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," as follows:

In preliminary provisions, further providing for definitions.

In Pennsylvania Liquor Control Board, further providing for general powers of board.

In licenses and regulations, liquor, alcohol and malt and brewed beverages, further providing for license districts, license period and hearings and for issuance, transfer or extension of hotel, restaurant and club liquor licenses, providing for wholesale permit, for wholesale licenses, for wine or liquor expanded permits, for wine or liquor enhanced permits and for grocery store retail permits, further providing for malt...
and brewed beverages manufacturers', distributors' and importing
distributors' licenses, for malt and brewed beverages retail
licenses, for application for distributors', importing
distributors' and retail dispensers' licenses, for prohibitions
against the grant of licenses, for interlocking business
prohibited, for licences not assignable and transfers, for
surrender of restaurant, eating place retail dispenser, hotel,
importing distributor and distributor license for benefit of
licensee and for unlawful acts relative to malt or brewed
beverages and licensees.

In miscellaneous provisions, providing for transition
assistance committee, for preference in public employment
hiring, career training and post-secondary education grant
eligibility, for reemployment tax credit and for protection of
existing benefits.

The General Assembly finds and declares as follows:

(1) It is the purpose of this act to reform and
privatize the system by which alcohol is dispensed and
controlled within this Commonwealth to reflect changes in the
marketplace while continuing to protect the welfare, health,
peace and morals of the citizens of this Commonwealth.

(2) The 21st amendment to the Constitution of the United
States dictates that the laws of the states shall govern the
transportation and importation of intoxicating liquors into
the state for delivery and use within the state.

(3) Further, the United States Supreme Court has opined
in interpreting the 21st amendment that "the states'
regulatory power over this segment of commerce is largely
unfettered by the Constitution's commerce clause."

(4) Revenues derived from the operation of a system for
the manufacture, transportation, distribution and sale of
alcohol are necessary to implement and sustain a regulated
marketplace to continue to protect the welfare, health, peace
and morals of the citizens of this Commonwealth and to
contribute to the overall economic stability of the
Commonwealth.
(5) In order to adapt to the changing marketplace, this act will:

(i) Permit private industry to offer additional products for sale while ensuring that the laws of this Commonwealth are thoroughly enforced.

(ii) Ensure that the value of licenses held by small businesses are not devalued, but are enhanced through the opportunity to expand operations and sales.

(iii) Provide for the operation of a retail system that promotes competition and convenience to ensure that the residents of this Commonwealth purchase products within this Commonwealth.

(iv) Establish a system by which these increased opportunities will continue to contribute to overall fiscal stability of the Commonwealth.

(6) Recognizing the benefits of allowing the private market to offer products directly to licensees and retailers, the General Assembly intends to fully divest of the Commonwealth's wholesale liquor business in order to allow additional products into the marketplace, establish a more reliable system for the distribution of products and provide additional convenience for licensees and retailers.

(7) Recognition and furtherance of all these elements is essential to the welfare, health, peace and morals of the citizens of this Commonwealth. IN LICENSES AND REGULATIONS, LIQUOR, ALCOHOL AND MALT AND BREWED BEVERAGES, FURTHER PROVIDING FOR ISSUANCE, TRANSFER OR EXTENSION OF HOTEL, RESTAURANT AND CLUB LIQUOR LICENSES, FOR MALT AND BREWED BEVERAGES MANUFACTURERS', DISTRIBUTORS' AND IMPORTING DISTRIBUTORS' LICENSES, FOR MALT AND BREWED BEVERAGES RETAIL
LICENSES, FOR LICENSES NOT ASSIGNABLE AND TRANSFERS AND FOR
SURRENDER OF RESTAURANT, EATING PLACE RETAIL DISPENSER,
HOTEL, IMPORTING DISTRIBUTOR AND DISTRIBUTOR LICENSE FOR
BENEFIT OF LICENSEE.

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,"AS
FOLLOWS:

IN PRELIMINARY PROVISIONS, FURTHER PROVIDING FOR
DEFINITIONS.

IN PENNSYLVANIA LIQUOR CONTROL BOARD, FURTHER PROVIDING
FOR GENERAL POWERS OF BOARD.

IN PENNSYLVANIA LIQUOR STORES, FURTHER PROVIDING FOR WHEN
SALES MAY BE MADE AT PENNSYLVANIA LIQUOR STORES AND FOR SALES
BY PENNSYLVANIA LIQUOR STORES.

IN LICENSES AND REGULATIONS, LIQUOR, ALCOHOL AND MALT AND
BREWED BEVERAGES,

FURTHER PROVIDING FOR LICENSE DISTRICTS, PERIODS AND
HEARINGS, FOR ISSUANCE, TRANSFER OR EXTENSION OF HOTEL,
RESTAURANT AND CLUB LIQUOR LICENSES, FOR SALES BY LIQUOR
LICENSEEES AND RESTRICTIONS, FOR SPECIAL OCCASION PERMITS,
FOR WINE OPTION PERMITS, FOR LIQUOR IMPORTERS' LICENSES,
FEES, PRIVILEGES AND RESTRICTIONS AND FOR INTERLOCKING
BUSINESS PROHIBITED;

PROVIDING FOR WINE EXPANDED PERMITS AND FOR CASINO
LIQUOR LICENSE;

FURTHER PROVIDING FOR MALT AND BREWED BEVERAGES
MANUFACTURERS', DISTRIBUTORS' AND IMPORTING DISTRIBUTORS'
LICENSES, FOR MALT AND BREWED BEVERAGES RETAIL LICENSES,
FOR APPLICATION FOR DISTRIBUTORS', IMPORTING
DISTRIBUTORS' AND RETAIL DISPENSERS' LICENSES, FOR
DISTRIBUTORS' AND IMPORTING DISTRIBUTORS' RESTRICTIONS ON
SALES, STORAGE, ETC., FOR RETAIL DISPENSERS' RESTRICTIONS
ON PURCHASES AND SALES, FOR INTERLOCKING BUSINESS
PROHIBITED AND FOR BREWERIES;

ESTABLISHING THE PENNSYLVANIA MALT AND BREWED
BEVERAGES INDUSTRY PROMOTION BOARD;

FURTHER PROVIDING FOR LIMITING NUMBER OF RETAIL
LICENSES TO BE ISSUED IN EACH COUNTY, FOR INCORPORATED UNITS OF NATIONAL VETERANS' ORGANIZATIONS, FOR LICENSES NOT ASSIGNABLE AND TRANSFERS AND FOR RENEWAL OF LICENSES AND TEMPORARY PROVISIONS FOR LICENSEES IN ARMED SERVICES; PROVIDING FOR LICENSE AUCTION; FURTHER PROVIDING FOR RESPONSIBLE ALCOHOL MANAGEMENT, FOR LOCAL OPTION, FOR PUBLIC RECORD, FOR SURRENDER OF RESTAURANT, EATING PLACE RETAIL DISPENSER, HOTEL, IMPORTING DISTRIBUTOR AND DISTRIBUTOR LICENSE FOR BENEFIT OF LICENSEE AND FOR SHIPMENT OF WINE INTO COMMONWEALTH; PROVIDING FOR PENNSYLVANIA WINE MARKETING AND RESEARCH BOARD; AND FURTHER PROVIDING FOR UNLAWFUL ACTS RELATIVE TO LIQUOR, ALCOHOL AND LIQUOR LICENSEES, FOR UNLAWFUL ACTS RELATIVE TO LIQUOR, MALT AND BREWED BEVERAGES AND LICENSEES AND FOR IDENTIFICATION CARDS, LICENSEES AND STATE LIQUOR STORE EMPLOYEES SAVED FROM PROSECUTION. IN DISTILLERIES, WINERIES, BONDED WAREHOUSES, BAILEES FOR HIRE AND TRANSPORTERS FOR HIRE, FURTHER PROVIDING FOR LIMITED WINERIES AND FOR DISTILLERIES. ESTABLISHING A WINE AND SPIRITS WHOLESALE AND RETAIL PRIVATIZATION COMMISSION.

