
 THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1196 Session of
2015

INTRODUCED BY PETRI, MAY 13, 2015

SENATOR MCILHINNEY, LAW AND JUSTICE, IN SENATE, AS AMENDED,
MAY 16, 2016

AN ACT

1 Amending the act of April 12, 1951 (P.L.90, No.21), entitled, as
 2 reenacted, "An act relating to alcoholic liquors, alcohol and
 3 malt and brewed beverages; amending, revising, consolidating
 4 and 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," in <--
 17 ~~preliminary provisions, further providing for definitions,~~
 18 ~~and,~~ in licenses and regulations and liquor, alcohol and malt
 19 and brewed beverages, PROVIDING FOR NATIONAL EVENT PERMIT AND <--
 20 further providing for malt and brewed beverages
 21 manufacturers', distributors' and importing distributors'
 22 licenses, for local option and for unlawful acts relative to <--
 23 liquor, alcohol and liquor licensees.

24 The General Assembly of the Commonwealth of Pennsylvania

25 hereby enacts as follows:

26 ~~Section 1. The definitions of "alcohol," "denatured alcohol" <--~~
 27 ~~and "liquor" in section 102 of the act of April 12, 1951-~~
 28 ~~(P.L.90, No.21), known as the Liquor Code, reenacted and amended-~~

1 ~~June 29, 1987 (P.L.32, No.14), are amended and the section is~~
2 ~~amended by adding a definition to read:~~

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

6 ~~"Alcohol" shall mean ethyl alcohol of any degree of proof~~
7 ~~originally produced by the distillation of any fermented liquid,~~
8 ~~whether rectified or diluted with or without water, whatever may~~
9 ~~be the origin thereof, and shall include powdered or crystalline~~
10 ~~alcohol and synthetic ethyl alcohol, but shall not mean or~~
11 ~~include ethyl alcohol, whether or not diluted, that has been~~
12 ~~denatured or otherwise rendered unfit for beverage purposes.~~

13 ~~***~~

14 ~~"Denatured alcohol" shall mean and include all alcohol or any~~
15 ~~compound thereof which by the admixture of such denaturing~~
16 ~~material or materials is rendered unfit for use as a beverage.~~
17 ~~The term shall not include powdered or crystalline alcohol.~~

18 ~~***~~

19 ~~"Liquor" shall mean and include any alcoholic, spirituous,~~
20 ~~vinous, fermented or other alcoholic beverage, powdered or~~
21 ~~crystalline alcohol, or combination of liquors and mixed liquor~~
22 ~~a part of which is spirituous, vinous, fermented or otherwise~~
23 ~~alcoholic, including all drinks or drinkable liquids,~~
24 ~~preparations or mixtures, and reused, recovered or redistilled~~
25 ~~denatured alcohol usable or taxable for beverage purposes which~~
26 ~~contain more than one half of one per cent of alcohol by volume,~~
27 ~~except pure ethyl alcohol and malt or brewed beverages.~~

28 ~~***~~

29 ~~"Powdered or crystalline alcohol" shall mean a powdered or~~
30 ~~crystalline product prepared or sold for either direct use or~~

1 ~~reconstitution for human consumption that contains any amount of~~
2 ~~alcohol when hydrolyzed.~~

3 * * *

4 SECTION 1. THE ACT OF APRIL 12, 1951 (P.L.90, NO.21), KNOWN <--
5 AS THE LIQUOR CODE, REENACTED AND AMENDED JUNE 29, 1987 (P.L.32,
6 NO.14) IS AMENDED BY ADDING A SECTION TO READ:

7 SECTION 408.17. NATIONAL EVENT PERMIT.--(A) UPON
8 APPLICATION OF THE CHIEF EXECUTIVE OF A NATIONAL POLITICAL PARTY
9 CONDUCTING ITS NATIONAL CONVENTION IN THIS COMMONWEALTH, OR HIS
10 OR HER DESIGNEE, OR THE OFFICIAL HOST COMMITTEE OF THE NATIONAL
11 CONVENTION, THE BOARD MAY ISSUE A NATIONAL EVENT PERMIT OR
12 PERMITS FOR EVENTS DIRECTLY CONNECTED TO THE CONVENTION.

