## THE GENERAL ASSEMBLY OF PENNSYLVANIA

# SENATE BILL No. $15311^{\text {smamo }}$ 

INTRODUCED BY THOMPSON, WAGNER, DENT, STOUT, WHITE, GERLACH, CORMAN, HART, CONTI, O'PAKE AND LEMMOND, SEPTEMBER 25, 2000

REFERRED TO LAW AND JUSTICE, SEPTEMBER 25, 2000

## AN ACT

Amending the act of April 12, 1951 (P.L.90, No.21), entitled, as reenacted, "An act relating to alcoholic liquors, alcohol and malt and brewed beverages; amending, revising, consolidating and changing the laws relating thereto; regulating and restricting the manufacture, purchase, sale, possession, consumption, importation, transportation, furnishing, holding in bond, holding in storage, traffic in and use of alcoholic liquors, alcohol and malt and brewed beverages and the persons engaged or employed therein; defining the powers and duties of the Pennsylvania Liquor Control Board; providing for the establishment and operation of State liquor stores, for the payment of certain license fees to the respective municipalities and townships, for the abatement of certain nuisances and, in certain cases, for search and seizure without warrant; prescribing penalties and forfeitures; providing for local option, and repealing existing laws," further providing for definitions, for standing at hearings on license applications, for posting of notice of application for a license, for issuance of licenses and for sales by liquor licensees; repealing provisions relating to certain types of licenses; providing for a public venue license and for a performing arts facility license; further providing for stadium or arena permits, for limiting number of licenses in each municipality, for places of amusement not to be licensed, for renewal of licenses, for local option and for unlawful acts relative to licensees.

The General Assembly of the Commonwealth of Pennsylvania
hereby enacts as follows:
Section 1. The definition of "performing arts facilities" in
section 102 of the act of April 12, 1951 (P.L.90, No.21), known as the Liquor Code, reenacted and amended June 29, 1987 (P.L.32, No.14), is amended and the section is amended by adding a definition to read:

Section 102. Definitions.--The following words or phrases, unless the context clearly indicates otherwise, shall have the meanings ascribed to them in this section:

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"Performing arts facilities" shall mean those halls or theaters in which live musical, concert, dance, ballet and legitimate play book-length productions are performed. Performing arts facilities shall not mean those halls or theaters in which burlesque shows or reviews are performed. The facility must have seating for at least five hundred (500) people.
* * *
"Public venue" shall mean any stadium, arena, convention center, museum, amphitheater or similar structure with seating for at least one thousand (1,000) people that is owned by a municipality or county, is owned by an authority created under the act of July 29, 1953 (P.L.1034, No.270), known as the "Public Auditorium Authorities Law" or is an art museum established under the authority of the act of April 6, 1791 (3 Sm.L.20, No.1536) entitled "An act to confer on certain associations of the citizens of this commonwealth the powers and immunities of corporations, or bodies politic in law." The term shall also mean any such structure that has seating for at least five thousand (5,000) people, regardless of owner. The term shall also mean any regional history center, multipurpose cultural and science facility or museum, regardless of owner,

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that has a floor area of at least one hundred thousand (100,000)
square feet in one building.
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    Section 2. Section 402 of the act is amended by adding a
    subsection to read:
Section 402. License Districts; License Period; Hearings.--*

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(c) This section shall not be construed so as to grant standing to residents residing within five hundred (500) feet of a public venue or performing arts facility.

Section 3. Section 403 ( $g$ ) of the act is amended to read:
Section 403. Applications for Hotel, Restaurant and Club Liquor Licenses.--* * *
(g) Every applicant for a new license or for the transfer of an existing license shall post, for a period of a least fifteen days beginning with the day the application is filed with the board, in a conspicuous place on the outside of the premises or at the proposed new location for which the license is applied, a notice of such application, in such form, of such size, and containing such provisions as the board may require by its regulations. Proof of the posting of such notice shall be filed with the board. The posting requirement imposed by this subsection shall not apply to license applications submitted for public venues.

