THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2519 Session of 2022

INTRODUCED BY MUSTELLO, MIZGORSKI, HENNESSEY, STAATS, MILLARD AND BERNSTINE, APRIL 14, 2022

REFERRED TO COMMITTEE ON LIQUOR CONTROL, APRIL 14, 2022

AN ACT

Amending the act of April 12, 1951 (P.L.90, No.21), entitled "An act relating to alcoholic liquors, alcohol and malt and 2 brewed beverages; amending, revising, consolidating and 3 changing the laws relating thereto; regulating and restricting the manufacture, purchase, sale, possession, 5 consumption, importation, transportation, furnishing, holding 6 in bond, holding in storage, traffic in and use of alcoholic liquors, alcohol and malt and brewed beverages and the 7 8 persons engaged or employed therein; defining the powers and 9 10 duties of the Pennsylvania Liquor Control Board; providing for the establishment and operation of State liquor stores, 11 for the payment of certain license fees to the respective 12 municipalities and townships, for the abatement of certain 13 nuisances and, in certain cases, for search and seizure 14 without warrant; prescribing penalties and forfeitures; 15 providing for local option, and repealing existing laws," in 16 Pennsylvania liquor stores, further providing for sales by Pennsylvania liquor stores; and, in licenses and regulations 17 18 and liquor, alcohol and malt and brewed beverages, further 19 20 providing for malt and brewed beverages manufacturers', distributors' and importing distributors' licenses. 21 22 The General Assembly of the Commonwealth of Pennsylvania 23 hereby enacts as follows: 24 Section 1. Sections 305(b) and 431(a.2) of the act of April 12, 1951 (P.L.90, No.21), known as the Liquor Code, are amended 26 to read:

Section 305. Sales by Pennsylvania Liquor Stores. --* * *

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- 1 (b) Every Pennsylvania Liquor Store shall sell liquors at
- 2 wholesale to hotels, restaurants, clubs, and railroad, pullman
- 3 and steamship companies licensed under this act; and, under the
- 4 regulations of the board, to pharmacists duly licensed and
- 5 registered under the laws of the Commonwealth, and to
- 6 manufacturing pharmacists, and to reputable hospitals approved
- 7 by the board, or chemists. Sales to licensees <u>and holders of a</u>
- 8 <u>brewery license</u> shall be made at a price that includes a
- 9 discount of ten per centum from the retail price; except that
- 10 special order sales to licensees authorized in subsection (a)
- 11 shall not be subject to the ten per centum discount. The board
- 12 may sell to registered pharmacists only such liquors as conform
- 13 to the Pharmacopoeia of the United States, the National
- 14 Formulary, or the American Homeopathic Pharmacopoeia. The board
- 15 may sell at special prices under the regulations of the board,
- 16 to United States Armed Forces facilities which are located on
- 17 United States Armed Forces installations and are conducted
- 18 pursuant to the authority and regulations of the United States
- 19 Armed Forces. All other sales by such stores shall be at retail,
- 20 except that incentives, such as coupons or discounts on certain
- 21 products, may be offered to unlicensed customers of the board as
- 22 provided under sections 207(m) and 493(24)(ii)(B). A person
- 23 entitled to purchase liquor at wholesale prices may purchase the
- 24 liquor at any Pennsylvania Liquor Store upon tendering cash,
- 25 check or credit card for the full amount of the purchase. For
- 26 this purpose, the board shall issue a discount card to each
- 27 licensee identifying such licensee as a person authorized to
- 28 purchase liquor at wholesale prices. Such discount card shall be
- 29 retained by the licensee. The board may contract through the
- 30 Commonwealth bidding process for delivery to wholesale licensees

- 1 at the expense of the licensee receiving the delivery.
- 2 * * *
- 3 Section 431. Malt and Brewed Beverages Manufacturers',
- 4 Distributors' and Importing Distributors' Licenses.--* * *
- 5 (a.2) The board shall issue to a holder of a manufacturer's
- 6 license no more than [two] <u>five</u> storage licenses per
- 7 manufacturer to cover storage facilities separate from the
- 8 location of the manufacturing facility. A manufacturer may use
- 9 its storage facilities to receive, store, repackage, sell and
- 10 distribute malt or brewed beverages in the same manner as it can
- 11 at its place of manufacture or it may rent, lease or otherwise
- 12 acquire space from an importing distributor or bailee for hire
- 13 authorized by this act in the same manner as an out of State
- 14 manufacturer as set forth in subsection (a.1). A separate
- 15 written application must be filed to acquire storage licenses,
- 16 and the board is empowered to establish what information must be
- 17 provided on that application. Nothing in this act authorizing
- 18 off-site storage facilities for manufacturers is intended to
- 19 make any change in the manner malt or brewed beverages are
- 20 distributed through the three-tier system.
- 21 * * *
- 22 Section 2. This act shall take effect in 60 days.