13 (B) THE APPLICATION SHALL INCLUDE AN APPLICATION FEE OF
14 FIVE-THOUSAND DOLLARS (\$5,000). NO ADDITIONAL FEE SHALL BE
15 REQUIRED FOR ANY SUBSEQUENT APPLICATION.

16 (C) THE BOARD SHALL APPROVE THE APPLICATION UNLESS DOING SO
17 WOULD CLEARLY BE AGAINST THE PUBLIC INTEREST. IF THE BOARD
18 APPROVES THE APPLICATION, THE BOARD SHALL DETERMINE THE
19 LOCATION, DATE AND HOURS THAT THE PERMIT SHALL BE IN EFFECT.
20 MORE THAN ONE LOCATION MAY BE LICENSED AT ONE TIME.

21 (D) THE PERMIT SHALL HAVE THE SAME RIGHTS AND RESTRICTIONS
22 AS A SPECIAL OCCASION PERMIT ISSUED UNDER SECTION 408.4, EXCEPT
23 AS FOLLOWS:

24 (1) THE PERMIT SHALL NOT BE SUBJECT TO THE HOURS RESTRICTION
25 UNDER SECTION 408.4(K), THE DAYS RESTRICTIONS UNDER SECTION
26 408(I) OR THE NOTICE REQUIREMENTS UNDER SECTION 408.4(J).

27 (2) THE PERMIT MAY BE ISSUED TO A LOCATION THAT IS ALREADY
28 LICENSED BY THE BOARD SO LONG AS THE BOARD CLEARLY STATES WHICH
29 PERMIT OR LICENSE IS IN EFFECT.

30 (3) THE PERMIT HOLDER MAY ACCEPT, IMPORT, POSSESS OR RESELL

1 DONATED ALCOHOL ACQUIRED FROM LICENSED AND UNLICENSED ENTITIES
2 SO LONG AS IT RECEIVES BOARD APPROVAL PRIOR TO DOING SO. THE
3 DONATED ALCOHOL DOES NOT NEED TO COME TO REST AT A PENNSYLVANIA
4 LIQUOR STORE PRIOR TO ITS USE BY THE PERMIT HOLDER, UNLESS THE
5 BOARD SO DIRECTS. MALT OR BREWED BEVERAGES DONATED UNDER THIS
6 SECTION SHALL NOT NEED TO COME TO REST AT A LICENSED IMPORTING
7 DISTRIBUTOR PRIOR TO THEIR USE BY THE PERMIT HOLDER, SO LONG AS
8 THE DONATED BRANDS ARE REGISTERED WITH THE BOARD AND THE BOARD
9 APPROVES THE ARRANGEMENT.

10 (4) IF THE PROPOSED LOCATION IS SUBJECT TO A CONDITIONAL
11 LICENSING AGREEMENT THAT IMPOSES ADDITIONAL CONDITIONS ON THE
12 SALE AND SERVICE OF ALCOHOL AT THAT LOCATION, THE BOARD MAY IN
13 ITS DISCRETION WAIVE SOME OR ALL OF THOSE CONDITIONS WHILE THE
14 PERMIT IS IN EFFECT.

15 (5) NO SALES FOR OFF-PREMISES CONSUMPTION MAY OCCUR UNLESS
16 THE PREMISES IS ALREADY LICENSED BY THE BOARD. IN THOSE CASES,
17 SALES FOR OFF-PREMISES CONSUMPTION SHALL BE SUBJECT TO THE SAME
18 RIGHTS AND RESTRICTIONS AS ARE IMPOSED ON THE UNDERLYING
19 LICENSE.

20 (E) A COPY OF EACH APPROVED PERMIT SHALL BE MADE AVAILABLE
21 TO THE PUBLIC ON THE BOARD'S PUBLICLY ACCESSIBLE INTERNET
22 WEBSITE.

23 (F) THIS SECTION SHALL EXPIRE ON JULY 29, 2016, AND NO
24 PERMIT SHALL REMAIN IN EFFECT AFTER THAT DATE.

