



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 131

PRINTERS NO. 2264

PRIME SPONSOR: Jozwiak

COST / (SAVINGS)

FUND	FY 2018/19	FY 2019/20
State Stores Fund	\$0	\$0

SUMMARY: House Bill 131, printer's number 2264, amends the act of April 12, 1951 (P.L. 90, No. 21), known as the Liquor Code, to further define "alcoholic cider" and add a definition for "fermented fruit beverage." The bill also amends the Liquor Code to require non-alcoholic beer come through the wholesale tier of the three-tiered system; for records to be kept; and abrogating regulations.

The effective date is 60 days after enactment, except for the amendment of Section 493.1 which is effective immediately.

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

- Section 102 (Definitions)
 - "Alcoholic cider" is amended to bring it into conformity with the federal definition of alcoholic cider (alcoholic fermentation of apples and pears), as well as the industry standard for such products.
 - "Fermented fruit beverage" is added and defined as a beverage which may contain carbonation produced through alcoholic fermentation of fruit, fruit juice, fruit juice concentrate and water, and sold or offered for sale not as a wine, a wine product or as a substitute for wine.
- Section 408.12 (Wine and Spirits Auction Permits) is amended to provide that when wine and spirits are donated from a location outside of the Commonwealth, the wine or spirits may be imported as a gift and subject to procedures and fees imposed by the Pennsylvania Liquor Control Board.
- The term "fermented fruit beverages" are added to sections 446 (Breweries), 505.2 (Limited Wineries), and 505.4 (Distilleries) to clearly provide that breweries, limited wineries, limited distilleries, and distilleries can continue to produce alcoholic beverages made from fruit other than apples and pears.
- Section 431 (Malt and Brewed Beverages Manufacturers') is amended to provide that any nonalcoholic malt or brewed beverage intended to be marketed or sold as nonalcoholic beer having at least a trace amount of alcohol content (not more than 0.5% or more by volume) must be distributed in accordance with provisions of the section.
- Section 493.1 (Rights of Municipalities Preserved) is amended to add a section to permit a limited winery licensee located in a Class 2A through 8 county to use a loudspeaker for music, advertisement or other entertainment, inside or outside the licensed premises, during specified hours so long as the sound does not exceed 75 decibels beyond the licensee's property line.

- Section 512 (Records to be Kept) is amended to specify that a sales invoice may not be required for purchases made at a limited winery by a private individual unless the purchase is for greater than 16 liters in a single transaction.

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

PREPARED BY: Lisa Taglang
House Appropriations Committee (R)

DATE: June 27, 2019

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