



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 947

PRINTERS NO. 2898

PRIME SPONSOR: Schweyer

COST / (SAVINGS)

FUND	FY 2019/20	FY 2020/21
State Stores Fund	See fiscal impact	See fiscal impact

SUMMARY: House Bill 947, printer's number 2898, amends the act of April 12, 1951 (P.L. 90, No. 21), known as the Liquor Code, to further provide for definitions, sales by liquor licensees, hours of operation relative to breweries, distilleries, and limited distilleries, and for limiting number of retail licenses to be issued in each county.

ANALYSIS: The bill makes several amendments to the Liquor Code as outlined below along with the effective dates.

- Section 102 is amended to add a definition for commercial and mixed-use overlay project, which is defined as a planned development situated on at least twenty-five acres of land, constructed since January 1, 2019, that is dedicated primarily to tourism with at least 275,000 square feet of actual or proposed development, with a mix of commercial and residential use, and that is adjacent to an existing hotel property with at least 90 rooms. Effective in 60 days.
- Section 406(d) and 413(f)(1) are amended to extend the hours that performing arts facilities licensees may sell liquor and malt or brewed beverages on Sundays without the need to acquire or qualify for a special permit. Currently, licensed performing arts facilities may begin selling liquor or malt or brewed beverages at one o'clock postmeridian on Sundays. The bill amends the start time to ten o'clock antemeridian. Effective immediately.
- Sections 461 is amended to authorize the Pennsylvania Liquor Control Board (PLCB) to issue retail liquor licenses or eating place retail dispenser licenses for use at a commercial and mixed-use overlay project regardless of the number of retail liquor licenses or eating place retail dispenser licenses already issued in a county. A commercial and mixed-use overlay project restaurant liquor license application may be submitted to the PLCB by any interested party at any time, but the application must be accompanied by a resolution or ordinance indicating that the municipality has approved the request to have the area designated as a commercial and mixed-use overlay project by the PLCB. Each separate commercial and mixed-use overlay project restaurant liquor license application must indicate the number of restaurant liquor licenses the applicant is seeking but may not seek more than 20 licenses for the commercial and mixed-use overlay project. In addition to the normal application and license fees, the applicant must submit a surcharge of \$25,000 for each restaurant liquor license application. Licensees within a commercial and mixed-use overlay project are ineligible for a wine expanded permit and may not sell malt and brewed beverages for off-premises consumption. The surcharge fees are to be deposited into the State Stores Fund.

The PLCB may choose which restaurant liquor licenses will be made available for transfer to the commercial and mixed-use overlay project restaurant liquor license applicant but shall choose licenses from a saturated county, if they are available, up to the maximum number of licenses that can be accepted from a saturated county. The maximum number of licenses that can be accepted from a county shall be calculated by subtracting from the total number of restaurant liquor licenses in the county, a number equal to 2.64 times the county population divided by three thousand.

Effective in 60 days.

- Section 492.1 is amended to provide that breweries may sell malt and brewed beverages for on-premises consumption between the hours of 9 a.m. and 12 a.m. Monday through Saturday, and on Sunday between the hours of 9 a.m. and 11 p.m. Effective immediately.
- Section 505.4 of the Liquor Code to provide that distilleries and limited distilleries may sell liquor to the public between the hours of 9 a.m. and 12 a.m. Monday through Saturday, and on Sunday between the hours of 9 a.m. and 11 p.m. Tasting samples that in total do not exceed one and one-half fluid ounces per person may also be sold or provided free of charge during the same hours. Effective immediately.

FISCAL IMPACT: Enactment of this legislation will have no adverse impact on Commonwealth funds. The commercial and mixed-use overlay project provisions contained in the legislation could generate as much as \$500,000 in surcharge revenue and for the State Stores Fund for each commercial and mixed-use overlay project that applies for the maximum 20 restaurant liquor licenses that are available for each project.

PREPARED BY: Lisa Taglang
House Appropriations Committee (R)

DATE: November 20, 2019

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