



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

HOUSE BILL NO. 1154

PRINTERS NO. 1922

PRIME SPONSOR: Masser

### COST / (SAVINGS)

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

**SUMMARY:** House Bill 1154, printer's number 1922, amends the Liquor Code, in licenses and regulations and liquor, alcohol and malt and brewed beverages, further providing for sales by liquor licensees and restrictions, for prepared beverages and mixed drinks for off-premises consumption during disaster emergency and providing for safekeeping.

**ANALYSIS:** House Bill 1154 amends the Liquor Code to permanently allow valid restaurant and hotel licensees to sell up to 64 fluid ounces of mixed drinks for off-premises consumption. Mixed drinks may not be sold for off-premises consumption after 11:00 p.m. and must be labeled as containing alcohol. A licensee selling mixed drinks for off-premises consumption must prominently post a warning sign that explains restrictions on transporting open containers in vehicles and may only be transported in an unoccupied area of the vehicle, such as a trunk.

The bill would allow liquor and wine in the possession of a licensee to be sold to another licensee when the licensed business permanently closes. It requires the licensee to notify the Pennsylvania Liquor Control Board (PLCB) in writing, and to identify the products sold.

Additionally, this legislation allows the PLCB, upon receipt of a request from a licensed club, catering club, restaurant, retail dispenser, hotel, limited distillery, distillery, brewery, or limited winery, to temporarily extend the licensed premises of a licensee to include any outside serving area that is immediately adjacent to the existing licensed areas, or within 1,000 feet of the main licensed building. The PLCB is required to grant immediate operating authority to the applicant to use the outside area while the board processes the request. The expanded operating authority is terminated if a valid protest is received, or if the board determines that the proposed area does not meet the requirements of this act or regulations for the licensing of the defined area. A filing fee is not to be required, but applicants are required to provide any information deemed relevant by the PLCB.

House Bill 1154 allows the PLCB to authorize an unlimited number of off-premises catered functions to entities that qualify for such permits. An application fee is not to be required, and an application for a catering permit does not need to be submitted prior to March 1 of that calendar year. The five-hour limit on catered functions does not apply to these permits.

This bill allows the PLCB to provide an additional year of safekeeping for a club, catering club, restaurant, eating place retail dispenser, hotel, importing distributor, or distributor license that was in safekeeping during the proclamation of a disaster emergency. The license is not subject to a renewal, validation, or late fee that would be due during the additional year, except that the licensee must file a renewal or validation application that becomes due. The additional year of safekeeping starts on the date of a renewal or validation of the license that occurs after December 31, 2021.

This act shall take effect immediately.

**FISCAL IMPACT:** To the extent that enactment of this legislation allows for additional sales of spirits by the PLCB to licensees, the Commonwealth will realize additional revenues for the State Stores Fund and the General Fund.

The provisions of the bill that waive the extension of safekeeping fees may result in a reduction of revenue to the State Stores Fund of approximately \$2.4 million. The provisions of the bill that waive the \$500 permit fee for catering permits may result in a potential loss of revenue of over \$250,000. These estimates are based on prior year fees.

**PREPARED BY:** Casey Martin  
House Appropriations Committee (R)

**DATE:** June 24, 2021

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