



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1902

PRINTERS NO. 2786

PRIME SPONSOR: A. Harris

COST / (SAVINGS)

FUND	FY 2017/18	FY 2018/19
General Fund	\$0	\$0
State Stores Fund	\$0	\$0

SUMMARY: House Bill 1902, Printer's Number 2786, amends the act of April 12, 1951 (P.L. 90, No. 21), known as the Liquor Code, to further provide for interlocking business prohibitions, enforcement, brewery sales, and for unlawful acts relative to liquor, malt and brewed beverages and licensees.

The act shall take effect immediately.

ANALYSIS: The legislation proposes to amend Section 211 of the Liquor Code by adding a subsection to provide that an individual under twenty-one years of age may purchase, attempt to purchase, possess or transport liquor or malt or brewed beverages if the individual is at least eighteen years of age, is an officer, employee or intern of the Bureau of Liquor Control Enforcement of the Pennsylvania State Police and has completed specified training of the bureau. The individual may not consume liquor or malt or brewed beverages and must be acting under the direct control or supervision of a bureau officer who is an adult. The new subsection shall expire December 31, 2022. Provisions allowing individuals under twenty-one years of age to purchase, or attempt to purchase, liquor or malt or brewed beverages if an officer, employee or intern of the Bureau of Liquor Control Enforcement had previously been included in Title 18, the Crimes Code. The bill includes related repeals necessary to effectuate the addition of the new subsection to the Liquor Code.

Section 411 of the Liquor Code is amended to remove language that prohibited hotel, restaurant or club licensees from owning or leasing property or equipment to a holder of a manufacturer's license for the manufacture of liquor or malt or brewed beverages. The section is further amended to allow a person who has an ownership interest in a limited winery license to be employed by an entity that holds a hotel, restaurant, eating place or club license so long as the person is not employed as alcohol service personnel or as manager.

The bill amends Section 446(a)(1) of the Liquor Code to add language to provide that malt or brewed beverages produced for the holder of a brewery license under a contract brewing agreement may be sold to a non-licensee for on-premise or off-premise consumption, except that sales to a licensee must be distributed as provided under section 431(b) (relating to distributing rights and designated geographical areas of a distributor licensee or importing distributor

licensee). The bill also makes a conforming change to Section 492 to provide an exception to unlawful acts relative to malt or brewed beverages and licensees.

Section 493 of the Liquor Code is also amended by the bill to allow a person who has an ownership interest in a limited winery license to be employed by an entity that holds a hotel, restaurant, eating place or club license so long as the person is not employed as alcohol service personnel or as manager.

FISCAL IMPACT: Enactment of this legislation will have no adverse impact on Commonwealth funds.

PREPARED BY: Lisa Taglang
House Appropriations Committee (R)

DATE: December 7, 2017

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