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Section 4. Section 404 of the act, amended December 21, 1998 (P.L.1202, No.155), is amended to read:

Section 404. Issuance of Hotel, Restaurant and Club Liquor Licenses.--Upon receipt of the application and the proper fees, and upon being satisfied of the truth of the statements in the
application that the applicant is the only person in any manner pecuniarily interested in the business so asked to be licensed and that no other person will be in any manner pecuniarily interested therein during the continuance of the license, except as hereinafter permitted, and that the applicant is a person of good repute, that the premises applied for meet all the requirements of this act and the regulations of the board, that the applicant seeks a license for a hotel, restaurant or club, as defined in this act, and that the issuance of such license is not prohibited by any of the provisions of this act, the board shall, in the case of a hotel or restaurant, grant and issue to the applicant a liquor license, and in the case of a club may, in its discretion, issue or refuse a license: Provided, however, That in the case of any new license or the transfer of any license to a new location the board may, in its discretion, grant or refuse such new license or transfer if such place proposed to be licensed is within three hundred feet of any church, hospital, charitable institution, school, or public playground, or if such new license or transfer is applied for a place which is within two hundred feet of any other premises which is licensed by the board: And provided further, That the board's authority to refuse to grant a license because of its proximity to a church, hospital, charitable institution, public playground or other licensed premises shall not be applicable to license applications submitted for public venues or performing arts facilities: And provided further, That the board shall refuse any application for a new license or the transfer of any license to a new location if, in the board's opinion, such new license or transfer would be detrimental to the welfare, health, peace and morals of the inhabitants of the neighborhood within a
radius of five hundred feet of the place proposed to be licensed: And provided further, That prior to July 1, 1996, in any license district in a city of the first class, the board may, in its opinion, refuse any application for a new license or for any person-to-person transfer which shall include a change in stockholders involving ten per centum or more of all outstanding voting stock and/or less than ten per centum of all outstanding voting stock when such change involves a majority or controlling interest, of any license if the licensed premises is or would be within three hundred feet of any church, hospital, charitable institution, school or public playground or within two hundred feet of any other premises licensed by the board and if, in the opinion of the board, the licensed premises is or would be detrimental to the welfare, health, peace and morals of such church, hospital, school, public playground and/or the inhabitants of the neighborhood within a radius of five hundred feet of the licensed premises. This authority to refuse a person-to-person transfer in a city of the first class is in addition to and not in derogation of the authority of the board generally stated for all areas of this Commonwealth: And provided further, That the board shall have the discretion to refuse a license to any person or to any corporation, partnership or association if such person, or any officer or director of such corporation, or any member or partner of such partnership or association shall have been convicted or found guilty of a felony within a period of five years immediately preceding the date of application for the said license. The board shall refuse any application for a new license or the transfer of any license to a location where the sale of liquid fuels or oil is conducted. Upon any opening in any quota, an
application for a new license shall only be filed with the board for a period of six months following said opening.

Section 5. Section $406(\mathrm{a})(7)$ of the act, added February 18, 1998 (P.L.162, No.25), is amended and the section is amended by adding subsections to read:

Section 406. Sales by Liquor Licensees; Restrictions.--(a) * * *
[(7) Notwithstanding any provision of this act, on the Sunday on which the sporting event commonly referred to as the "Super Bowl" is conducted, licensees who do not possess the special annual permit provided for in paragraph (3), their servants, agents or employes may sell liquor and malt or brewed beverages on such Sunday after one o'clock postmeridian and until two o'clock antemeridian of the following day.]

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(c) Notwithstanding any provision of this act, on the Sunday on which the sporting event commonly referred to as the "Super Bowl" is conducted, licensees who do not possess the special annual permit provided for in subsection (a) (3), their servants, agents or employes may sell liquor and malt or brewed beverages on such Sunday after one o'clock postmeridian and until two o'clock antemeridian of the following day.
(d) Subject to section 412, licensed public venues may sell liquor and malt or brewed beverages on Sundays from eleven o'clock antemeridian until eleven o'clock postmeridian, without the need to acquire or qualify for a special permit. In addition, subject to section 413, licensed performing arts facilities may sell liquor and malt or brewed beverages on Sundays from one o'clock postmeridian until ten o'clock postmeridian without the need to acquire or qualify for a
special permit.
(e) Licensed public venues and licensed performing arts facilities are not subject to any provisions of this act dealing with sales on election days. Sales on election days may occur in the same manner as if no election were being conducted on that day.

