the Arkansas Department of Transportation (ADOT) any common carrier that fails to submit the report. DFA is authorized to promulgate rules as necessary.

Fiscal Impact:

None.

Taxpayer Impact:

A common carrier holding a certificate of public convenience would be required to track and report to DFA alcohol shipments to customers within Arkansas. Failure to provide the report could result in penalties.

Resources Required:

An online portal will need to be established to receive reports from common carriers. The estimated cost to develop this portal within the Arkansas Integrated Revenue System (AIRS), including programming, reporting capabilities, and potential compliance components, is \$22,000, with no annual maintenance cost. DFA will need additional staff and record management software to receive and maintain the quarterly reports as well as to refer any carriers to ADOT.



**State of Arkansas
Department of Finance and Administration
Fiscal Impact Statement**

Bill: SB447

Bill Subtitle: TO REQUIRE PERMITTED COMMON CARRIERS TO SUBMIT REPORTS DETAILING SHIPMENTS OF ALCOHOLIC BEVERAGES INTO THE STATE.

Time Required:

Adequate time is provided for implementation.

Procedural Changes:

DFA staff would be trained on the requirements under this bill.

Other Comments:

None.

Legal Analysis:

SB447 may benefit from an amendment on page 2, lines 1-3 to define "consumer" as an individual who orders alcoholic beverages, rather than limiting a "consumer" to an individual who orders spirits, wine, or beer.