

**SENATE APPROPRIATIONS COMMITTEE  
FISCAL NOTE**

**BILL NO.** House Bill 1615

**PRINTER NO.** 2990

**AMOUNT**

No Fiscal Impact

**FUND**

General Fund

**DATE INTRODUCED**

June 11, 2021

**PRIME SPONSOR**

Representative Topper

**DESCRIPTION**

House Bill 1615 amends Section 446 (Breweries) of the Liquor Code to provide clarification with regard to sales of malt or brewed beverages.

The legislation provides that malt or brewed beverages produced by a brewery at its location or under a contract brewing agreement or alternating proprietorship with an in-state manufacturer may be sold to non-licensees for on-premises and off-premises consumption and to licensees who sell malt or brewed beverages.

The legislation requires malt or brewed beverages produced for a brewery under a contract brewing agreement or alternating proprietorship with an out-of-state manufacturer to be distributed through the three-tier system. This requirement does not apply to breweries that presently have contract brewing agreements with out-of-state breweries, unless the brewery is granted a license for an additional storage facility for distribution or retail sales.

The legislation also provides that nothing contained in the language shall be construed to impact the status of existing or future distribution contracts or rights and is scheduled to take effect immediately.

**FISCAL IMPACT:**

The enactment of House Bill 1615 will have no fiscal impact on Commonwealth funds. Requiring sales of additional products through the three-tier system is not projected to increase the volume of malt or brewed beverage sales or tax revenues related to malt or brewed beverage sales.