



Testimony Provided to the House Liquor Control Committee
November 30, 2011
Submitted by Amy Christie, Executive Director

The Pennsylvania Tavern Association appreciates the opportunity to outline issues we would like addressed in any language that moves forward that alters the current Pennsylvania Liquor Code.

Due to the severe negative impact on our family-owned businesses from the economy, smoking ban, un-level playing fields established between retail licensees in PA, has many different concerns with all aspects and future of the alcohol industry in the Commonwealth.

Below are some of the biggest concerns of our small businesses in regards to changing the liquor code:

- **Significant changes to the operations of the PLCB or the PLCE clearly concern us as they both currently play a mandated role in the governing of our businesses.**

Enforcement procedures and branches, licensing issues and renewals, permit requirements, and timely processing will impact our daily businesses and owner's responsibilities and fees.

- **One of the priority concerns our members would like to see addressed in any final language is the protection of license classes and values that stem from the investments and commitments that our members made into the current system that are their livelihoods and carefully planned retirements.**

All Commonwealth licensees became licensed by the state to sell alcohol with specific parameters. The parameters of the each license category directly dictate the cost of the differing license categories.

Our members have invested and built their businesses within the parameters of the most expensive license categories in the state. Any alteration of license privileges, for example House Bill 1649, should be equivalent to each category and their investment in the current system.

Not only should current license categories be treated accordingly in regards to any changes in privileges, the creation of new license categories for the purpose of selling alcohol would only serve to deplete all current license category values and make over 1000 licenses in safekeeping worthless.

Their investment in their license, business, and as employers should be considered and protected before any further discussion continues.

- **Product price.**

We would like to have the 16% licensee discount restored, currently we remain at a decreased discount of 10%.

We also have been long time advocates of ending the 18% Johnstown Flood Tax on licensees and Pennsylvania consumers.

We oppose any increase of prices on our most basic of overhead costs, i.e.: wine and spirits.

- **Convenience and availability.**

As a statewide association exclusively representing Pennsylvania retail licensees, an important need is to improve convenience and availability of product to every retail licensee in the state without creating additional fees.

- **The role our small businesses want to play in any plan to satisfy the majority of Pennsylvania citizens asking for more convenience of wine and spirits.**

We, as R, H, and E licensees are already licensed to sell for on and off-premise consumption. We will continue to advocate strongly that through any privatization or modernization process, our retail licensees should be able to sell in some capacity through licensing or permit procedures, certain quantities of wine and spirits for on and off-premise consumption.

We have lost a lot of small businesses over the last several years due to the economy, timing of a smoking ban, and un-level playing field legislated between retail licensees creating unfair competition. However, our will is great and the ability for such a large portion of independent businesses to survive during these times prove our ingenuity and entrepreneurship to make our businesses mold with changing economic times, create atmospheres to attract and keep patrons, and remain integral roles as local community supporters and employers. For these reasons alone, we are more than capable playing an important role in providing the Commonwealth citizens what they seek in product availability and convenience.

The Pennsylvania Tavern Association is asking to remain an active participant in any further discussions concerning modernization or privatization. By working collaboratively to achieve the necessary understanding of objectives and industry needs, we feel confident that all goals can be met.

We are Pennsylvania small business. We will support you but ask that you protect us. Thank you