THE GENERAL ASSEMBLY FINDS AND DECLARES AS FOLLOWS:

(1) IT IS THE PURPOSE OF THIS ACT TO REFORM THE SYSTEM BY WHICH ALCOHOL IS DISPENSED AND CONTROLLED WITHIN THIS COMMONWEALTH TO REFLECT CHANGES IN THE MARKETPLACE WHILE CONTINUING TO PROTECT THE WELFARE, HEALTH, PEACE AND MORAALS OF THE CITIZENS OF THIS COMMONWEALTH.

(2) THE 21ST AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES DICTATES THAT THE LAWS OF THE STATES SHALL GOVERN THE TRANSPORTATION AND IMPORTATION OF INTOXICATING LIQUORS INTO THE STATE FOR DELIVERY AND USE WITHIN THE STATE.

(3) FURTHER, THE UNITED STATES SUPREME COURT HAS OPINED IN INTERPRETING THE 21ST AMENDMENT THAT "THE STATES' REGULATORY POWER OVER THIS SEGMENT OF COMMERCE IS LARGELY UNFETTERED BY THE CONSTITUTION'S COMMERCE CLAUSE."

(4) REVENUES DERIVED FROM THE OPERATION OF A SYSTEM FOR THE MANUFACTURE, TRANSPORTATION, DISTRIBUTION AND SALE OF ALCOHOL ARE NECESSARY TO IMPLEMENT AND SUSTAIN A REGULATED
MARKETPLACE TO CONTINUE TO PROTECT THE WELFARE, HEALTH, PEACE AND MORALS OF THE CITIZENS OF THIS COMMONWEALTH AND TO CONTRIBUTE TO THE OVERALL ECONOMIC STABILITY OF THE COMMONWEALTH.

(5) IN ORDER TO ADAPT TO THE CHANGING MARKETPLACE, THIS ACT WILL:

(I) PERMIT PRIVATE INDUSTRY TO OFFER ADDITIONAL PRODUCTS FOR SALE WHILE ENSURING THAT THE LAWS OF THIS COMMONWEALTH ARE THOROUGHLY ENFORCED.

(II) ENSURE THAT THE VALUE OF LICENSES HELD BY SMALL BUSINESSES ARE NOT DEVALUED, BUT ARE ENHANCED THROUGH THE OPPORTUNITY TO EXPAND OPERATIONS AND SALES.

(III) PROVIDE FOR THE OPERATION OF A RETAIL SYSTEM THAT PROMOTES COMPETITION AND CONVENIENCE TO ENSURE THAT THE RESIDENTS OF THIS COMMONWEALTH PURCHASE PRODUCTS WITHIN THIS COMMONWEALTH.

(IV) ESTABLISH A SYSTEM BY WHICH THESE INCREASED OPPORTUNITIES WILL CONTINUE TO CONTRIBUTE TO OVERALL FISCAL STABILITY OF THE COMMONWEALTH.

(6) RECOGNITION AND FURTHERANCE OF ALL THESE ELEMENTS IS ESSENTIAL TO THE WELFARE, HEALTH, PEACE AND MORALS OF THE CITIZENS OF THIS COMMONWEALTH.

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

Section 1. The definitions of "distributor," "importing distributor" and "liquor" 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) and amended May 31, 1996 (P.L.312, No.49), are amended and the section is amended by adding definitions 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:

* * *

"Displaced employee" shall mean a salaried employee of the board whose employment is terminated as a sole and direct result of the implementation of section 207. The term shall not include a person who is terminated for cause or who retires or resigns, is furloughed or is otherwise separated from employment for any other reason. The term shall not include intermittent liquor store clerks and seasonal liquor store clerks.

* * *

"Distributor" shall mean any person licensed or holding a permit authorized by the board to sell wine, sell liquor or to engage in the purchase only from Pennsylvania manufacturers and from importing distributors and the resale of malt or brewed beverages, except to importing distributors and distributors, in the original sealed containers as prepared for the market by the manufacturer at the place of manufacture, but not for consumption on the premises where sold, and in quantities of not less than a case or original containers containing one hundred twenty-eight ounces or more which may be sold separately.

* * *

"Grocery store" shall mean a reputable place operated by persons of good repute, which primarily sells food, supplies for the table and food products for human consumption off the premises and which has an area under one roof of ten thousand square feet or more.

* * *

"Importing distributor" shall mean any person licensed or
holding a permit authorized by the board to sell wine, sell
liquor and to engage in the purchase from manufacturers and
other persons located outside this Commonwealth and from persons
licensed as manufacturers of malt or brewed beverages and
importing distributors under this act, and the resale of malt or
brewed beverages in the original sealed containers as prepared
for the market by the manufacturer at the place of manufacture,
but not for consumption on the premises where sold, and in
quantities of not less than a case or original containers
containing one hundred twenty-eight ounces or more which may be
sold separately.

"Licensed premises" shall mean the premises covered by the
license as approved by the board and shall include the term
"location" as used in sections 404, 431(b) and 432(d).

* * *

"Liquor" except as provided in sections 207(a.1), 410.1(c),
415(f) and 416(l), shall mean and include any alcoholic,
spirituous, vinous, fermented or other alcoholic beverage, or
combination of liquors and mixed liquor a part of which is
spirituous, vinous, fermented or otherwise alcoholic, including
all drinks or drinkable liquids, preparations or mixtures, and
reused, recovered or redistilled denatured alcohol usable or
taxable for beverage purposes which contain more than one half
of one per cent of alcohol by volume, except pure ethyl alcohol
and malt or brewed beverages.

* * *

"Unlicensed entity" shall mean a person not holding a license
issued pursuant to this act that possesses a valid wine enhanced
permit or liquor enhanced permit under section 416(f).

Section 2. Section 207(b) of the act is amended and the
Section 207. General Powers of Board. Under this act, the board shall have the power and its duty shall be:

* * *

(a.1) (1) To close Pennsylvania Liquor Stores. Before making a determination to close a Pennsylvania Liquor Store, the board shall take into consideration the availability and accessibility of liquor to the public through the private retail market, the pricing of liquor in the area and the profitability of the store.