Section 6. Sections 408.1, 408.2, 408.3, 408.5, 408.6, 408.7, 408.8, 408.9, 408.10, 408.11, 408.14 and 408.15 of the act are repealed.

Section 7. The act is amended by adding sections to read:
Section 412. Public Venue License.--(a) The board is authorized to issue a restaurant liquor license to public venues. Any facility licensed under former sections 408.1 , $408.2,408.5,408.8,408.9,408.10,408.11,408.14,408.15$ and 433.1 as well as any facility that meets the definition of a public venue may apply for and receive a restaurant liquor license under this section. Facilities used primarily for interscholastic athletic events shall not be eligible for a license under this section. Racetracks and premises used primarily for holding automobile races shall also not be eligible for a license under this section.
(b) An application for a restaurant liquor license under this section may be made by the owner of the public venue, a nonprofit corporation operating the public venue or by a concessionaire designated by the governing body of either the owner of the public venue or the nonprofit corporation. The application and issuance of the license is subject to sections 403 and 404, unless otherwise stated. The licensing period shall be as set forth by the board under section 402. The application, renewal and filing fees shall be as prescribed in section 614-

A(25) of the act of April 9, 1929 (P.L.177, No.175), known as "The Administrative Code of 1929." For the purposes of this section, a nonprofit corporation is an entity incorporated under the nonprofit corporation laws for the purpose of benefiting the public and not for the purpose of benefiting its members.
(c) Licenses issued under this section are nontransferable.
(d) Licenses under this section shall expire upon: (1) revocation by an administrative law judge under section 471; (2) nonrenewal by the board under section 470; (3) nonrenewal of the license by the license holder; (4) termination of the contract between the owner of the public venue and its concessionaire; or (5) termination of the contract between a nonprofit corporation and its concessionaire.
(e) The board may issue a license under this section at any time to a new applicant even if the previous license had: (1) been revoked by an administrative law judge under section 471; (2) not been renewed by the board under section 470; (3) not been renewed by the license holder; (4) expired because of the termination of the contract between the owner of the public venue and its concessionaire; or (5) expired because of the termination of the contract between the nonprofit corporation and its concessionaire.
(f) Licenses issued under this section are to be considered restaurant liquor licenses. However, the following additional restrictions and privileges apply:
(1) Sales may only be made one hour before, during and one hour after any athletic performance, performing arts event, trade show, convention, banquet or any other performance at the facility; however, sales may not be made from two o'clock antemeridian to seven o'clock antemeridian. In addition, sales
may not occur prior to eleven o'clock antemeridian or after
eleven o'clock postmeridian on Sundays. Notwithstanding this
section, facilities that had been licensed under sections 408.9
and 408.14 may sell liquor and/or malt or brewed beverages and 408.14 may sell liquor and/or malt or brewed beverages anytime except from two o'clock antemeridian to seven o'clock antemeridian or prior to eleven o'clock antemeridian or after eleven o'clock postmeridian on Sundays, regardless of whether there is a performance at the facility.
(2) Sales of alcoholic beverages before, during and after all professional and amateur athletic events on the premises shall be limited to sales of malt or brewed beverages in shatterproof containers. Sales of alcoholic beverages before, during and after performing arts events or other entertainment events may consist of liquor or malt or brewed beverages in shatterproof containers. Sales during trade shows, conventions, banquets or at other events, or sales made in the club seats or at a restaurant facility, may consist of liquor or malt or brewed beverages in any type of container; however, any liquor or malt or brewed beverages sold in the club seats or restaurant facility must remain in the club seating level or restaurant facility. For purposes of this section, a club seat is any seating located on the designated club seating level and partitioned from general seating by a wall, divider, partial wall or railing. The club seating level must not be accessible by the general public. The board's records shall clearly delineate where the sale of liquor or malt or brewed beverages in any type of container may occur.
(3) Sales of malt or brewed beverages for off-premises consumption are prohibited.
(4) Licenses issued under this section shall not be subject

