THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 770

Session of 2015

INTRODUCED BY MASSER, SCHREIBER, PICKETT, COHEN, FREEMAN, SANKEY, HEFFLEY, WATSON, MILLARD, HARHAI, HARHART, GABLER AND MOUL, MARCH 10, 2015

REFERRED TO COMMITTEE ON LIQUOR CONTROL, MARCH 10, 2015

AN ACT

- Amending the act of April 12, 1951 (P.L.90, No.21), entitled, as 1 reenacted, "An act relating to alcoholic liquors, alcohol and 2 malt and brewed beverages; amending, revising, consolidating 3 and 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 7 liquors, alcohol and malt and brewed beverages and the 8 9 persons engaged or employed therein; defining the powers and duties of the Pennsylvania Liquor Control Board; providing 10 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 preliminary provisions, further defining "eligible entity"; 16 17 and, in licenses and regulations for liquor, alcohol and malt 18 19 and brewed beverages, further providing for unlawful acts relative to liquor, malt and brewed beverages and licensees. 20
- 21 The General Assembly of the Commonwealth of Pennsylvania
- 22 hereby enacts as follows:
- 23 Section 1. The definition of "eligible entity" in section
- 24 102 of the act of April 12, 1951 (P.L.90, No.21), known as the
- 25 Liquor Code, reenacted and amended June 29, 1987 (P.L.32, No.14)
- 26 and amended July 5, 2012 (P.L.1007, No.116), is amended to read:

- 1 Section 102. Definitions. -- The following words or phrases,
- 2 unless the context clearly indicates otherwise, shall have the
- 3 meanings ascribed to them in this section:
- 4 * * *
- 5 "Eligible entity" shall mean a city of the third class, a
- 6 hospital, a church, a synagogue, a volunteer fire company, a
- 7 volunteer ambulance company, a volunteer rescue squad, a unit of
- 8 a nationally chartered club which has been issued a club liquor
- 9 license, a club which has been issued a club liquor license and
- 10 which, as of December 31, 2002, has been in existence for at
- 11 least 100 years, a library, a nationally accredited Pennsylvania
- 12 nonprofit zoological institution licensed by the United States
- 13 Department of Agriculture, a nonprofit agricultural association
- 14 in existence for at least ten years, a bona fide sportsmen's
- 15 club in existence for at least ten years, a nationally chartered
- 16 veterans' organization and any affiliated lodge or subdivision
- 17 of such organization, a fraternal benefit society that is
- 18 licensed to do business in this Commonwealth and any affiliated
- 19 lodge or subdivision of such fraternal benefit society, a museum
- 20 operated by a nonprofit corporation, a nonprofit corporation
- 21 engaged in the performing arts, an arts council, a nonprofit
- 22 corporation that operates an arts facility or museum, a
- 23 nonprofit organization as defined under section 501(c)(3) of the
- 24 Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. §
- 25 501(c)(3)) whose purpose is to protect the architectural
- 26 heritage of boroughs or a township of the second class and which
- 27 has been recognized as such by a municipal resolution, a
- 28 nonprofit organization as defined under section 501(c)(3) of the
- 29 Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. §
- 30 501(c)(3)) conducting a regatta in a city of the second class

- 1 with the permit to be used on State park grounds or conducting a
- 2 family-oriented celebration as part of Welcome America in a city
- 3 of the first class on property leased from that city for more
- 4 than fifty years, a nonprofit organization as defined under
- 5 section 501(c)(3) of the Internal Revenue Code of 1986 (26
- 6 U.S.C. § 501(c)(3)) whose purpose is to raise funds for the
- 7 research and treatment of cystic fibrosis, a nonprofit
- 8 organization as defined under section 501(c)(3) of the Internal
- 9 Revenue Code of 1986 (26 U.S.C. § 501(c)(3)) whose purpose is to
- 10 educate the public on issues dealing with watershed
- 11 conservation, a nonprofit organization as defined under section
- 12 501(c)(3) of the Internal Revenue Code of 1986 (Public Law 99-
- 13 514, 26 U.S.C. § 501(c)(3)) whose purpose is to provide equine
- 14 assisted activities for children and adults with special needs,
- 15 a nonprofit economic development agency in a city of the second
- 16 class with the primary function to serve as an economic
- 17 generator for the greater southwestern Pennsylvania region by
- 18 attracting and supporting film, television and related media
- 19 industry projects and coordinating government and business
- 20 offices in support of a production, a county tourist promotion
- 21 agency as defined in section 3(1) of the act of April 28, 1961
- 22 (P.L.111, No.50), known as the "Tourist Promotion Law," a junior
- 23 league that is a nonprofit organization as defined under section
- 24 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. §
- 25 501(c)(3)) that is comprised of women whose purpose is
- 26 exclusively educational and charitable in promoting the
- 27 volunteerism of women and developing and participating in
- 28 community projects and that has been in existence for over
- 29 seventy years, a nonprofit organization as defined under section
- 30 501(c)(3) of the Internal Revenue Code of 1986 and whose purpose

