

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1732 Session of
1975

INTRODUCED BY CAPUTO AND WARGO, SEPTEMBER 23, 1975

REFERRED TO COMMITTEE ON LIQUOR CONTROL, SEPTEMBER 23, 1975

AN ACT

1 Amending the act of April 12, 1951 (P.L.90, No.21), entitled "An
2 act relating to alcoholic liquors, alcohol and malt and
3 brewed beverages; amending, revising, consolidating and
4 changing the laws relating thereto; regulating and
5 restricting the manufacture, purchase, sale, possession,
6 consumption, importation, transportation, furnishing, holding
7 in bond, holding in storage, traffic in and use of alcoholic
8 liquors, alcohol and malt and brewed beverages and the
9 persons engaged or employed therein; defining the powers and
10 duties of the Pennsylvania Liquor Control Board; providing
11 for the establishment and operation of State liquor stores,
12 for the payment of certain license fees to the respective
13 municipalities and townships, for the abatement of certain
14 nuisances and, in certain cases, for search and seizure
15 without warrant; prescribing penalties and forfeitures;
16 providing for local option, and repealing existing laws,"
17 removing certain prohibition pertaining to retail dispensers.

18 The General Assembly of the Commonwealth of Pennsylvania
19 hereby enacts as follows:

20 Section 1. Subsection (e) of section 411, act of April 12,
21 1951 (P.L.90, No.21), known as the "Liquor Code," is amended to
22 read:

23 Section 411. Interlocking Business Prohibited.--* * *

24 (e) Except as herein provided, no hotel, restaurant or club
25 licensee, and no officer, director or stockholder, agent or
26 employe of any such licensee shall in any wise be interested,

1 directly or indirectly, in the ownership or leasehold of any
2 property or the equipment of any property or any mortgage lien
3 against the same, used by a distributor, importing distributor,
4 [retail dispenser,] or by an importer or sacramental wine
5 licensee, in the conduct of his business; nor shall any hotel,
6 restaurant or club licensee, or any officer, director,
7 stockholder, agent or employe of any such licensee, either
8 directly or indirectly, lend any moneys, credit, or give
9 anything of value or the equivalent thereof, to any distributor,
10 importing distributor, [retail dispenser,] importer or
11 sacramental wine licensee, for equipping, fitting out, or
12 maintaining and conducting, either in whole or in part, an
13 establishment used in the conduct of his business.

14 The purpose of this section is to require a separation of the
15 financial and business interests between manufacturers and
16 holders of hotel or restaurant liquor licenses and, as herein
17 provided, of club licenses, issued under this article, and no
18 person shall, by any device whatsoever, directly or indirectly,
19 evade the provisions of the section. But in view of existing
20 economic conditions, nothing contained in this section shall be
21 construed to prohibit the ownership of property or conflicting
22 interest by a manufacturer of any place occupied by a licensee
23 under this article after the manufacturer has continuously owned
24 and had a conflicting interest in such place for a period of at
25 least five years prior to July eighteenth, one thousand nine
26 hundred thirty-five[: Provided, however, That this clause shall
27 not prohibit any hotel, restaurant or club liquor licensee from
28 owning land which is leased to, and the buildings thereon owned
29 by, a holder of a retail dispenser's license; and nothing in
30 this clause shall prevent the issuance of a retail dispenser's

1 license to a lessee of such lands who owns the buildings
2 thereon].