(2) Availability and accessibility of liquor shall be determined by the proximity of the closest holder of a wine and liquor enhanced permit under section 416. The board shall identify the two closest distributors or importing distributors. If one of the distributors or importing distributors is selling wine and liquor under section 416 or, if there is an unlicensed entity selling wine and liquor under section 416 within the same proximity of the two closest distributors or importing distributors, then the board shall close the store.

(3) A Pennsylvania Liquor Store designated for closure shall cease operations within sixty days.

(4) The board shall arrange for the disposition of the liquor remaining in inventory at a designated store. In order to effectuate this subsection, the board may, in consultation with the Department of General Services, do any of the following:

(i) Coordinate with the vendor of record for the repurchase of products by the vendor of record.

(ii) Sell products to holders of wine or liquor expanded or enhanced permits or an unlicensed wine or liquor enhanced permit holder.
(iii) Transport products for sale at another operating Pennsylvania Liquor Store.

(5) The Department of General Services, in consultation with the board, shall establish a procedure for the sale of the nonliquor inventory, property and fixtures of all Pennsylvania Liquor Stores consistent with 62 Pa.C.S. Ch. 15 (relating to supply management). The holders of wine or liquor enhanced permits shall have the opportunity to bid on the items to be sold or otherwise participate in the sale. All proceeds from the sales shall be deposited into the State Store Fund.

(6) The board shall provide immediate notice to the lessor upon receipt of notice to close a designated Pennsylvania Liquor Store issued by the Department of General Services. The board shall reimburse the lessor for any outstanding renovation costs that were incurred during the term of the current lease as of the effective date of the act.

(b) To control the manufacture, possession, sale, consumption, importation, use, storage, transportation and delivery of liquor, alcohol and malt or brewed beverages in accordance with the provisions of this act, and to fix the wholesale and retail prices at which liquors and alcohol shall be sold at Pennsylvania Liquor Stores.

(1) Prices shall be proportional with prices paid by the board to its suppliers and shall reflect any advantage obtained through volume purchases by the board.

(2) The board may establish a preferential price structure for wines produced within this Commonwealth for the promotion of such wines, as long as the price structure is uniform within each class of wine purchased by the board.

(3) The board shall require each Pennsylvania manufacturer...
and each nonresident manufacturer of liquors, other than wine, selling such liquors to the board, which are not manufactured in this Commonwealth, to make application for and be granted a permit by the board before such liquors not manufactured in this Commonwealth shall be purchased from such manufacturer. Each such manufacturer shall pay for such permit a fee which, in the case of a manufacturer of this Commonwealth, shall be equal to that required to be paid, if any, by a manufacturer or wholesaler of the state, territory or country of origin of the liquors, for selling liquors manufactured in Pennsylvania, and in the case of a nonresident manufacturer, shall be equal to that required to be paid, if any, in such state, territory or country by Pennsylvania manufacturers doing business in such state, territory or country. In the event that any such manufacturer shall, in the opinion of the board, sell or attempt to sell liquors to the board through another person for the purpose of evading this provision relating to permits, the board shall require such person, before purchasing liquors from him or it, to take out a permit and pay the same fee as hereinbefore required to be paid by such manufacturer. All permit fees so collected shall be paid into the State Stores Fund.

(4) The board shall not purchase any alcohol or liquor fermented, distilled, rectified, compounded or bottled in any state, territory or country, the laws of which result in prohibiting the importation therein of alcohol or liquor, fermented, distilled, rectified, compounded or bottled in Pennsylvania.

(5) The board’s authority to exercise the powers granted pursuant to this subsection is subject to the limitations set forth in sections 207(a.1), 410.1 and 410.2.
Section 3. Section 402 of the act is amended by adding a
subsection to read:

Section 402. License Districts; License Period; Hearings.---*
*

(d) This section shall not apply to permit holders holding a
valid wine or liquor expanded or wine or liquor enhanced permit
or grocery store retail permit under section 415, 416 or 417.

Section 4. Section 404 of the act, amended January 6, 2006
(P.L.1, No.1), is amended to read:

SECTION 1. SECTION 404 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) AND AMENDED JANUARY 6, 2006 (P.L.1, NO.1),
IS AMENDED TO READ:

Section 404. Issuance, Transfer or Extension 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 or
the extension of an existing license to cover an additional area
the board may, in its discretion, grant or refuse such new-
license, transfer or extension 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, transfer or extension 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, the transfer of any license
to a new location or the extension of an existing license to-
cover an additional area if, in the board's opinion, such new-
license, transfer or extension 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 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, the transfer of any license to a new location or the
extension of any license to cover an additional area where the
sale of liquid fuels or oil is conducted. The board shall not
license the area where liquid fuels or oil is sold. No sales of
liquid fuels or oil may be made from a licensee's licensed
premises. A licensed premises may not have an interior
connection with a location that sells liquid fuels or oils
unless it first receives permission from the board for the
interior connection. The approval shall be required regardless
of whether the licensee or another party is the entity selling
the liquid fuels or oils. The board may enter into an agreement
with the applicant concerning additional restrictions on the
license in question. If the board and the applicant enter into
such an agreement, such agreement shall be binding on the
applicant. Failure by the applicant to adhere to the agreement
will be sufficient cause to form the basis for a citation under
section 471 and for the nonrenewal of the license under section
470. If the board enters into an agreement with an applicant
concerning additional restrictions, those restrictions shall be
binding on subsequent holders of the license until the license
is transferred to a new location or until the board enters into
a subsequent agreement removing those restrictions. If the
application in question involves a location previously licensed
by the board, then any restrictions imposed by the board on the
previous license at that location shall be binding on the
applicant unless the board enters into a new agreement
rescinding those restrictions. The board may, in its discretion,
refuse an application for an economic development license under
section 461(b.1) or an application for an intermunicipal
transfer of a license if the board receives a protest from the
governing body of the receiving municipality. The receiving
municipality of an intermunicipal transfer or an economic development license under section 461(b.1) may file a protest against the transfer of a license into its municipality, and the receiving municipality shall have standing in a hearing to present testimony in support of or against the issuance or transfer of a license. 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. The act is amended by adding sections to read:

Section 410.1. Wholesale Permit. (a) Notwithstanding any other provision of law, an importer licensed under Article V may make application to the board on forms prescribed by the board for a wholesale permit for the purpose of selling and distributing wholesale wine or liquor to licensees, unlicensed wine or liquor enhanced permit holders and to United States Armed Forces facilities located on United States Armed Forces installations within this Commonwealth. Within 30 days of the effective date of this section, the board shall accept applications, and the board shall approve the issuance of a wholesale permit within 60 days of receipt of the application if the applicant meets the requirements under this section. Applicants shall submit the initial permit fee with their application to the board. The Department of Revenue shall audit retailers to determine whether wholesale permit holders, licensees or unlicensed wine or liquor enhanced permit holders are remitting the tax imposed under sections 415 and 416 and Article II of the act of March 4, 1971 (P.L.6, No.2), known as the "Tax Reform Code of 1971," for products sold for consumption on and off the premises. The following shall apply:

(1) The wholesale permit holder shall:
(i) Provide to the board a list of the brands of wine or liquor it will distribute.