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    to: (i) the proximity provisions of sections 402 and 404; (ii)
    the quota restrictions of section 461; (iii) the provisions of
    section 463; (iv) the provisions of section 493(10) except as
    they relate to lewd, immoral or improper entertainment; and (v)
    the prohibition against minors frequenting as described in
    section 493(14). In addition, licenses issued under this section
    shall not be subject to the provisions defining "restaurant" in
    section 102.
    Section 413. Performing Arts Facility License.--(a) The
    board is authorized to issue a restaurant liquor license to
    performing arts facilities. Any facility which previously had
    been licensed under former sections 408.3,408.6 and 408.7 as
    well as any facility that meets the definition of a performing
arts facility as set forth in section 102 may apply for and
receive a restaurant liquor license under this section.
Facilities eligible to be licensed under section 412 and which
are used primarily for athletic events shall not be eligible for
a license under this section unless those facilities had
previously been licensed under former sections 408.3, 408.6 and
408.7. Facilities used primarily for interscholastic athletic
events shall not be eligible for a license under this section.
    (b) An application for a restaurant liquor license under
this section may be made by the nonprofit operator of the
performing arts facility, or by a concessionaire designated by
the governing body of the nonprofit operator of the performing
arts facility. The licensing period shall be as set forth by the
board under section 402. The application and issuance of the
license are subject to sections 403 and 404, unless otherwise
stated. The application, renewal and filing fees shall be as
prescribed in section 614-A(19) of the act of April 9, 1929
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(P.L.177, No.175), known as "The Administrative Code of 1929."
(c) Licenses issued under this section are nontransferable.
(d) Licenses under this section shall expire upon: (1) revocation by an administrative law judge under section 471; (2) nonrenewal by the board under section 470; (3) nonrenewal of the license by the license holder; (4) termination of the contract between the owner of the public venue and its concessionaire; or (5) termination of the contract between a nonprofit corporation and its concessionaire.
(e) The board may issue a license under this section at any time to a new applicant even if the previous license had: (1) been revoked by an administrative law judge under section 471; (2) not been renewed by the board under section 470; (3) not been renewed by the license holder; (4) expired because of the termination of the contract between the owner of the public venue and its concessionaire; or (5) expired because of the termination of the contract between the nonprofit corporation and its concessionaire.
(f) Licenses issued under this section are to be considered restaurant liquor licenses. However, the following additional restrictions and privileges apply:
(1) Sales of liquor and malt or brewed beverages may be made two hours before, during and one hour after any performance at the facility; however, sales may not be made from two o'clock antemeridian to seven o'clock antemeridian. In addition, sales may not occur prior to one o'clock postmeridian or after ten o'clock postmeridian on Sundays. However, facilities that had been licensed under section $408.3(\mathrm{a})$ and $408.3(\mathrm{a} .2)$ may sell liquor and malt or brewed beverages anytime except from two o'clock antemeridian to seven o'clock antemeridian or prior to 20000S1531B2128 - 11 -
one o'clock postmeridian or after ten o'clock postmeridian on Sundays, regardless of whether there is a performance at the facility.
(2) Sales of malt or brewed beverages for off-premises consumption are prohibited.
(g) Licenses issued under this section shall not be subject to: (1) the proximity provisions of sections 402 and 404; (2) the quota restrictions of section 461; (3) the provisions of section 463; (4) the provisions of section $493(10)$ except as they relate to lewd, immoral or improper entertainment; and (5) the prohibitions against minors frequenting as described in section $493(14)$. In addition, licenses issued under this section shall not be subject to the provisions defining "restaurant" in section 102.
(h) For the purpose of this section, a facility is used primarily for athletic events if the majority of the events that occur at the facility are athletic events or if the facility is the home facility of a professional sports team.

