



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 198

PRINTER'S NO. 156

PRIME SPONSOR: Deasy

COST / (SAVINGS)

FUND	FY 2022/23	FY 2023/24
State Stores Fund	\$0	\$1,000,000

SUMMARY: House Bill 198, PN 156 establishes the Pennsylvania Distilled Spirits Industry Promotion Board.

ANALYSIS: The legislation amends Article V of Act 21 of 1951 (Liquor Code) to establish the Pennsylvania Distilled Spirits Industry Promotion Board. The board would consist of members with substantial experience or expertise in the Pennsylvania distilleries industry who will be appointed by and serve at the pleasure of the following individuals:

- The Governor;
- The President Pro Tempore of the Senate;
- The Minority Leader of the Senate;
- The Speaker of the House of Representatives; and
- The Minority Leader of the House of Representatives.

The Pennsylvania Distilled Spirits Industry Promotion Board would have the following powers and duties:

- Making recommendations to the board to award grants to entities for the purpose of increasing the production of Pennsylvania-made spirits and enhancing the Pennsylvania distilled spirits industry through promotion, marketing, and research-based programs and projects. Grants shall be awarded through a competitive review process;
- Requiring each grant recipient to provide full and complete access to all records relating to the performance of the grant and to submit accurate information;
- Conducting a thorough annual evaluation of each program for which a grant under the legislation is made;
- Seeking repayment of money upon determination that the money was not utilized for the original stated purpose; and
- Submitting an annual report to the General Assembly detailing all grants and other actions

The Department of Agriculture is required to assist the Pennsylvania Distilled Spirits Industry Promotion Board in carrying out its powers and duties.

The Pennsylvania Liquor Control Board shall allocate \$1 million annually for the purpose of awarding grants under the legislation.

The legislation would take effect 60 days upon enactment.

FISCAL IMPACT: This legislation will cost up to \$1 million annually from the State Stores Fund for the Pennsylvania Liquor Control Board to provide grants as prescribed by the legislation. If structured like the existing Pennsylvania Malt and Brewed Beverage Industry Promotion Board, reimbursements for expenses to attend meetings for members of the Pennsylvania Distilled Spirits Industry Promotion Board would be paid out of the Pennsylvania Department of Agriculture's budget. Reimbursements for members of the board are expected to be minimal.

Given that fewer than 60 days remain in the current fiscal year, costs associated with the bill would fall into the 2023/24 fiscal year.

PREPARED BY: Brittany Van Strien
House Appropriations Committee (D)

DATE: May 2, 2023

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