



## HOUSE COMMITTEE ON APPROPRIATIONS

# FISCAL NOTE

HOUSE BILL NO. 1524

PRINTERS NO. 2066

PRIME SPONSOR: Rader

### COST / (SAVINGS)

FUND	FY 2018/19	FY 2019/20
General Fund	See fiscal impact	See fiscal impact
State Stores Fund	See fiscal impact	See fiscal impact

**SUMMARY:** House Bill 1524, printer's number 2066, amends the act of April 12, 1951 (P.L. 90, No. 21), known as the Liquor Code, to further provide for limiting number of retail licenses to be issued in each county and for licenses not assignable and transfers.

The effective date is 60 days after enactment.

**ANALYSIS:** The bill amends Section 102 of the Liquor Code by adding the following definitions:

- "Saturated county" shall mean a county with more than one restaurant liquor license per 3,000 inhabitants in the top twenty-five highest ratios of restaurant liquor licenses to county population in the Commonwealth.
- "Tourist development project" shall mean a planned development situated on at least ninety acres of land, constructed since January 1, 2019, that is dedicated primarily to tourism with at least 500,000 square feet of actual or proposed development, with a mix of entertainment and retail uses.

Sections 461 is also amended to authorize the Pennsylvania Liquor Control Board (PLCB) to issue retail liquor licenses or eating place retail dispenser licenses for use at a mixed-use town development project or tourist development project regardless of the number of retail liquor licenses or eating place retail dispenser licenses already issued in a county. A tourist development 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 tourist development project by the PLCB. The interested party must also pay a fee of \$1,000,000. Each separate tourist development project restaurant liquor license application must indicate the number of restaurant liquor licenses the applicant is seeking but may not seek more than 75 licenses for the tourist development project. The applicant must submit a surcharge of \$65,000 for each restaurant liquor license upon PLCB approval of the transfer of the applicable restaurant liquor license. Licensees within a tourist development project are ineligible for a wine expanded permit and may not sell malt and brewed beverages for off-premises consumption. The fees associated with tourist development project licensees 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 tourist development 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.

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

It is estimated that the tourist development project provisions contained in the legislation could generate as much as \$5,875,000 in revenue for the State Stores Fund. This assumes one entity will apply to be designated as a tourist development project for the \$1,000,000 fee and applications for all 75 tourist development project restaurant liquor licenses will be submitted to and approved by the PLCB.

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

**DATE:** June 10, 2019

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