



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

HOUSE BILL NO. 1196

PRINTERS NO. 1858

PRIME SPONSOR: Petri

### COST / (SAVINGS)

FUND	FY 2014/15	FY 2015/16
State Stores Fund	\$0	\$

**SUMMARY:** House Bill 1196, printer's number 1858, amends the act of April 12, 1951 (P.L. 90, No. 21), as reenacted and amended, known as the Liquor Code, to further provide for definitions, malt and brewed beverages manufacturers', distributors' and importing distributors' licenses, for local option, and for unlawful acts relative to liquor, alcohol and liquor licenses. The effective date is 60 days after enactment.

**ANALYSIS:** The bill makes the following amendments to the Liquor Code:

- Section 102 is amended to add a definition of powdered or crystalline alcohol as a powdered or crystalline product prepared or sold for either direct use or reconstitution for human consumption that contains any amount of alcohol when hydrolyzed.
- Section 431(d)(2) is amended to add language to define "geographically contiguous area" as two distinct areas which are separated by no more than five miles at the closest point. Section 431 of the Liquor Code prescribes regulations for Malt and Brewed Beverages Manufacturers' Distributors' and Importing Distributors' Licenses. The bill will enable an importing distributor who has been granted franchise rights for the sale or resale of malt and brewed beverages to maintain one license when franchise territories are a geographically contiguous area. Currently if the franchise territories are not absolutely contiguous the importing distributor must obtain a second license.
- Section 472 is amended to allow questions as to whether certain types of liquor licenses should be issued within a municipality to be on the ballot at any election rather than just primary elections.
- A new subsection is added to Section 491 to make it unlawful to possess, purchase, sell or use powdered or crystalline alcohol. Exemptions are provided for commercial or industrial uses specifically approved by State law, and for hospitals, State institutions, private colleges or universities, and pharmaceutical companies conducting research.

**FISCAL IMPACT:** The enactment of this legislation will have no adverse impact on Commonwealth funds.

**PREPARED BY:** Lisa Taglang  
House Appropriations Committee (R)

**DATE:** June 22, 2015

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