



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 2513

PRINTERS NO. 4340

PRIME SPONSOR: Everett

COST / (SAVINGS)

FUND	FY 2020/21	FY 2021/22
General Fund	See "Fiscal Impact"	See "Fiscal Impact"

SUMMARY: Establishes separate requirements for the duration of the Governor's COVID-19 Disaster Declaration for establishment indoor space operation and outdoor space operation. This legislation would take effect immediately.

ANALYSIS: This legislation amends the Administrative Code of 1929 to add a new "Article I-A, Establishment Operation" with two subarticles.

Establishment Indoor Space Operation: Any establishment which already has indoor seating when this subarticle becomes law would be eligible to begin operation of its inside seating portion.

"Establishment" is defined as:

1. A restaurant, bar, hotel or private club which serves food and beverages.
2. A brewpub, brewery, winery or distillery.
3. An event venue.

Establishment does NOT include a nightclub, music or entertainment venue.

"Event Venue" includes a banquet hall, private club or establishment which regularly holds events. Event Venue does NOT include a nightclub or music venue.

An establishment is permitted to operate at a minimum of 50% capacity for indoor dining with social distancing consistent with guidelines issued by the Centers for Disease Control and Prevention (CDC) and the Commonwealth or maintain physical barriers. An establishment may be permitted to operate above the minimum 50% capacity for indoor dining if allowed by CDC and Commonwealth guidelines or maintain physical barriers.

Notwithstanding any other provision of law to the contrary, an establishment is NOT to be subject to an executive order during the COVID-19 disaster emergency which:

1. Requires the purchase of a meal to buy alcoholic beverages.
2. Prohibits bar service for food and beverage.

Subarticle (A) expires upon the expiration or termination of the Governor's COVID-19 Disaster Declaration.

Outdoor Space Operation: Notwithstanding any other provision of law, in addition to the authority specified in Section 462 of the Liquor Code, during the Governor's COVID-19 Disaster Declaration, the following apply:

1. Upon receipt of a request from a club, catering club, restaurant, retail dispenser, hotel, limited distillery, brewery or limited winery licensed under the Liquor Code, the Liquor Control Board (LCB) can temporarily extend the licensed premises of the applicant to include any outside serving area that is:
 - i. Immediately adjacent to the existing licensed area; or
 - ii. Noncontinuous and within 250 feet of the main licensed building.
2. The LCB is required to grant immediate operating authority to the applicant to use the outside serving area while processing the request.
3. The operating authority expires at the earliest of any of the following:
 - i. A valid protest is received.
 - ii. The LCB determines that the proposed area does NOT meet the requirements of this Act and LCB regulations for the licensing of the area in question.
 - iii. The expiration or termination of the Governor's COVID-19 Disaster Declaration.
4. No filing fee is permitted to be required from the applicant.
5. The LCB can require the applicant to provide any information deemed relevant by the LCB.
6. An outdoor serving area approved under this subarticle can only be utilized for outdoor dining and cannot include a kitchen or a bar.

FISCAL IMPACT: This legislation would permit all indoor establishments to operate at 50% capacity, expand outdoor operations, and provide bar service for food and beverage under the proclamation of a disaster emergency. To the extent these additional establishments can begin to expand operations and generate revenue and income, the Commonwealth would realize additional revenues.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: September 23, 2020

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.