25 Section 2. Section 431(d) (2) of the act, amended December
26 20, 1996 (P.L.1513, No.196), is amended to read:

27 Section 431. Malt and Brewed Beverages Manufacturers',
28 Distributors' and Importing Distributors' Licenses.--* * *

29 (d) * * *

30 (2) After January 1, 1980, no manufacturer shall enter into

1 any agreement with more than one distributor or importing
2 distributor for the purpose of establishing more than one
3 agreement for designated brand or brands of malt or brewed
4 beverages in any one territory. Each franchise territory which
5 is granted by a manufacturer shall be geographically contiguous
6 OR IN COUNTIES WHICH ARE CONTIGUOUS WITH ONE ANOTHER. All <--
7 importing distributors shall maintain sufficient records to
8 evidence compliance of this section. With regard to any
9 territorial distribution authority granted to an importing
10 distributor by a manufacturer of malt or brewed beverages after
11 January 1, 1996, the records shall establish that each and every
12 case of a brand of malt or brewed beverages for which the
13 importing distributor is assigned was sold, resold, stored,
14 delivered or transported by the importing distributor, either
15 from a point or to a point with the assigned geographically
16 contiguous territory OR IN COUNTIES WHICH ARE CONTIGUOUS WITH <--
17 ONE ANOTHER, to any person or persons, whether such person or
18 persons are licensed by this act or not licensed by this act. ~~As~~<--
19 ~~used in this paragraph, the term "geographically contiguous~~
20 ~~area" shall include two distinct areas which are separated by no~~
21 ~~more than five miles at the closest point.~~

22 * * *

23 ~~Section 3. Section 472(a) of the act, amended February 21,~~ <--
24 ~~2002 (P.L.103, No.10), is amended to read:~~

25 ~~Section 472. Local Option. (a) In any municipality or any~~
26 ~~part of a municipality where such municipality is split so that~~
27 ~~each part thereof is separated by another municipality, an~~
28 ~~election may be held, subject to subsection (c), [on the date of~~
29 ~~the primary election immediately preceding any municipal~~
30 ~~election, but] not oftener than once in four years, to determine~~

~~1 the will of the electors with respect to the granting of liquor
2 licenses to hotels, restaurants, resort facilities and clubs,
3 not oftener than once in four years, to determine the will of
4 the electors with respect to the granting of liquor licenses to
5 public venues, to performing arts facilities, to continuing care
6 retirement communities, to hotels located on property owned by
7 an accredited college or university, to privately owned private
8 golf courses or to privately owned public golf courses, not
9 oftener than once in four years, to determine the will of the
10 electors with respect to the granting of licenses to retail
11 dispensers of malt and brewed beverages, not oftener than once
12 in four years, to determine the will of the electors with
13 respect to granting of licenses to wholesale distributors and
14 importing distributors, not more than once in two years, to
15 determine the will of the electors with respect to the granting
16 of club liquor licenses or club retail dispenser licenses to
17 incorporated units of national veterans' organizations, not
18 oftener than once in two years to determine the will of the
19 electors with respect to the granting of special occasion
20 permits to qualified organizations, or not more than once in
21 four years, to determine the will of the electors with respect
22 to the establishment, operation and maintenance by the board of
23 Pennsylvania liquor stores, within the limits of such
24 municipality or part of a split municipality, under the
25 provisions of this act: Provided, [however, Where an election
26 shall have been held at the primary preceding a municipal
27 election in any year, another election may be held under the
28 provisions of this act at the primary occurring the fourth year
29 after such prior election: And provided further,] That an
30 election on the question of establishing and operating a State~~

~~1 liquor store shall be initiated only in those municipalities, or
2 that part of a split municipality that shall have voted against
3 the granting of liquor licenses; and that an election on the
4 question of granting wholesale distributor and importing
5 distributor licenses shall be initiated only in those
6 municipalities or parts of split municipalities that shall have
7 at a previous election voted against the granting of dispenser's
8 licenses. Whenever electors equal to at least twenty five per
9 centum of the highest vote cast for any office in the
10 municipality or part of a split municipality at the last
11 preceding general election shall file a petition with the county
12 board of elections of the county for a referendum on the
13 question of granting any of said classes of licenses or the
14 establishment of Pennsylvania liquor stores, the said county
15 board of elections shall cause a question to be placed on the
16 ballots or on the voting machine board and submitted at [the
17 primary immediately preceding the municipal] any election.
18 Separate petitions must be filed for each question to be voted
19 on. Said proceedings shall be in the manner and subject to the
20 provisions of the election laws which relate to the signing,
21 filing and adjudication of nomination petitions, insofar as such
22 provisions are applicable.~~

