



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 2150

PRINTER'S NO. 3019

PRIME SPONSOR: Freeman

COST / (SAVINGS)

FUND	FY 2023/24	FY 2024/25
General Fund	\$0	See Fiscal Impact
State Stores Fund	\$0	\$44,500

SUMMARY:

House Bill 2150, Printer's Number 3019 would allow breweries, distilleries, and limited distilleries to operate during extended hours on two occasions during the year.

ANALYSIS:

This legislation amends Act 21 of 1951 (Liquor Code) to allow manufacturers of malt or brewed beverages (i.e., breweries or brew pubs), limited distilleries, and distilleries to operate for extended hours on each December 31 until 2:00 AM for the New Year's holiday. Additionally, the legislation permits the Pennsylvania Liquor Control Board (PLCB) to issue an extended hours permit to breweries, distilleries, and limited distilleries for a fee of \$50 to allow them to remain open and sell alcohol until 2:00 AM on another day during the calendar of the manufacturer's choosing. The following must apply:

- The manufacturer must submit a written application for an extended hours permit to the PLCB in a form prescribed by the board;
- Only one extended hours permit may be issued to a manufacturer per calendar year and may only be used for one day during the calendar year at all of the manufacturer's locations; and
- The manufacturer must provide written notice, including the date, time, and place of the extended hours for sale of alcohol, to the local police department, or the Pennsylvania State Police if no local police department is available, at least 48 hours prior to each use of the extended hours permit.

This legislation would take effect in 60 days upon enactment.

FISCAL IMPACT:

This legislation could result in additional revenue for the State Stores Fund to the extent that manufacturers pay the extended hours permit fee. According to the PLCB, there are 639 licensed breweries that are either active or in safekeeping and 251 licensed distilleries that could pay the extended hours permit fee. Assuming that each of these licensees pay the permit fee, this legislation could result in up to \$44,500 in additional revenue for the State Stores Fund.

To the extent that malt or brewed beverage sales increase in the Commonwealth as a result of allowing breweries to operate during extended hours on two occasions during the year, collections for the Malt Beverage Tax and Sales and Use Tax collected by breweries could increase for the General Fund. Any increase in these tax collections would depend on actual sales of malt or brewed beverages.

PREPARED BY: Brittany Van Strien, MPP, Budget Analyst
House Appropriations Committee (D)

DATE: May 1, 2024

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