(ii) Serve all licensees or unlicensed wine or liquor enhanced permit holders authorized to purchase and resell wine or liquor under this act and make wine or liquor available for sale to those licensees or unlicensed wine or liquor enhanced permit holders under the same pricing structure.

(iii) Post prices with the board and give written notice of price changes to the board at least 30 days before the effective date of the price change. All price changes shall be effective on the first day of the month.

(iv) Keep a detailed log of wholesale wine or liquor transactions, including sales to licensees or unlicensed wine or liquor enhanced permit holders under this act.

(2) The wholesale permit holder may sell and distribute more than one brand of wine or liquor under the same permit and shall provide any contractual agreements between the wholesale permit holder and the licensed manufacturer to the board.

(3) The wholesale permit holder may amend the list of brands of wine or liquor it distributes to include additional brands of wine or liquor. The following shall apply:

(i) For brands of liquor that have not been sold by the board at Pennsylvania Liquor Stores or through special liquor orders, the wholesale permit holders shall apply to the board for permission to add that brand to the permit holder's list of brands permitted to be sold under the permit.

(ii) For each new brand of liquor, an application filing fee of two thousand five hundred dollars ($2,500) shall be submitted with the application.

(4) The wine or liquor products shipped into this
Commonwealth must be delivered to the wholesale permit holder's licensed premises. Upon delivery, the products shall be unloaded, inventoried and remain on the licensed premises for forty-eight hours before delivery is made to licensees or unlicensed wine or liquor enhanced permit holders. During that time period, the board may inspect and inventory importer warehouses.

(5) The wholesale permit holder may not engage in conduct that would constitute any of the following:

(i) Variable pricing.

(ii) Unfair or deceptive trade practices proscribed under Federal or State law or regulation.

(iii) Intentional exclusion of competing brands of wine or liquor from the marketplace.

(6) The wholesale permit holder may only sell and distribute those products in this Commonwealth that are subject to a contractual relationship between the wholesale permit holder and one or more licensed manufacturers or suppliers of wine or liquor.

(7) A wholesale permit holder shall remit to the Department of Revenue all applicable taxes. A wholesale permit holder shall be considered a State Liquor Store for the purpose of collecting and remitting taxes under Article II of the "Tax Reform Code of 1971" for products sold by licensees for on-premises consumption.

(8) The emergency State tax imposed under the act of June 9, 1936 (1st Sp.Sess., P.L.13, No.4), entitled "An act imposing an emergency State tax on liquor, as herein defined, sold by the Pennsylvania Liquor Control Board, providing for the collection and payment of such tax, and imposing duties upon the Department
of Revenue and the Pennsylvania Liquor Control Board," shall be
included in the retail price of wine or liquor offered for sale
by a wine or liquor expanded permit holder under section 415 or
by a wine or liquor enhanced permit holder under section 416.
The tax may not be assessed at the point of sale to consumers.
Licensees or unlicensed wine or liquor enhanced permit holders
selling wine or liquor at retail shall be required to remit the
taxes to the Department of Revenue.

(9) No wholesale permit holder under this section may hold a
license or permit to engage in any sales of wine or liquor at
retail to residents of this Commonwealth and no licensee or
permit holder selling wine or liquor at retail in this
Commonwealth may obtain a wholesale permit from the board. No
wholesale permit may be issued to any wine or liquor
manufacturer or producer.

(10) Any licensed importer that wishes to obtain a wholesale
permit shall do all of the following:

(i) Notify the board in writing.

(ii) Pay the permitting fees specified under paragraph (11).

(iii) Provide a statement to the board indicating that the
licensed importer plans to continuously operate under the
wholesale permit for the duration of the permit. The wholesale
permit shall be in effect for ten years from the date of
issuance and shall be renewed yearly with the board unless
suspended, revoked or not renewed.

(11) Wholesale permit fees shall be as follows:

(i) A licensed importer shall submit an initial fee equal to
fifteen per centum (15%) of the cost of goods sold with the
application. For purposes of this paragraph, "cost of goods
sold" shall be determined as the purchase price the board paid.
to the licensed importer for products sold by the board in the
most recent twelve (12) month period.

(ii) A wholesale permit holder shall pay a renewal fee equal
to fifteen per centum (15%) of its gross receipts for each-
calendar quarter upon commencement of its wholesale operations.

(iii) The renewal fee shall be due and payable on the
twentieth day of April, July, October and January. The permit-
holder shall file a return and remit payment on the form as
prescribed by the board.

(iv) For purposes of this paragraph, gross receipts shall be
determined as the total of all sales of wine and liquor made to-
licensees, unlicensed wine or liquor enhanced permit holders and-
grocery store retail permit holders.

(12) Any violation of this act or the board’s regulations
for governing activity occurring under the authority of the
wholesale permit may be the basis for any of the following:

(i) A fine, suspension or wholesale permit revocation.

(ii) Nonrenewal of the importer license.

(iii) Other penalties authorized under section 471.

(13) The board shall have no authority to do any of the
following once wholesale permits have been issued and permit-
holders have commenced providing wholesale products to licensees-
and permit holders:

(i) Determine what wines or liquor products may be sold in
this Commonwealth.

(ii) Set the price at which products may be sold at
wholesale or retail in this Commonwealth.

(iii) Sell products at wholesale to retail licensees or
unlicensed wine or liquor enhanced permit holders.

(b) All fees paid to the board under this section shall be
deposited into the General Fund.

(c) For the purposes of this section, the term "liquor"
shall not include wine.

Section 410.2. Wholesale Licenses.--(a) At the conclusion
of the ten-year wholesale permit under section 410.1, the
Commonwealth's wholesale wine and liquor system shall be
divested.

(b) At the conclusion of the ten-year wholesale permit, the
holder of a wholesale permit shall be granted a wholesale
license to continue operations and shall continue to operate
under the requirements of section 410.1 in addition to the
following requirements:

(i) A wholesale license shall be in effect unless suspended,
revoked or not renewed under this act. A wholesale license in
good standing shall be renewed every year as follows:

(ii) The application for renewal shall be submitted, on a
form prescribed by the board, at least thirty days prior to the
expiration of the wholesale license and shall include, at a
minimum, an update of the information contained in the initial
and prior renewal applications and the payment of any renewal
fee required under this section.

(iii) A renewal fee of five per centum (5%) of the wholesale
licensee's gross receipts shall be due upon application for the
renewal of a wine and spirits retail license. For the purposes
of this subparagraph, gross receipts shall be determined as the
total of all sales of wine and liquor made to licensees and
unlicensed permit holders.