~~23 When the question is in respect to the granting of liquor
24 licenses, it shall be in the following form:~~

~~25 Do you favor the granting of liquor licenses for the
26 sale of liquor in..... Yes
27 of.....? No~~

~~28 When the question is in respect to the granting of liquor
29 licenses to resort facilities in those municipalities that do
30 not already allow the retail sale of liquor, it shall be in the~~

1 following form:

2 Do you favor the granting of liquor licenses to resort
3 facilities for the sale of liquor in the..... Yes
4 of.....? No

5 When the question is in respect to the granting of restaurant
6 liquor licenses for use at public venues in those municipalities
7 that do not already allow the retail sale of liquor, it shall be
8 in the following form:

9 Do you favor the granting of liquor licenses to public
10 venues for the sale of liquor in the..... Yes
11 of.....? No

12 When the question is in respect to the granting of restaurant
13 liquor licenses for use at performing arts facilities in those
14 municipalities that do not already allow the retail sale of
15 alcohol, it shall be in the following form:

16 Do you favor the granting of liquor licenses to
17 performing arts facilities for the sale of liquor in
18 the..... Yes
19 of.....? No

20 When the question is in respect to the granting of liquor
21 licenses for hotels located on property owned by an accredited
22 college or university in those municipalities that do not
23 already allow the granting of liquor licenses, it shall be in
24 the following form:

25 Do you favor the granting of liquor licenses to hotels
26 on property owned by an accredited college or
27 university in
28 the..... Yes
29 of.....? No

30 When the question is in respect to the granting of liquor

1 ~~licenses, for privately owned private golf courses, it shall be~~
2 ~~in the following form:~~

3 ~~Do you favor the granting of liquor licenses for~~
4 ~~privately owned private golf courses for the sale of~~
5 ~~liquor in.....by..... Yes~~
6 ~~of.....? No~~

7 ~~When the question is in respect to the granting of liquor~~
8 ~~licenses, for privately owned public golf courses, it shall be~~
9 ~~in the following form:~~

10 ~~Do you favor the granting of liquor licenses for~~
11 ~~privately owned public golf courses for the sale of~~
12 ~~liquor in.....by..... Yes~~
13 ~~of.....? No~~

14 ~~When the question is in respect to the granting of liquor~~
15 ~~licenses to continuing care retirement communities in those~~
16 ~~municipalities that have not already approved the granting of~~
17 ~~liquor licenses, it shall be in the following form:~~

18 ~~Do you favor the granting of liquor licenses for~~
19 ~~continuing care retirement communities~~
20 ~~in.....by..... Yes~~
21 ~~of.....? No~~

22 ~~When the question is in respect to the granting of licenses~~
23 ~~to retail dispensers of malt and brewed beverages, it shall be~~
24 ~~in the following form:~~

25 ~~Do you favor the granting of malt and brewed beverage~~
26 ~~retail dispenser licenses for consumption on premises~~
27 ~~where sold in the..... Yes~~
28 ~~of.....? No~~

29 ~~When the question is in respect to the granting of licenses~~
30 ~~to wholesale distributors of malt or brewed beverages and~~

1 ~~importing distributors, it shall be in the following form:~~

2 ~~Do you favor the granting of malt and brewed beverage~~
3 ~~wholesale distributor's and importing distributor's~~
4 ~~licenses not for consumption on premises where sold in~~
5 ~~the.....~~

Yes

6 ~~of.....?~~

No

7 ~~When the question is in respect to the granting of club~~
8 ~~liquor licenses to incorporated units of national veterans'~~
9 ~~organizations, it shall be in the following form:~~

10 ~~Do you favor the granting of club liquor licenses to~~
11 ~~incorporated units of national veterans' organizations~~
12 ~~in the.....~~

Yes

13 ~~of.....?~~

No

14 ~~When the question is in respect to the granting of club~~
15 ~~retail dispenser licenses to incorporated units of national~~
16 ~~veterans' organizations, it shall be in the following form:~~

17 ~~Do you favor the granting of club retail dispenser~~
18 ~~licenses to incorporated units of national veterans'~~
19 ~~organizations in the.....~~

Yes

20 ~~of.....?~~

No

21 ~~When the question is in respect to the granting of special~~
22 ~~occasion permits allowing the sale of liquor by qualified~~
23 ~~organizations in municipalities that do not already allow the~~
24 ~~retail sale of liquor, it shall be in the following form:~~

