



PENNSYLVANIA LICENSED BEVERAGE & TAVERN ASSOCIATION

Pennsylvania Licensed Beverage & Tavern Association Testimony
Presented to the House Liquor Control Committee and the House Gaming Oversight
Committees

May 11th, 2015

Presented by Amy Christie, Executive Director

We would like to take this opportunity to thank the Chairs and members of the House Liquor Control Committee and the House Gaming Committee for inviting us to share our thoughts and concerns regarding the creation of a “Casino” license to sell alcoholic beverages.

We are the Pennsylvania Licensed Beverage & Tavern Association. We have strictly represented only licensed retailers in the Commonwealth since 1941. We currently represent over 2200 licensed retail establishments. All of our members, from corner taverns, restaurants, golf courses, ski resorts, hotels, to brew pubs, are licensed to sell alcohol on the retail level. The majority of our members hold “R” or Restaurant licenses that are the same licenses casinos purchase.

Our association has always maintained the position that we do not oppose any business from entering the market as long as they buy the licenses available and adhere to the same liquor code rules and regulations. The reasoning for our position is simple:

- Our association members holding an “R” license made large investments to obtain this particular license based on the licenses the Commonwealth has offered for over the last 60 years.
- For many, this investment is their retirement and life savings.
- Creating new classifications of licenses will lead to several new retail license categories and will lead to the de-valuation of our member’s investments.
- Allowing different privileges beyond current status to the third tier of licenses in the Commonwealth creates inequity of license benefits and allowances.

While our position is against the creation of new licenses, we are not opposed to other businesses growing in the Commonwealth. The “Restaurant” license is the more coveted and expensive retail license in Pennsylvania because it sustains many different business models. Your local pub, white-tablecloth restaurant, bottle shop, pizza shop, hotel, grocery store, casinos, some brew-pubs and even wineries currently operate under this license with great success.

Casinos have asked for a new and separate license to acquire different liquor code rules and regulations from our state's other "R" license holders regarding serving hours of alcoholic beverages. Our association does not support this. In 2006, the legislature created a casino-only provision that allows "R" and "H" license holders of casinos to supply any patron with continuous free drinks during their visit. Pennsylvania became one of 13 states with casinos to allow free alcoholic drinks to patrons. Any other "R" or "H" license in the state is strictly limited to providing 1 free drink per customer per day. While our small business owners and employers could simply not afford to provide our customers with continuous free drinks, we continue to advocate for equitable application of liquor code laws and regulations. When this provision went into effect, many of our member businesses in close vicinity to casinos suffered a tremendous loss of business or simply had to close their doors. If serving hours are extended for casinos then we must ask for the same privileges to extend to all retail licensees in order to avoid further erosion of employment and small businesses in the Commonwealth.

The casinos are advocating for many legislative changes, including extended alcohol serving times, to increase profits. However, the casinos reported an increase of table game revenue of nearly 12% in February 2015 compared to numbers in February 2014. Quick research shows that the PLCB reflects 950 "R" licenses in safekeeping. With so many inactive licenses in the Commonwealth, we do not support the creation of a "Casino" license which would continue to de-value our member's investments and create an un-level playing field with liquor code laws and regulations.

Thank you for your time and attention.



**PENNSYLVANIA
LICENSED BEVERAGE
& TAVERN ASSOCIATION**

Serving Pennsylvania's Licensees Since 1941



Our History

Taverns have served our nation for generations, standing as important community and social locations that led to independence.

- Philadelphia's City Tavern was host to members of the First Continental Congress in 1774.
- Philadelphia's Tun Tavern was the birthplace of the United States Marine Corps in 1775.

The Tavern Association was founded after prohibition, in 1941, to defend and promote the state's taverns and businesses.

Over the decades, our association has worked to update laws to fit a new economic environment and continue the successes of our industry.

Today, our association is the only non-profit trade and lobby organization exclusively serving the retail licensees of Pennsylvania.



Who We Are

- The Tavern Association is comprised of nearly 2,500 retail licensees all across Pennsylvania
- We work to maintain a positive business climate to ensure continued growth for our taverns and licensees.
- We work with our members in many ways, offering various insurances, industry certifications and guidance in navigating laws and regulations.



Serving Our Commonwealth

- Our industry plays an important role in Pennsylvania's local and state economy.
- 6,000 small licensed businesses employ over 100,000 Commonwealth citizens every year.
- Annually those businesses contribute:
 - \$72,000,000 in local taxes and school taxes
 - \$67,300,000 in liquor taxes
 - \$346,000,000 for inventory from Pennsylvania State Stores



Serving Our Communities

Our members continue to give back to the communities they serve, donating to the following charities:

American Cancer Society
American Red Cross
Autism Speaks
American Rescue Workers
ASPCA
Allentown Rescue Mission
Boy Scouts of America
Breast Cancer Walk
Big Brothers, Big Sisters
Carlisle Rotary
Cub Scouts of America
Cultural Alliance

Elder Community Services Corp.
Girl Scouts of America
Hughesville Fire Company
Lehigh Valley Veterans Assoc.
LGBT Center Coalition
Make-A-Wish Foundation
March of Dimes
Mason Dixon Baseball Assoc.
Mountville Youth Center
Newspapers in Education
Philadelphia Children's Hospital
Relay for Life

The Salvation Army
Special Olympics
Students Against Drunk Driving
South Central AIDS Fund
Toys for Tots
United Way
Victim Assistance Center
West Grove Public Library
Williamsport Police Department
YMCA of the Juniata Valley
York Fire Department

Plus many more!



Today

From neighborhood taverns, delis and corner bars to five-star restaurants and resorts, our licensees are an important part of our state and local communities.

THE PENNSYLVANIA LICENSED BEVERAGE AND TAVERN ASSOCIATION looks to continue building a business environment that benefits the industry and customers alike.