



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1542

PRINTERS NO. 2889

PRIME SPONSOR: Saylor

COST / (SAVINGS)

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

SUMMARY: House Bill 1542, printer's number 2889, amends the act of April 12, 1951 (P.L. 90, No. 21), known as the Liquor Code, to further define eligible entity, and to further provide for special occasion permits and wine and spirits auction permits.

The effective date is 60 days after enactment.

ANALYSIS: The bill amends the definition of "eligible entity" in Section 102 of the Liquor Code to further provide for organizations eligible to obtain special occasion permits authorized in Section 408.4. Specifically, the bill adds any nationally recognized community-based voluntary health organization committed to fighting cancer, which has been in existence for at least 100 years, and a non-profit organization located in a city of the third class in a county of the fifth class whose mission is to improve the quality of life for individuals with developmental disabilities and their families through advocacy, education, support and socialization. The definition is further amended to remove the year designation (1995) for a nonprofit organization located in a city of the first class, organized as a community development organization to promote health, safety and welfare of the residents, businesses and institutions of a neighborhood.

Section 408.4 of the Liquor Code is amended to extend the time that an eligible entity may use a special occasion permit from six consecutive or nonconsecutive days to nine consecutive or nonconsecutive days, and an additional ten consecutive days. Section 408.4(m) is also amended by the addition of a paragraph to provide that an entity operating in conjunction with a special occasion permit holder may collect and manage funds raised using the special occasion permit if the permit holder is the primary host of the activity or event, and the funds raised are used for the benefit of the special occasion permit holder.

The bill also amends Section 408.12 of the Liquor to expand the number of entities eligible to receive a wine and spirits auction permit to include any nonprofit that is registered with the Pennsylvania Bureau of Charitable Corporations of the Department of State that is recognized as a community-based voluntary organization committed to fighting cancer that has been in existence for at least five years; and any community-based voluntary health organization in a county of the second class which enriches the lives of children and young adults with disabilities and chronic illness.

FISCAL IMPACT: The enactment of this legislation will have no adverse impact on the State Stores Fund and may result in a nominal revenue gain from the issuance of special occasion permits and wine and spirits auction permits.

The fee for a special occasion permit per day is \$85 for the cost of the investigation, which generally applies to the first day for a first-time applicant, and \$30 per day thereafter. In Fiscal Year 2018-19, 2,890 eligible entities purchased special occasion permits from the Pennsylvania Liquor Control Board for a total of 4,579 days generating \$138,000 in revenue.

The fee for a wine and spirits auction permit is \$30 per day. In Fiscal Year 2018-19, 25 eligible entities purchased wine and spirits auction permits from the board for a total of 38 days generating \$1,350 in revenue.

PREPARED BY: Lisa Taglang
House Appropriations Committee (R)

DATE: December 17, 2019

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