



Pa. House takes another step in long march to liquor privatization

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A measure that would allow beer distributors to sell liquor and wine joined several others sent from the state House to the Senate over the last month.

[House Bill 1033](#), which passed the House by a 103-91 margin earlier this week, would allow beer distributors and wholesalers to obtain a permit to sell unlimited amounts of wine and liquor.

A [fiscal analysis](#) by the House Committee on Appropriations estimated that it would bring in \$6 million in license fees and another \$6 million in tax revenues in its first full year of implementation.

On the other end, however, it would likely reduce the state stores' gross margin from liquor and wine sales by nearly \$31 million.

"It is assumed that the PLCB will modify its current retail footprint by reducing operating costs accordingly to mitigate the loss of its gross margin as additional retail outlets begin selling wine and spirits," the analysis concluded.

Last month, the House [passed a succession of bills](#) designed to nudge the state closer to privatizing its state-run alcohol distribution system. They included measures that would:

- "[Free the wine](#)" by allowing grocery stores to apply for a permit to sell wine without any seating requirement. It would also allow retailers with an R license to purchase wine through private wholesalers instead of the state Liquor Control Board.
- Divest the PLCB from its wholesale wine and spirits operation entirely and open the door for private wholesalers.
- Allow R license holders to sell up to four bottles of liquor to sell, in addition to the wine sales permitted by Act 39.

Gov. Tom Wolf and Senate Republican leaders, however, have been reluctant to enact such changes following last year's [sweeping Act 39 reforms](#).

A proposed amendment that would have reciprocated HB1033's expansion by allowing state-run liquor stores to sell beer was not added to the final version of the House bill.

http://www.pennlive.com/politics/index.ssf/2017/05/pa_house_liquor_privatization.html#incart_river_index_to_pics



PA House approve bills to privatize retail liquor sales

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HARRISBURG, Pa. -- Pennsylvania could be getting out of the business of selling alcohol of a series of bills make it through the Capitol.

A push to privatize the sale of alcohol in Pennsylvania is now under consideration in the senate after the House voted with their approval.

There are about 600 state stores selling alcohol.

Some legislators believe there should be any run by the state.

Others worry how many other stores could pop up in neighborhoods and communities across Pennsylvania.

Pennsylvania's own Fine Wine and Good Spirits stores could become a thing of the past.

State representative Bryan Cutler (R-LANCASTER) said "it really hasn't substantially changed, until last year, for the 80 years prior to that, so change is slow but it is coming."

Pennsylvania House Republicans passed a series of bills that would get rid of the state's wholesale system to create private retail stores.

This follows Act 39 which Governor Tom Wolf signed into law last year, allowing for expanded beer and wine sales.

Pennsylvania state representative Carol Hill-Evans (D-YORK) said "it's only been eight months ago that legislation was passed, and so far, we haven't had any reports as to how it's doing, so we don't really know."

"It's very clear to me, that I don't believe the government should be in the business of selling alcohol and these bills would further move that goal forward," Cutler said.

"I think to push ahead into something else, or something additional, is just a little, it's not the right time," Hill-Evans said.

Those in favor of the state getting out of the alcohol business say millions of dollars of tax revenue still would be collected, regardless who sells it.

"We buy \$1.9 billion in alcohol as a state, and yet there's very little money made on that, about \$100 million. When you look at the PLCB, the Pennsylvania Liquor Control Board, in its entirety, it's really upside down," Cutler said.

Currently, the Liquor Control Board runs more than 600 state stores selling beer, wine, and hard liquor.

"And this bill would increase that number to 2383 stores, across the commonwealth, and I just don't think that that's appropriate," Hill-Evans said.

Some worry easy access to alcohol could make revitalization efforts in cities like York, and Lancaster more difficult.

"Having a liquor store on every street corner, when we're trying to encourage families to come down to our cities, is that really what we want, and I say no," Hill-Evans said.

Approximately 4,400 people are employed at Pennsylvania state stores. Cutler said most of those workers would be given other jobs with the state.

- House Bill 438 - Would establish a spirit expanded permit for holders of restaurant and hotel liquor licenses.
- House Bill 975 - Would remove the Pennsylvania Liquor Control Board (PLCB) from the wholesale wine business and create new wholesale wine and retail wine licenses.
- House Bill 991 - Would create a retail store license for the sale of wine and spirits.
- House Bill 1075 - Would reduce the price of liquor products by further removing the PLCB from the purchase and distribution chain.

<http://fox43.com/2017/04/26/pa-house-approve-bills-to-privatize-retail-liquor-sales/>