- 1 is the education and promotion of American history, a nonprofit
- 2 organization as defined under section 501(c)(6) of the Internal
- 3 Revenue Code of 1986 whose purpose is to support business and
- 4 industry, a brewery which has been issued a license to
- 5 manufacture malt or brewed beverages and has been in existence
- 6 for at least 100 years or a club recognized by Rotary
- 7 International and whose purpose is to provide service to others,
- 8 to promote high ethical standards and to advance world
- 9 understanding, goodwill and peace through its fellowship of
- 10 business, professional and community leaders or a nonprofit
- 11 organization as defined under section 501(c)(3) of the Internal
- 12 Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3))
- 13 whose purpose is to promote mushrooms while supporting local and
- 14 regional charities, a museum operated by a not-for-profit
- 15 corporation in a city of the second class A, a nonprofit
- 16 organization as defined under section 501(c)(3) of the Internal
- 17 Revenue Code of 1986 which is located in a city of the second
- 18 class A and has as its purpose economic and community
- 19 development, a nonprofit organization as defined under section
- 20 501(c)(3) or (6) of the Internal Revenue Code of 1986 that is
- 21 located in a city of the third class in a county of the fifth
- 22 class, a nonprofit social service organization defined under
- 23 section 501(c)(3) of the Internal Revenue Code of 1986 located
- 24 in a county of the third class whose purpose is to serve
- 25 individuals and families in that county of the third class, a
- 26 nonprofit organization as defined under section 501(c)(3) of the
- 27 Internal Revenue Code of 1986 whose main purpose is to
- 28 temporarily foster stray and unwanted animals and match them to
- 29 suitable permanent homes or a nonprofit organization as defined
- 30 under section 501(c)(3) of the Internal Revenue Code of 1986 who

- 1 operates either a Main Street Program or Elm Street Program
- 2 recognized by the Commonwealth, the National Trust for Historic
- 3 Preservation or both, a nonprofit radio station that is a member
- 4 of the National Public Radio network, a nonprofit public
- 5 television station that is a member of the Pennsylvania Public
- 6 Television Network [or] a nonprofit organization as defined
- 7 under section 501(c)(3) of the Internal Revenue Code of 1986
- 8 whose purpose is to promote awareness, education and research
- 9 and to provide a support system for patients with neutropenia
- 10 and their families through a national resource network or a
- 11 <u>nonprofit organization as defined under section 501(c)(3) of the</u>
- 12 Internal Revenue Code of 1986 that is located in a city of the
- 13 first class and has been in existence for over fifteen years
- 14 whose purpose is community-based economic development.
- 15 Section 2. Section 493(24) of the act, amended November 29,
- 16 2006 (P.L.1421, No.155), is amended to read:
- 17 Section 493. Unlawful Acts Relative to Liquor, Malt and
- 18 Brewed Beverages and Licensees. -- The term "licensee," when used
- 19 in this section, shall mean those persons licensed under the
- 20 provisions of Article IV, unless the context clearly indicates
- 21 otherwise.
- 22 It shall be unlawful--
- 23 * * *
- 24 (24) (i) Things of Value Offered as Inducement. Except as
- 25 provided in [subclause (ii)] subclauses (ii) and (iii), for any
- 26 licensee under the provisions of this article, or the board or
- 27 any manufacturer, or any employe or agent of a manufacturer,
- 28 licensee or of the board, to offer to give anything of value or
- 29 to solicit or receive anything of value as a premium for the
- 30 return of caps, stoppers, corks, stamps or labels taken from any

- 1 bottle, case, barrel or package containing liquor or malt or
- 2 brewed beverage, or to offer or give or solicit or receive
- 3 anything of value as a premium or present to induce directly the
- 4 purchase of liquor or malt or brewed beverage, or for any
- 5 licensee, manufacturer or other person to offer or give to trade
- 6 or consumer buyers any prize, premium, gift or other inducement
- 7 to purchase liquor or malt or brewed beverages, except
- 8 advertising novelties of nominal value which the board shall
- 9 define. This section shall not prevent any manufacturer or any
- 10 agent of a manufacturer from offering and honoring coupons which
- 11 offer monetary rebates on purchases of wines and spirits through
- 12 State Liquor Stores or purchases of malt or brewed beverages
- 13 through distributors and importing distributors in accordance
- 14 with conditions or regulations established by the board. The
- 15 board may redeem coupons offered by a manufacturer or an agent
- 16 of a manufacturer at the time of purchase. Coupons offered by a
- 17 manufacturer or an agent of a manufacturer shall not be redeemed
- 18 without proof of purchase. This section shall not apply to the
- 19 return of any monies specifically deposited for the return of
- 20 the original container to the owners thereof.
- 21 (ii) Notwithstanding subclause (i) or any other provision of
- 22 law, a holder of a restaurant license that is also approved to
- 23 hold a slot machine license or a conditional slot machine
- 24 license under 4 Pa.C.S. Part II (relating to gaming) may give
- 25 liquor and malt or brewed beverages free of charge to any person
- 26 actively engaged in playing a slot machine.
- 27 (iii) Notwithstanding subclause (i) or any other provision
- 28 of law or regulation, a holder of a license under provisions of
- 29 this clause may offer discounts of food or malt or brewed
- 30 beverages and disproportionate serving amounts that act as a

- 1 <u>discount to patrons who are part of a bona fide club or group</u>
- 2 program offered by the licensee to promote its business or
- 3 products in a commercially reasonable manner.
- 4 (iv) No discounts of food or malt or brewed beverages and
- 5 <u>disproportionate serving amounts offered pursuant to subclause</u>
- 6 (iii) shall be given between the hours of midnight and two
- 7 <u>o'clock antemeridian on any given day.</u>
- 8 * * *
- 9 Section 3. This act shall take effect in 60 days.