

Rep. Maria Donatucci
Floor Remarks – Liquor Privatization
(H.B. 466)

Feb. 26, 2015

Thank you, Mister Speaker.

I rise to oppose House Bill Four-Sixty-Six, which would dismantle the state's lucrative liquor store system and hand over ownership to the private sector.

This type of plan is **always** going to be bad for Pennsylvania, but it's an **especially** risky proposal right now.

The state's wine and spirits stores bring in a profit of 80 million dollars a year. That's reliable money that's going to our General Fund, and it would be taken away if we privatize the state system. We just cannot afford to turn down this money –

especially now, when Pennsylvania has a gaping budget deficit of more than two billion dollars. Despite what the other side may say, the one-time block of revenue generated by selling the system is not enough to even put a dent in closing the budget hole, and, even worse – it soon runs out.

Privatization would force more than four thousand hardworking Pennsylvanians out of their family-sustaining jobs. It would also risk the shut-down of many small, family-owned beer distributors throughout the state. They are against it.

We simply cannot risk putting even more people out of work in our state, especially when job growth is stagnant. Why would we willingly create a situation where we lay off thousands of state workers, increase unemployment compensation costs

throughout the state, and hurt our local tax revenues? The plan isn't only morally wrong – it's fiscally irresponsible.

I would also like to point out that consumers will lose out if we privatize the state system. Right now, our state wine and spirits stores offer 30-thousand products, with about 3-thousand in stock at any given time.

Depending on the store, you can walk in and find wines made right here in Pennsylvania, as well as products from all over the country and the world. Consumers will not have this type of selection at a grocery store or big box store, where you might only have an aisle to sort through. They will also most likely have to shell out more money for alcohol to make up for the license fees and extra mark-ups. As we all know, every dollar counts, and I can't imagine many Pennsylvanians would

want to pay more for a product that may not even be their first choice.

Simply put, I would just like to say that if you value keeping hardworking people employed, while giving Pennsylvanians what they want through modernization and expansion, you'll oppose House Bill Four-Sixty-Six.

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