

allowing Pennsylvania breweries to sell their product at farmers markets in Pennsylvania. In addition, a small brewers tax credit, which previously existed for many years in Pennsylvania, will be reinstated.

Mr. President, we are on the verge of making improvements to our system that consumers have wanted for decades. Mr. President, I ask for an affirmative vote on amendment A3081.

The PRESIDENT. The Chair recognizes the gentleman from Allegheny, Senator Ferlo.

Senator FERLO. Mr. President, as you know, I have the privilege of serving as the Minority chair of the Committee on Law and Justice, and notwithstanding my differences with our chairman, Majority Chairman McIlhinney, I do rise to strenuously speak in opposition to A3081 as was just presented by our good colleague, Senator Pileggi. When I was growing up, my father and mother always told me to mean what I say and say what I mean, but when you read this amendment, this substantially different amendment from House Bill No. 790, it really is, quite frankly, confusing and poorly constructed, notwithstanding the generic description and delineation of its elements by the Majority Leader here today.

First and foremost, when you look at the bill, it would suggest that restaurants can sell wine, but only one style of spirits. So they have to decide if they want to sell vodka or bourbon, and I am not sure how that in any way advances some of the supposed lofty benefits of privatization. I am not sure what one type of distilled spirit they would be able and willing to sell and by what methodology they would use. The bill really, as amended, would allow grocery and convenience stores to be able to get an R license, but can only get the expanded permit if the board determines that the marketplace is underserved by current wine permit holders. By what criteria the Liquor Control Board is empowered to make this decision is quite mystical. There is no reference to it in the amendment that is being presented here today. It is completely unclear about the process of closing down wholesale operations. The amount of revenue that would have to be raised by the lease, the power of the General Assembly, and the Governor, if operations were to be leased, and what the PLCB is supposed to use as criteria to determine what even the request for a proposal would be or what is the best version of an RFP.

Clearly, we asked the question, why has the Governor appointed a CEO to a position that is controlled by three gubernatorial appointees? One of the amendments talks about the issue of how the CEO of the LCB system would be hired.

Why was package reform for both the R, the H, and the E, the restaurants and hotels, the eating establishments under this proposal, reduced to three six-packs, something that our modernization proposal would basically strengthen that profitability for taverns, restaurants, as well as distributors. The removal of those seating requirements from restaurant licenses simply does not make any sense, because it is intended to provide for on-premise consumption and not to allow gas stations and convenience stores to compete for to-go sales. The so-called fuel prohibition, meaning gasoline stations, has worked well in Pennsylvania. Obviously, we strenuously object to removing this provision for health and safety, a debate and vote was taken back in the 1990s by the General Assembly.

The policies, if implemented, for many convenience stores and gas stations to sell beer and liquor uniformly, I think, among the public would be considered bad public policy, certainly by

our public safety officials throughout our great Commonwealth. We have a great system and an asset that keeps alcohol out of the hands of minors. I want to point out just one example, you take the Wawa as an example. The chain of stores once had a location with an eating-place license. The licensee was cited nine times, nine times for violations, eight were for sales to minors, and the PLCB ultimately had to revoke their license. This is just one example of what awaits us if we permit convenience stores and gas stations to sell alcohol.

And in my three-county district, I can list off and enumerate many examples of nightmares for nearby residents who had to put up with beer and alcohol sales. Both the Pennsylvania Restaurant and Lodging Association, Mr. President, as well as the Pennsylvania Tavern Association, I think as early as this morning, once again, have rightly come out in opposition to this plan because the 18-percent discount for permit holders creates, basically, a two-tiered system for profitability. As the amendment clarifies, the discount applies to both on- and off-premise consumption. This puts the vast majority of taverns and restaurants at a competitive disadvantage to those that have the permits. This is unfair and nonsensical, in my opinion. Having worked on community economic development for more than 20 years, I believe strongly in the viability and the sustainability of taverns and restaurants throughout the urban core of our cities and many towns throughout the Commonwealth. Quality taverns and restaurants have helped to rebuild main streets in neighborhood business corridors. Why we would want to reduce the profitability and disadvantage them with a two-tiered system makes no sense to me. Quite simply, this amendment is poorly thought out and creates an inconvenient and confusing system of wine and spirits sales.

The amendment also requires a three-quarter-mile buffer zone for distributors but takes it away after 6 months, unless the distributor gets an enhanced permit. Basically, the Majority on the aisle opposite is forcing them to enter the wine and spirits business. Really, that part of the amendment completely perplexes me. The amendment requires two studies, as the Majority Leader suggested, and if one of the two studies determines that it is economically feasible to lease the wholesale operation of the LCB, then the Pennsylvania Liquor Control Board can release a request for proposal to enter a 10-year lease agreement. But again, there is no specificity.

It is interesting that we have spent years in the General Assembly, long before I arrived here, and usually the legislature always insists on putting its stamp of approval on each and every change within the State Store system. This whole amendment throws complete caution to the wind. It is nonsensical. It does not achieve all the lofty rhetoric and the ideology behind the Corbett administration and those who are seeking to destroy a great public trust and a public asset. So for those and many other reasons which I have spoken about earlier, I would ask that all of our colleagues, especially within our ranks, vote "no" on this ill-advised amendment.

Thank you, Mr. President.

#### POINT OF ORDER

The PRESIDENT. The Chair recognizes the gentlewoman from Philadelphia, Senator Tartaglione.