(iv) The board may revoke a wholesale license issued under
this section if it finds that the licensee or any of its
affiliates, executive officers, directors or general or limited
partners or persons holding a controlling interest in the
licensee:
(A) is in violation of any provision of this act;
(B) has furnished the board with false or misleading
information; or
(C) is no longer reputable or suitable for licensure.
(2) (Reserved).
(c) All fees paid to the board under this section shall be
deposited in the General Fund.
Section 415. Wine or Liquor Expanded Permits.--(a) (1) The
board shall issue a wine or liquor expanded permit to a person
holding and possessing a valid restaurant liquor license or
hotel liquor license. Nothing in this section shall be construed
to prohibit a person possessing a valid restaurant or hotel
liquor license from acquiring both a wine expanded permit and a
liquor expanded permit.
(2) Nothing in this section may affect the ability of an
existing licensee to operate within the scope of its current
license as authorized by this act, except that no sales of wine
or liquor for consumption off the premises may take place by a
wine or liquor expanded permit holder after eleven o'clock
postmeridian of any day until eight o'clock antemeridian of the
next day, including Sundays if the licensee has a permit
authorized under sections 406(a)(3) and 432(f).
(3) No wine or liquor expanded permit may be issued to a
license holder whose underlying license is subject to a pending
objection by the director of the Bureau of Licensing or the
board under section 470(a.1), until the matter is decided.
Notwithstanding any other provision of law, a holder of a wine or liquor expanded permit may continue to operate under the permit if its underlying license is objected to by the director of the Bureau of Licensing or the board under section 470(a.1), until the matter is decided.

(4) If the board has approved the operation of another business which has an inside passage or communication to or with the licensed premises, the sale and purchase of wine and liquor shall be confined strictly to the premises, in a specifically designated area covered by the license. The purchase of goods obtained from the unlicensed area of the premises shall be permitted in the licensed area.

(5) For purposes of selling wine or liquor for off-premises consumption, a holder of a wine or liquor expanded permit is not subject to section 493(14).

(6) A wine or liquor expanded permit holder shall comply with the responsible alcohol management provisions under section 471.1.

(7) A wine or liquor expanded permit holder may store wine or liquor in a noncontiguous area that is not accessible to the public and is:

(i) locked at all times when not being accessed by the licensees' employees;

(ii) not accessible to employees eighteen years of age or younger; and

(iii) identified by dimensions and locations on forms submitted to the board.

(8) A wine or liquor expanded permit holder shall utilize a transaction scan device to verify the age of an individual who appears to be under thirty-five years of age before making a
sale of wine or liquor. A wine or liquor expanded permit holder
may not sell or share data from the use of a transaction scan
device, provided that the licensee may use the data to show the
enforcement bureau of the board that the licensee is in-
compliance with this act. As used in this paragraph, the term
"transaction scan device" means a device capable of deciphering,
in an electronically readable format, the information encoded on-
the magnetic strip or bar code of an identification card under-
section 495(a).

(9) A sale of wine or liquor by a wine or liquor expanded
permit holder shall be made through a register which is well-
designated with signage, which is staffed at all times, which is-
staffed by a sales clerk who is at least eighteen years of age
and has been trained under section 471.1 and which utilizes a-
transaction scan device for the sale. The sale of wine or liquor-
may not occur at a point of sale where the customer scans the-
customer's own purchases.

(b) The application and renewal fee for a wine expanded
permit shall be as follows:

(1) For a wine expanded permit issued to licensees, an
initial application fee of two thousand five hundred dollars-
($2,500) and annual renewal fees as follows:

(i) One thousand dollars ($1,000) for a licensee whose total
annual wine sales are less than one hundred thousand dollars
($100,000) in the prior calendar year.

(ii) Two thousand dollars ($2,000) for a licensee whose
total annual wine sales are equal to or greater than one hundred-
thousand dollars ($100,000) but less than two hundred thousand-
dollars ($200,000) in the prior calendar year.

(iii) Three thousand dollars ($3,000) for a licensee whose
total annual wine sales are equal to or greater than two hundred-thousand ($200,000) in the prior calendar year.

(2) (Reserved).

(c) The application and renewal fee for a liquor expanded permit shall be as follows:

(1) For a liquor expanded permit issued to licensees, an initial application fee of two thousand five hundred dollars ($2,500) and annual renewal fees as follows:

(i) One thousand dollars ($1,000) for a licensee whose total annual liquor sales are less than one hundred thousand dollars ($100,000) in the prior calendar year.

(ii) Two thousand dollars ($2,000) for a licensee whose total annual liquor sales are equal to or greater than one hundred thousand dollars ($100,000) but less than two hundred thousand dollars ($200,000) in the prior calendar year.

(iii) Three thousand dollars ($3,000) for a licensee whose total annual liquor sales are equal to or greater than two hundred thousand dollars ($200,000) in the prior calendar year.

(2) (Reserved).

(d) All fees paid to the board under this section shall be deposited into the General Fund.

(e) A wine or liquor expanded permit holder may sell for consumption off the premises, in a single transaction, up to:

(1) four and one half liters of wine; and

(2) one and seventy five one hundredths liters of liquor.

(f) A wine or liquor expanded permit holder selling wine or liquor for consumption off the premises shall be considered a Pennsylvania Liquor Store for purposes of collecting and remitting taxes under Article II of the act of March 4, 1971 (P.L.6, No.2), known as the "Tax Reform Code of 1971."
(g) For the purposes of this section, the term "liquor" shall not include wine.

Section 416. Wine or Liquor Enhanced Permits.--(a) (1) The board shall issue a wine or liquor enhanced permit to a person holding and possessing a valid distributor or importing distributor license or to an unlicensed entity. Nothing in this section shall be construed to prohibit a person possessing a valid distributor or importing distributor license or an unlicensed entity from acquiring both a wine enhanced permit and a liquor enhanced permit.

(2) Nothing in this section may affect the ability of an existing licensee to operate within the scope of its current license as authorized by this act, except that no sales of wine or liquor for consumption off the premises may take place by a wine enhanced permit holder after eleven o'clock postmeridian of any day until eight o'clock antemeridian of the next day.

(3) No wine or liquor enhanced permit may be issued to a license holder whose underlying license is subject to a pending objection by the director of the Bureau of Licensing or the board under section 470(a.1), until the matter is decided. Notwithstanding any other provision of law, a holder of a wine or liquor enhanced permit may continue to operate under the permit if its underlying license is objected to by the director of the Bureau of Licensing or the board under section 470(a.1), until the matter is decided.

(4) If the board has approved the operation of another business which has an inside passage or communication to or with the licensed premises, the sale and purchase of wine or liquor shall be confined strictly to the premises, in a specifically designated area covered by the license. The purchase of a good...
obtained from the unlicensed area of the premises shall be permitted in the licensed area. Notwithstanding this paragraph, a distributor or importing distributor with a valid wine or liquor enhanced permit may sell wine or liquor at a location not covered by the distributor's or importing distributor's license as approved by the board.

(5) A wine or liquor enhanced permit holder must be in compliance with the responsible alcohol management provisions under section 471.1.

(6) A wine or liquor enhanced permit holder shall utilize a transaction scan device to verify the age of an individual who appears to be under thirty-five years of age before making a sale of liquor. A wine or liquor enhanced permit holder may not sell or share data from the use of a transaction scan device, provided that the licensee may use the data to show the enforcement bureau of the board that the licensee is in compliance with this act. As used in this paragraph, the term "transaction scan device" means a device capable of deciphering, in an electronically readable format, the information encoded on the magnetic strip or bar code of an identification card under section 495(a).

(b) The initial application fee and renewal fees shall be as follows:

(1) The initial application fee for a wine enhanced permit issued to a licensee:

(i) For a county of the first class or second class, thirty thousand dollars ($30,000).

(ii) For a county of the second class A or third class, thirty-seven thousand five hundred dollars ($37,500).

