

Testimony of Bill Kohl
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House Liquor Control Committee
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Chairman Taylor, Chairman Santoni and members of the House Liquor Control Committee, thank you for the opportunity to provide testimony on House Bill (HB) 1771 sponsored by Chairman Santoni. My name is Bill Kohl and I am speaking on behalf of the Pennsylvania Restaurant Association (PRA).

HB 1771 seeks to simplify the procedure a non-profit organization must go through to obtain a Special Occasion Permit (SOP) from the Pennsylvania Liquor Control Board (PLCB). The legislation opens up the ability to obtain an SOP to all non-profit 501(c)(3) organizations, as long as a written application and a fee are submitted to the PLCB. The Pennsylvania Restaurant Association and its members are opposed to HB 1771.

We believe that Act 11 of 2011 which allows licensees to serve alcohol at the events they cater off premise eliminates the need for Special Occasion Permits while ensuring that all events are held responsibly and safely.

An eligible entity that receives an SOP may hold an event on an unlicensed premise and sell alcohol between the hours of 7:00 am and 2:00 am. SOP holders must purchase the alcohol that is being sold and only members of the entity may handle or sell the alcohol.

During these events, an eligible entity is subject to all facets and requirements of the liquor code. This includes checking the identification of attendees, not serving Visibly Intoxicated Persons (VIP) and properly serving alcohol. These are requirements that licensees train their employees to do through in-house training and through the PLCB Responsible Alcohol Management Program (RAMP). Yet there is nothing in the code that requires an entity obtaining an SOP to undergo any type of training or prove that it understands and plans to implement the liquor code requirements. This not only puts attendees of the event at risk, but also the eligible entity itself if an incident occurs.

The Bureau of Liquor Control Enforcement (LCE) is responsible for ensuring that holders of SOPs are following liquor code requirements, but with the enforcement bureau already understaffed, we have concerns about how it will be able to investigate these events. According to a 2009 study completed by the National Center for Charitable Statistics, there are over 45,000 501(c)(3) organizations in the Commonwealth of Pennsylvania. HB 1771 would make all of them eligible to obtain SOPs which can be used up to 6 consecutive or 10 non-consecutive days. Allowing over 45,000 organizations to do this would make it very difficult for the LCE to ensure that alcohol is being served and handled responsibly.

Licenses are required to responsibly serve alcohol in a safe environment. Our members have always taken this task seriously and ensure that their staff is fully trained and able to manage all events that occur on premise. The passage of Act 11 allows any individual, group or entity to have a fully catered off-premise function that follows the requirements of the liquor code through the use of a licensee. Act 11 even goes as far as to mandate RAMP training for all servers at the event. There is no longer a need for a nonprofit to obtain an SOP. Licensees make a large investment in their liquor licenses and rely on them for their livelihood; the same cannot be said for a non-profit organization obtaining an SOP for an event.

The Pennsylvania Restaurant Association urges you to consider discontinuing the use of Special Occasion Permits as they are currently used and how they would be used in HB 1771. With the lack of guidelines and the potential for over 45,000 non-profit organizations to obtain a permit, it would open a Pandora's Box in terms of liquor code violations. If an entity would like to raise funds for their organization it should not be generally unregulated and a risk to the attendees. Licensees with the use of an off-premise catering permit are the best suited for these events, and would ensure a safe fundraising option for these non-profit organizations.

Thank you for considering our views and for the opportunity to provide testimony. I will be happy to take any questions.