

MOTION EXPRESSING THE SENSE OF COUNCIL OF ALLEGHENY COUNTY, requesting that the Pennsylvania General Assembly act with all deliberate speed to increase the wholesale discount offered by the Pennsylvania Liquor Control Board to businesses with liquor licenses.

WHEREAS, restaurant operators who hold liquor licenses and other liquor licensees must purchase wine and other alcoholic beverages from the Pennsylvania Liquor Control Board (PLCB); and

WHEREAS, prices for these alcoholic beverages are set by the PLCB, rather than derived from market forces, as they are in other states; and

WHEREAS, the Commonwealth has historically recognized that licensees purchase alcoholic beverages in much larger quantities than other purchasers by offering a wholesale discount on licensees' purchases; and

WHEREAS, in recent years, the amount of this wholesale discount dropped from 16.67% to 12.5% to 7%; and

WHEREAS, under the terms of Act 39 of 2005, the General Assembly increased the wholesale discount offered to licensees to 10%; and

WHEREAS, while various costs to liquor licensees, including wages and employee health care, have risen since the wholesale discount was last adjusted in 2005, many licensees have been reluctant to raise prices in what they perceive to be a highly competitive market; and

WHEREAS, a further increase in the wholesale discount offered to licensees by the PLCB could help to offset the increased costs of operation for those licensees; and

WHEREAS, it is the sense of Council that an increase in the wholesale discount to 14% could both aid in offsetting these increased costs and provide a baseline for determining how beneficial future adjustments to the wholesale discount could be to licensees in the Commonwealth;

NOW, THEREFORE, IT IS MOVED that the Council hereby requests that the Pennsylvania General Assembly act with all deliberate speed to increase the wholesale discount offered by the Pennsylvania Liquor Control Board to businesses with liquor licenses from 10% to 14%.

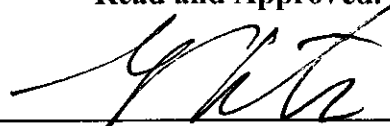
IT IS FURTHER MOVED that copies of this motion be forwarded to the Allegheny County delegates to the Pennsylvania House of Representatives and Senate.

PRIMARY SPONSORS: COUNCIL MEMBER DeFAZIO

CO-SPONSORS: COUNCIL MEMBERS BURN, CLEARY, DROZD, FAWCETT, FINNERTY, FITZGERALD, FRAZIER, GASTGEB, MACEY, MARTONI, & ROBINSON

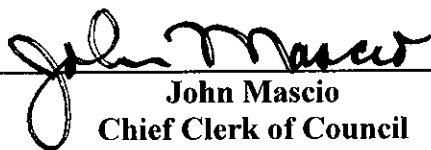
In Council December 4 2007.

Read and Approved.



Rich Fitzgerald
President of Council

Attest:



John Mascio
Chief Clerk of Council