(iii) For a county of the fourth class or fifth class,
twenty-two thousand five hundred dollars ($22,500).

(iv) For a county of the sixth class or seventh class, fifteen thousand dollars ($15,000).

(v) For a county of the eighth class, seven thousand five hundred dollars ($7,500).

(2) The annual renewal fee for a wine enhanced permit shall be as follows:

(i) Two thousand dollars ($2,000) for licensees whose total annual wine sales are less than one hundred thousand dollars ($100,000) in the prior calendar year.

(ii) Four thousand dollars ($4,000) for licensees whose total annual wine sales are equal to or greater than one hundred thousand dollars ($100,000) but less than two hundred thousand dollars ($200,000) in the prior calendar year.

(iii) Six thousand dollars ($6,000) for licensees whose total annual wine sales are equal to or greater than two hundred thousand dollars ($200,000) in the prior calendar year.

(3) The initial application fee for a liquor enhanced permit issued to a licensee:

(i) For a county of the first class or second class, fifty-two thousand five hundred dollars ($52,500).

(ii) For a county of the second class A or third class, sixty thousand dollars ($60,000).

(iii) For a county of the fourth class or fifth class, forty-five thousand dollars ($45,000).

(iv) For a county of the sixth class or seventh class, thirty-seven thousand five hundred dollars ($37,500).

(v) For a county of the eighth class, thirty thousand dollars ($30,000).

(4) The annual renewal fee for a liquor enhanced permit
shall be as follows:

(i) Two thousand dollars ($2,000) for licensees whose total annual liquor sales are less than one hundred thousand dollars ($100,000) in the prior calendar year.

(ii) Four thousand dollars ($4,000) for licensees whose total annual liquor sales are equal to or greater than one hundred thousand dollars ($100,000) but less than two hundred thousand dollars ($200,000) in the prior calendar year.

(iii) Six thousand dollars ($6,000) for licensees whose total annual liquor sales are equal to or greater than two hundred thousand dollars ($200,000) in the prior calendar year.

(e) (Reserved).

(d) A wine or liquor enhanced permit holder may sell unlimited quantities of wine or liquor for consumption off the premises.

(e) (Reserved).

(f) The board shall issue wine enhanced permits and liquor enhanced permits in a number equal to the number of licensed distributors and importing distributors in a county and in existence on the effective date of this section. If there are wine or liquor enhanced permits remaining six months after the effective date of this section, the board shall auction permits to a person who does not possess a distributor or importing distributor license. The permitted facility shall meet all of the conditions imposed on a licensed distributor under this act, including the provisions in section 426 relating to the issuance of a distributor or importing distributor license. The issuance of a wine or liquor enhanced permit shall be subject to the quota and county restrictions under section 437(f).

(f.1) For the purposes of auctioning wine and liquor enhanced permits.
enhanced permits, the board shall post a listing of all remaining permits on the board's Internet website within sixty days after the close of the six-month period in subsection (f). The board shall accept applications from persons interested in bidding at an auction for all remaining permits. The application shall contain information as the board prescribes. The auction shall occur sixty days following the date a permit was posted on the board's Internet website. An applicant, who would be precluded from acquiring a license under section 443, shall not be eligible to participate in an auction or acquire a wine or liquor enhanced permit. An auction shall be conducted in the manner set forth by the board and at a date and time set by the board. The minimum bid for a wine or liquor enhanced permit shall be $150,000. Following an auction, the board shall provisionally award a wine or liquor enhanced permit to a person making the highest bid for that permit. The highest bidder shall then submit to the board information required by the board, including the information required under section 436 relating to the issuance of a distributor or importing distributor license. Payment shall be made to the board within fourteen days of the auction and in a manner prescribed by the board. If the highest bidder does not make payment to the board within fourteen days of the auction, the second highest bidder shall be awarded the right to file an application for the wine or liquor enhanced permit.

(g) The annual renewal fee for a wine or liquor enhanced permit for unlicensed entities shall be as follows:

(1) For a wine enhanced permit, as follows:

(i) Two thousand dollars ($2,000) for permit holders whose total annual wine sales are less than one hundred thousand
dollars ($100,000) in the prior calendar year.

(ii) Four thousand dollars ($4,000) for permit holders whose total wine sales are equal to or greater than one hundred thousand dollars ($100,000) but less than two hundred thousand dollars ($200,000) in the prior calendar year.

(iii) Six thousand dollars ($6,000) for permit holders whose total annual wine sales are equal to or greater than two hundred thousand dollars ($200,000) in the prior calendar year.

(2) For a liquor enhanced permit, as follows:

(i) Two thousand dollars ($2,000) for permit holders whose total annual liquor sales are less than one hundred thousand dollars ($100,000) in the prior calendar year.

(ii) Four thousand dollars ($4,000) for permit holders whose total annual liquor sales are equal to or greater than one hundred thousand dollars ($100,000) but less than two hundred thousand dollars ($200,000) in the prior calendar year.

(iii) Six thousand dollars ($6,000) for permit holders whose total annual liquor sales are equal to or greater than two hundred thousand dollars ($200,000) in the prior calendar year.

(h) A wine or liquor enhanced permit holder selling wine or liquor for consumption off the premises shall be required to obtain a sales tax permit from the Department of Revenue.

(i) All fees paid to the board under this section shall be deposited into the General Fund.

(j) An unlicensed entity may not hold, directly or indirectly, more than three wine enhanced permits or three liquor enhanced permits within this Commonwealth or more than one wine enhanced permit or one liquor enhanced permit per county.

(k) A wine or liquor enhanced permit holder selling wine or
liquor for consumption off the premises shall be considered a Pennsylvania Liquor Store for purposes of collecting and remitting the taxes under Article II of the "Tax Reform Code of 1971."

(1) For the purposes of this section, the term "liquor," as defined in section 102, shall not include wine.

Section 417. Grocery Store Retail Permits.--(a) The board shall issue a retail permit to any premises kept or operated by a grocery store for the premises specified in the permit.

(a.1) An additional grocery store retail permit may not be issued within a county if the total number of grocery store retail permits is greater than one permit for every fifteen thousand inhabitants in the county, except that a total of two grocery store retail permits may be granted in a county in this Commonwealth.

(b) Every applicant for a grocery store retail permit shall file a written application containing information as the board prescribes which shall include, but not be limited to, the following:

(1) A description of the part of the grocery store for which the applicant proposes to keep and sell wine.

(2) Descriptions, information and plans showing the grocery store and any alterations proposed to be made to the grocery store or any proposed construction to be completed after approval of the permit.

(c) Every application shall also be accompanied by the initial application fee as follows:

(1) For grocery stores located in counties of the first class or second class, one hundred sixty-five thousand dollars ($165,000).
For grocery stores located in counties of the second class A or third class, one hundred eighty-seven thousand five hundred dollars ($187,500).

For grocery stores located in counties of the fourth class or fifth class, one hundred forty two thousand five hundred dollars ($142,500).

For grocery stores located in counties of the sixth class or seventh class, one hundred twenty thousand dollars ($120,000).

For grocery stores located in counties of the eighth class, ninety seven thousand five hundred dollars ($97,500).

