



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 427

PRINTERS NO. 939

PRIME SPONSOR: Pyle

COST / (SAVINGS)

FUND	FY 2020/21	FY 2021/22
General Fund	See fiscal impact	See fiscal impact
State Stores Fund	See fiscal impact	See fiscal impact

SUMMARY: House Bill 427, printer's number 939, amends section 305 of the Liquor Code to increase the licensee discount. The bill shall take effect 60 days after becoming law.

ANALYSIS: This bill will increase the discounted price for licensee purchases from 10% to 15%. The discount rate shall revert back to 10% three years after the expiration of the disaster emergency declared by Governor Wolf on March 6, 2020. The increased discount will not apply to restaurant (R) licensees holding wine expanded permits (WEPs) with interior connections to grocery stores, convenience stores, department stores, or other similar businesses.

FISCAL IMPACT: According to data provided by the Pennsylvania Liquor Control Board (PLCB), it is estimated that the enactment of this legislation would result in the loss of \$19.2 million in sales for the State Stores Fund on an annual basis. It is also estimated that the increased discount would result in the loss of \$4.83 million in General Fund tax revenue on an annual basis.

PREPARED BY: Casey Martin
House Appropriations Committee (R)

DATE: March 30, 2021

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