Section 8. Section 433.1 of the act is repealed.
Section 9. Section $461(\mathrm{a})$ of the act, amended November 10, 1999 (P.L.514, No.47), is amended to read:

Section 461. Limiting Number of Retail Licenses To Be Issued In Each Municipality.--(a) No licenses shall hereafter be granted by the board for the retail sale of malt or brewed beverages or the retail sale of liquor and malt or brewed beverages in excess of one of such licenses of any class for each three thousand inhabitants in any municipality, exclusive of licenses granted to public venues, performing arts facilities, airport restaurants, municipal golf courses, hotels, privately-owned public golf courses and units of nonprofit 000S1531B2128 - 12 -
nationally chartered clubs, as defined in this section, whose applications are filed on or before June 30, 2000, and except those units falling under section 461.1 , and clubs; but at least one such license may be granted in each municipality and in each part of a municipality where such municipality is split so that each part thereof is separated by another municipality, except in municipalities where the electors have voted against the granting of any retail licenses and except in that part of a split municipality where the electors have voted against the granting of any retail licenses. Nothing contained in this section shall be construed as denying the right to the board to renew or to transfer existing retail licenses of any class notwithstanding that the number of such licensed places in a municipality shall exceed the limitation hereinbefore prescribed; but where such number exceeds the limitation prescribed by this section, no new license, except for hotels, municipal golf courses, public venues, performing arts facilities, airport restaurants, privately-owned public golf courses, privately-owned private golf course licensees and units of nonprofit nationally chartered clubs, as defined in this section, whose applications are filed on or before June 30, 2000, and except those units falling under section 461.1 , shall be granted so long as said limitation is exceeded.

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Section 10. Sections 463 and 470 of the act are amended by adding subsections to read:

Section 463. Places of Amusement Not To Be Licensed; Penalty.--* * *
(c) This section is not applicable to public venues or performing arts facilities licensed under sections 412 and 413.
not more than once in two years, to determine the will of the electors with respect to the granting of club liquor licenses or club retail dispenser licenses to incorporated units of national veterans' organizations, not oftener than once in two years to determine the will of the electors with respect to the granting of special occasion permits to qualified organizations, or not more than once in four years, to determine the will of the electors with respect to the establishment, operation and maintenance by the board of Pennsylvania liquor stores, within the limits of such municipality or part of a split municipality, under the provisions of this act: Provided, however, Where an election shall have been held at the primary preceding a municipal election in any year, another election may be held under the provisions of this act at the primary occurring the fourth year after such prior election: And provided further, That an election on the question of establishing and operating a State liquor store shall be initiated only in those municipalities, or that part of a split municipality that shall have voted against the granting of liquor licenses; and that an election on the question of granting wholesale distributor and importing distributor licenses shall be initiated only in those municipalities or parts of split municipalities that shall have at a previous election voted against the granting of dispenser's licenses. Whenever electors equal to at least twenty-five per centum of the highest vote cast for any office in the municipality or part of a split municipality at the last preceding general election shall file a petition with the county board of elections of the county for a referendum on the question of granting any of said classes of licenses or the establishment of Pennsylvania liquor stores, the said county
board of elections shall cause a question to be placed on the ballots or on the voting machine board and submitted at the primary immediately preceding the municipal election. Separate petitions must be filed for each question to be voted on. Said proceedings shall be in the manner and subject to the provisions of the election laws which relate to the signing, filing and adjudication of nomination petitions, insofar as such provisions are applicable.

When the question is in respect to the granting of liquor licenses, it shall be in the following form:

Do you favor the granting of liquor licenses
for the sale of liquor in........................... Yes
of........................................................ ? ?
When the question is in respect to the granting of restaurant liquor licenses for use at public venues in those municipalities that do not already allow the retail sale of liquor, it shall be in the following form:

Do you favor the granting of liquor licenses to public
venues for the sale of liquor in the............. Yes
of....................................................... ? No
When the question is in respect to the granting of restaurant liquor licenses for use at performing arts facilities in those municipalities that do not already allow the retail sale of alcohol, it shall be in the following form:

Do you favor the granting of liquor licenses to
performing arts facilities for the sale of liquor
in the.................................................. Yes
of.......................................................... ? No
When the question is in respect to the granting of liquor licenses, for privately-owned private golf courses, it shall be 00S1531B2128 - 16 -

Pennsylvania liquor store in the municipality or part of a split municipality for more than two years thereafter or after the expiration of the term of the lease on the premises occupied by such store, whichever period is less, unless and until at a later election a majority of the voting electors vote "yes" on such question.