The annual renewal fee for a grocery store retail permit shall be as follows:

(1) Two thousand dollars ($2,000) for a grocery store retail permit holder whose total annual wine sales are less than one hundred thousand dollars ($100,000) in the prior calendar year.

(2) Four thousand dollars ($4,000) for a grocery store retail permit holder whose total annual wine sales are equal to or greater than one hundred thousand ($100,000) but less than two hundred thousand dollars ($200,000) in the prior calendar year.

(3) Six thousand dollars ($6,000) for a grocery store retail permit holder whose total annual wine sales are equal to or greater than two hundred thousand ($200,000) in the prior calendar year.

A grocery store retail permit holder may sell for consumption off the premises, in a single transaction, up to nine (9) liters of wine.

Every applicant for a permit shall post, for a period of at least thirty days beginning with the day the application is
filed with the board, in a conspicuous place on the outside of the premises, a notice of the application. The notice shall be in the form, size and contain provisions as required by the board by regulation. Proof of the posting of the notice shall be filed with the board.

(g) Upon receipt of an application for a permit under this section, the board shall immediately notify, in writing, the municipality in which the premises proposed to be licensed are located.

(h) Every grocery store retail permit holder may sell wine for consumption off the licensed premises from any location within the licensed premises. Educational information regarding the types of products sold by the grocery store retail permit holder and regarding the responsible consumption of alcohol shall be displayed and readily available wherever alcohol is displayed. Permit holders under this section may display the alcohol products the permit holders offer for sale on shelving units and systems, and in or on refrigerated cases and equipment, within the discretion of the grocery store retail permit holder, if the displays are not designed to attract minors and the manner and method of display allows access by all customers, including the physically dependent.

(i) Grocery store retail permit holders may not charge a membership fee in order for customers to make purchases from the grocery store.

(j) A grocery store retail permit holder shall utilize a transaction scan device to verify the age of an individual who appears to be under thirty-five (35) years of age before making a sale of wine. A grocery store retail permit holder may not sell or share data from the use of a transaction scan device,
provided that the grocery store retail permit holder may use the
data to show the enforcement bureau of the board that the permit
holder is in compliance with this act. As used in this
paragraph, the term "transaction scan device" means a device
capable of deciphering, in an electronically readable format,
the information encoded on the magnetic strip or bar code of an
identification card under section 495(a).

(k) A sale of wine shall be made through a register which is
designated with signage, which is staffed at all times,
which is staffed by a sales clerk who is at least eighteen years
of age (18) and has been trained under section 471.1 and which
utilizes a transaction scan device for the sale. The sale of
wine may not occur at a point of sale where the customer scans
the customer's own purchases.

(1) Grocery store retail permit holders may store alcohol in
a storage area or storage areas not accessible to the public,
provided such storage areas are:
(1) locked at all times when not being accessed by the
grocery store retail permit holder's employees;
(2) not accessible to employees eighteen years of age (18)
or younger; and
(3) identified by dimensions and location on forms submitted
in advance to the board.

(m) Grocery store retail permit holders may sell wine from
eight o'clock antemeridian until eleven o'clock postmeridian
every day except Sunday.

(n) Grocery store retail permit holders may sell wine from
nine o'clock antemeridian until eleven o'clock postmeridian on
Sundays upon submission to the board of a Sunday sales permit
application and fee of one thousand five hundred dollars.
($1,500) per year.

(e) Grocery store retail permit holders shall be permitted to hold:

(1) Tastings at any location in the grocery store, if the tastings are in compliance with the provisions and regulations regarding tastings held on restaurant licensed premises.

(2) Educational classes, including cooking classes, how-to classes, seminars and similar classes, regarding the proper or recommended use, consumption, identification, pairing, appellation, aging, storage, characteristics, service, presentation and similar subjects, of the alcohol products that the grocery store permit holder offers for sale, during which the incidental consumption of alcohol by registered participants of lawful age shall be permitted. The classes may be free of charge to participants or may be at a fee.

(p) Grocery store retail permit holders shall be permitted to hold restaurant licenses issued for areas within the same building for which the grocery store retail permit has been issued or for a different building. Grocery store retail permits and restaurant licenses issued for areas within the same grocery stores may be issued for areas that are adjacent, abutting and contiguous and the board shall approve interior connections between the areas. If a grocery store retail permit and a restaurant license are issued for the same grocery store, wine may only be sold for off premises consumption in the area licensed for grocery store retail sales.

(q) Grocery store retail permit holders may not sell wine at a price less than the wine’s underlying cost.

(r) All fees paid to the board under this section shall be deposited into the General Fund.
A grocery store retail permit holder selling wine and liquor for off-premises consumption shall be considered a Pennsylvania Liquor Store for purposes of collecting and remitting taxes under Article II of the act of March 4, 1971 (P.L.6, No.2), known as the "Tax Reform Code of 1971."

For the purposes of this section, the term "liquor" shall not include wine.

Section 6

2. Section 431(b) of the act, amended December 8, 2004 (P.L.1810, No.239), is amended to read:

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

(b) The board shall issue to any reputable person who applies therefor, and pays the license fee hereinafter prescribed, a distributor's or importing distributor's license for the place which such person desires to maintain for the sale of malt or brewed beverages, not for consumption on the premises where sold, and in quantities of not less than a case or original containers containing one hundred twenty-eight ounces or more which may be sold separately as prepared for the market by the manufacturer at the place of manufacture. 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. And provided further, 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 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. [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.] The board shall not license the area where liquid fuels or oil is sold. No sales of liquid fuels or oil may be made from a licensee's licensed premises. A licensed premises may not have an interior connection with a location that sells liquid fuels or oils unless it first receives permission from the board for the interior connection. The approval shall be required regardless of whether the licensee or another party is the entity selling the liquid fuels or oils. The board may enter into an agreement with the applicant concerning additional restrictions on the license in question. If the board and the applicant enter into such an agreement, such agreement shall be binding on the applicant. Failure by the applicant to adhere to the agreement will be sufficient cause to form the basis for a citation under section 471 and for the nonrenewal of the license under section 470. If the board enters into an agreement with an applicant concerning additional restrictions, those restrictions shall be binding on subsequent holders of the license until the license is transferred to a new...
location or until the board enters into a subsequent agreement removing those restrictions. If the application in question involves a location previously licensed by the board, then any restrictions imposed by the board on the previous license at that location shall be binding on the applicant unless the board enters into a new agreement rescinding those restrictions. The board shall require notice to be posted on the property or premises upon which the licensee or proposed licensee will engage in sales of malt or brewed beverages. This notice shall be similar to the notice required of hotel, restaurant and club liquor licensees.