25 ~~Do you favor the granting of special occasion permits~~
26 ~~to allow the sale of liquor by qualified organizations~~
27 ~~in~~
28 ~~the.....~~

Yes

29 ~~of.....?~~

No

30 ~~When the question is in respect to the granting of special~~

1 ~~occasion permits allowing the sale of malt or brewed beverages~~
2 ~~only by qualified organizations in municipalities that do not~~
3 ~~already allow the retail sale of malt or brewed beverages, it~~
4 ~~shall be in the following form:~~

5 ~~Do you favor the granting of special occasion permits~~
6 ~~to allow the sale of malt or brewed beverages only by~~
7 ~~qualified organizations in the.....~~ Yes
8 ~~of.....?~~ No

9 ~~When the question is in respect to the establishment,~~
10 ~~operation and maintenance of Pennsylvania liquor stores it shall~~
11 ~~be in the following form:~~

12 ~~Do you favor the establishment, operation and~~
13 ~~maintenance of Pennsylvania liquor stores in~~
14 ~~the.....~~ Yes
15 ~~of.....?~~ No

16 ~~In case of a tie vote, the status quo shall obtain. If a~~
17 ~~majority of the voting electors on any such question vote "yes,"~~
18 ~~then liquor licenses shall be granted by the board to hotels,~~
19 ~~restaurants, resort facilities and clubs, or liquor licenses~~
20 ~~shall be granted by the board to public venues, to performing~~
21 ~~arts facilities, to continuing care retirement communities, to~~
22 ~~hotels located on property owned by an accredited college or~~
23 ~~university, to privately owned private golf courses or to~~
24 ~~privately owned public golf courses, or malt and brewed beverage~~
25 ~~retail dispenser licenses or wholesale distributor's and~~
26 ~~importing distributor's license for the sale of malt or brewed~~
27 ~~beverages shall be granted by the board, or club liquor licenses~~
28 ~~or club retail dispenser licenses shall be granted by the board~~
29 ~~to incorporated units of national veterans' organizations, or~~
30 ~~special occasion permits may be issued to qualified~~

1 ~~organizations, or the board may establish, operate and maintain~~
2 ~~Pennsylvania liquor stores, as the case may be, in such~~
3 ~~municipality or part of a split municipality, as provided by~~
4 ~~this act; but if a majority of the electors voting on any such~~
5 ~~question vote "no," then the board shall have no power to grant~~
6 ~~or to renew upon their expiration any licenses of the class so~~
7 ~~voted upon in such municipality or part of a split municipality;~~
8 ~~or if the negative vote is on the question in respect to the~~
9 ~~establishment, operation and maintenance of Pennsylvania liquor~~
10 ~~stores, the board shall not open and operate a Pennsylvania~~
11 ~~liquor store in such municipality or part of a split~~
12 ~~municipality, nor continue to operate a then existing~~
13 ~~Pennsylvania liquor store in the municipality or part of a split~~
14 ~~municipality for more than two years thereafter or after the~~
15 ~~expiration of the term of the lease on the premises occupied by~~
16 ~~such store, whichever period is less, unless and until at a~~
17 ~~later election a majority of the voting electors vote "yes" on~~
18 ~~such question.~~

19 * * *

20 Section 4. ~~Section 491 of the act is amended by adding a~~
21 ~~paragraph to read:~~

22 Section 491. ~~Unlawful Acts Relative to Liquor, Alcohol and~~
23 ~~Liquor Licensees.—~~

24 ~~It shall be unlawful—~~

25 * * *

26 ~~(15) Possession, purchase, sale or use of powdered or~~
27 ~~crystalline alcohol. For any person to possess, purchase, sell,~~
28 ~~offer to sell or use powdered or crystalline alcohol. This~~
29 ~~paragraph shall not apply to commercial or industrial use~~
30 ~~specifically approved by State law, a hospital that operates~~

1 ~~primarily for the purpose of conducting scientific research, a~~
2 ~~State institution conducting bona fide research, a private~~
3 ~~college or university conducting bona fide research or a~~
4 ~~pharmaceutical company conducting bona fide research.~~

5 Section 5 3. This act shall take effect in ~~60 days~~

<--

6 IMMEDIATELY.

<--