

Pa. Governor Plans to Privatize Alcohol Sales

MARC LEVY, Associated Press

HARRISBURG, Pa. (AP) — Pennsylvania Gov. Tom Corbett is expected to call for auctioning off wine and liquor store licenses and opening beer sales to a broad array of retailers including supermarkets and convenience stores, according to information from people briefed by the governor's office Tuesday.

The plan would dramatically liberalize the sale of alcoholic beverages in Pennsylvania and throw out Prohibition-era limitations that have thus far withstood the efforts of three straight Republican governors.

Corbett's office said the Republican governor will announce his plan Wednesday afternoon in a Pittsburgh state office building. His spokesman, Kevin Harley, declined to comment on the details ahead of the governor's announcement, but he said it would be a "bold" plan.

"He believes Pennsylvanians should have choice and convenience in purchasing beer, wine and liquor, the same convenience that is afforded to residents of 48 other states," Harley said.

According to information from people briefed by the governor's office, the plan involves shutting down the more than 600 state-owned wine and liquor stores as a prelude to auctioning 1,200 wine and liquor store licenses. The information was provided by people on condition of anonymity because they did not want to be named providing details before the governor announces them.

Owners of supermarkets, drugstores, restaurants and big-box stores would be able to buy separate licenses to sell beer and wine. Convenience store owners would be eligible to sell beer while the state's approximately 1,200 licensed beer distributorships would be able to bid for licenses to sell wine and liquor.

Harley said a bill reflecting Corbett's plan will be introduced in the near future.

Wendell W. Young IV, the president of the union that represents about 3,000 unionized state store clerks, said Tuesday that privatization of wine and liquor sales would diminish consumer choice and state tax revenue while raising liquor consumption rates and the crime and health problems that follow.

"Why would we want to be like the 48 other states when we're already so much better than them?" Young questioned.

Corbett had said during his 2010 campaign that he supported the privatization of the state-owned wine and liquor stores. However, he never had his own plan introduced in the Legislature, as governors often do on key policy initiatives, and he did not actively campaign for legislation that was championed by House Majority

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Leader Mike Turzai, R-Allegheny.

Regardless, Corbett's forthcoming legislation will face headwinds, even in a Republican-controlled state Legislature.

Democrats are largely hostile to efforts that will put unionized liquor store clerks out of work, and leaders of the Republican-controlled Senate are cool to the idea. Meanwhile, Sen. Charles McIlhinney, the Bucks County Republican who chairs the committee that handles liquor control legislation, on Tuesday said he would introduce a bill to allow beer distributors to buy licenses to sell wines and liquor while keeping the state's wine and liquor stores open.

In December 2011, Turzai's plan to shut down the state-owned wine and liquor stores and auction off retail liquor-store licenses to supermarkets and other private operators collapsed in a House committee.

The committee instead approved legislation that resembled McIlhinney's bill, but it never received a vote on the House floor.

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