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Section 12. Section $493(10)$ and (14) of the act, amended February 18, 1998 (P.L.162, No.25), are amended to read:

Section 493. Unlawful Acts Relative to Liquor, Malt and Brewed Beverages and Licensees.--The term "licensee," when used in this section, shall mean those persons licensed under the provisions of Article IV, unless the context clearly indicates otherwise.

It shall be unlawful--

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(10) Entertainment on Licensed Premises (Except Clubs); Permits; Fees. For any licensee, his servants, agents or employes, except club licensees, public venue licensees or performing arts facility licensees, to permit in any licensed premises or in any place operated in connection therewith, dancing, theatricals or floor shows of any sort, or moving pictures other than television, or such as are exhibited through machines operated by patrons by the deposit of coins, which project pictures on a screen not exceeding in size twenty-four by thirty inches and which forms part of the machine, unless the licensee shall first have obtained from the board a special permit to provide such entertainment, or for any licensee, under any circumstances, to permit in any licensed premises or in any place operated in connection therewith any lewd, immoral or
improper entertainment, regardless of whether a permit to provide entertainment has been obtained or not. The special permit may be used only during the hours when the sale of liquor or malt or brewed beverages is permitted, and between eleven o'clock antemeridian on Sunday and two o'clock antemeridian on the following Monday, regardless of whether the licensee possesses a Sunday sales permit. The board shall have power to provide for the issue of such special permits, and to collect an annual fee for such permits as prescribed in section 614-A of the act of April 9, 1929 (P.L.177, No.175), known as "The Administrative Code of 1929." All such fees shall be paid into the State Stores Fund. No such permit shall be issued in any municipality which, by ordinance, prohibits amusements in licensed places. Any violation of this clause shall, in addition to the penalty herein provided, subject the licensee to suspension or revocation of his permit and his license.

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(14) Permitting Undesirable Persons or Minors to Frequent Premises. For any hotel, restaurant or club liquor licensee, or any retail dispenser, his servants, agents or employes, to permit persons of ill repute, known criminals, prostitutes or minors to frequent his licensed premises or any premises operated in connection therewith, except minors accompanied by parents, guardians, or under proper supervision or except minors who frequent any restaurant or retail dispensing licensee whose sales of food and non-alcoholic beverages are equal to seventy per centum or more of the combined gross sales of both food and alcoholic beverages on the condition that alcoholic beverages may not be served at the table or booth at which the said minor is seated at the time (unless said minor is under proper
supervision as hereinafter defined) and on the further condition that only table service of alcoholic beverages or take-out service of beer shall be permitted in the room wherein the minor is located: Provided, however, That it shall not be unlawful for any hotel, restaurant or club liquor licensee or any retail dispenser to permit minors under proper supervision upon the licensed premises or any premises operated in connection therewith for the purpose of a social gathering, even if such gathering is exclusively for minors: And provided further, That no liquor shall be sold, furnished or given to such minors nor shall the licensee knowingly permit any liquor or malt or brewed beverages to be sold, furnished or given to or be consumed by any minor, and the area of such gathering shall be segregated from the remainder of the licensed premises. In the event the area of such gathering cannot be segregated from the remainder of the licensed premises, all alcoholic beverages must be either removed from the licensed premises or placed under lock and key during the time the gathering is taking place. Notice of such gathering shall be given the board as it may, by regulation, require. Any licensee violating the provisions of this clause shall be subject to the provisions of section 471. Nothing in this clause shall be construed to make it unlawful for minors to frequent public venues or performing arts facilities.
"Proper supervision," as used in this clause, means the presence, on that portion of the licensed premises where a minor or minors are present, of one person twenty-five years of age or older for every fifty minors or part thereof who is directly responsible for the care and conduct of such minor or minors while on the licensed premises and in such proximity that the minor or minors are constantly within his sight or hearing. The
presence of the licensee or any employe or security officer of
the licensee shall not constitute proper supervision.
* * *

Section 13. This act shall take effect in 60 days.