Except as hereinafter provided, such license shall authorize the holder thereof to sell or deliver malt or brewed beverages in quantities above specified anywhere within the Commonwealth of Pennsylvania, which, in the case of distributors, have been purchased only from persons licensed under this act as manufacturers or importing distributors, and in the case of importing distributors, have been purchased from manufacturers or persons outside this Commonwealth engaged in the legal sale of malt or brewed beverages or from manufacturers or importing distributors licensed under this article. If the holder of a distributor or importing distributor license has applied for and received a wine or liquor enhanced permit pursuant to section 416, that distributor or importing distributor may sell liquor on the same premises where malt or brewed beverages are sold. In the case of an importing distributor, the holder of such a license shall be authorized to store and repackage malt or brewed beverages owned by a manufacturer at a segregated portion of a warehouse or other storage facility authorized by section 441(d) and operated by the importing distributor within its
appointed territory and deliver such beverages to another
importing distributor who has been granted distribution rights
by the manufacturer as provided herein. The importing
distributor shall be permitted to receive a fee from the
manufacturer for any related storage, repackaging or delivery
services. In the case of a bailee for hire hired by a
manufacturer, the holder of such a permit shall be authorized:
to receive, store and repackage malt or brewed beverages
produced by that manufacturer for sale by that manufacturer to
importing distributors to whom that manufacturer has given
distribution rights pursuant to this subsection or to purchasers
outside this Commonwealth for delivery outside this
Commonwealth, or to ship to that manufacturer’s storage
facilities outside this Commonwealth. The bailee for hire shall
be permitted to receive a fee from the manufacturer for any
related storage, repackaging or delivery services. The bailee
for hire shall, as required in Article V of this act, keep
complete and accurate records of all transactions, inventory,
receipts and shipments and make all records and the licensed
areas available for inspection by the board and for the
Pennsylvania State Police, Bureau of Liquor Control Enforcement,
during normal business hours.

Each out of State manufacturer of malt or brewed beverages
whose products are sold and delivered in this Commonwealth shall
give distributing rights for such products in designated
geographical areas to specific importing distributors, and such
importing distributor shall not sell or deliver malt or brewed
beverages manufactured by the out of State manufacturer to any
person issued a license under the provisions of this act whose
licensed premises are not located within the geographical area.
for which he has been given distributing rights by such
manufacturer. Should a licensee accept the delivery of such malt-
or brewed beverages in violation of this section, said licensee
shall be subject to a suspension of his license for at least
thirty days: Provided, That the importing distributor holding
such distributing rights for such product shall not sell or
deliver the same to another importing distributor without first
having entered into a written agreement with the said secondary
importing distributor setting forth the terms and conditions
under which such products are to be resold within the territory
granted to the primary importing distributor by the
manufacturer.

When a Pennsylvania manufacturer of malt or brewed beverages
licensed under this article names or constitutes a distributor
or importing distributor as the primary or original supplier of
his product, he shall also designate the specific geographical
area for which the said distributor or importing distributor is
given distributing rights, and such distributor or importing
distributor shall not sell or deliver the products of such
manufacturer to any person issued a license under the provisions
of this act whose licensed premises are not located within the
geographical area for which distributing rights have been given
to the distributor and importing distributor by the said
manufacturer. Provided, That the importing distributor holding
such distributing rights for such product shall not sell or
deliver the same to another importing distributor without first
having entered into a written agreement with the said secondary
importing distributor setting forth the terms and conditions
under which such products are to be resold within the territory
granted to the primary importing distributor by the
manufacturer. Nothing herein contained shall be construed to prevent any manufacturer from authorizing the importing distributor holding the distributing rights for a designated geographical area from selling the products of such manufacturer to another importing distributor also holding distributing rights from the same manufacturer for another geographical area, providing such authority be contained in writing and a copy thereof be given to each of the importing distributors so affected.

* * *

Section 6.1 3. Section 432(d) of the act, amended January 6, 2006 (P.L.1, No.1), is amended and the section is amended by adding a subsection to read:

Section 432. Malt and Brewed Beverages Retail Licenses.

(d) The board shall, in its discretion, grant or refuse any new license, the transfer of any license to a new location or the extension of an existing license to cover an additional area 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, transfer or extension is applied for a place which is within two hundred feet of any other premises which is licensed by the board. The board shall refuse any application for a new license, the transfer of any license to a new location or the extension of an existing license to cover an additional area if, in the board's opinion, such new license, transfer or extension 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 to be licensed. The board may enter into an agreement with the

20150HB1690PN2653 - 41 -
applicant concerning additional restrictions on the license in question. If the board and the applicant enter into such an agreement, such agreement shall be binding on the applicant. Failure by the applicant to adhere to the agreement will be sufficient cause to form the basis for a citation under section 471 and for the nonrenewal of the license under section 470. If the board enters into an agreement with an applicant concerning additional restrictions, those restrictions shall be binding on subsequent holders of the license until the license is transferred to a new location or until the board enters into a subsequent agreement removing those restrictions. If the application in question involves a location previously licensed by the board, then any restrictions imposed by the board on the previous license at that location shall be binding on the applicant unless the board enters into a new agreement reseinding those restrictions. [The board shall refuse any application for a new license, the transfer of any license to a location where the sale of liquid fuels or oil is conducted or the extension of an existing license to cover an additional area] The board shall not license the area where liquid fuels or oil is sold. No sales of liquid fuels or oil may be made from a licensee's licensed premises. A licensed premises may not have an interior connection with a location that sells liquid fuels or oils unless it first receives permission from the board for the interior connection. The approval shall be required regardless of whether the licensee or another party is the entity selling the liquid fuels or oils. 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 may, in its discretion, refuse an 
application for an economic development license under section 
461(b.1) or an application for an intermunicipal transfer or a 
license if the board receives a protest from the governing body 
of the receiving municipality. The receiving municipality of an 
intermunicipal transfer or an economic development license under 
section 461(b.1) may file a protest against the approval for 
issuance of a license for economic development or an 
intermunicipal transfer of a license into its municipality, and 
such municipality shall have standing in a hearing to present 
testimony in support of or against the issuance or transfer of a 
license. 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.

***

(g) The board may, in a municipality which has approved the granting of liquor licenses, issue to a retail dispenser 
licensee a restaurant liquor license in exchange for the retail 
dispenser's retail dispenser license.

(1) An applicant under this subsection shall surrender his 
or her retail dispenser license for cancellation prior to the 
issuance of the new restaurant liquor license.

(2) An applicant under this subsection shall file an 
application for a restaurant liquor license and shall post 
otice of the application as provided under section 403. In 
determining whether the exchange shall be granted, the board 
shall have the same discretion as provided under section 404 for
a new license.

(3) The provisions of section 461 pertaining to a quota shall not apply to this section for exchange purposes.

(4) The board shall charge a one-time upgrade fee of not more than thirty thousand dollars ($30,000).

Section 7. Sections 436(e) and 437(e) of the act are amended to read:

Section 436. Application for Distributors', Importing Distributors' and Retail Dispensers' Licenses. Application for distributors', importing distributors' and retail dispensers' licenses, or for the transfer of an existing license to another premises not then licensed or to another person, shall contain or have attached thereto the following information and statements:

***

c. That the applicant is not, or in case of a partnership or association, that the members or partners are not, and in the case of a corporation, that the officers and directors are not, in any manner pecuniarily interested, either directly or indirectly, in the profits of any other class of business regulated under this article, except as hereinafter permitted. The requirements of this section shall not prohibit a distributor or importing distributor from holding a wine or liquor enhanced permit pursuant to section 416.

***

Section 437. Prohibitions Against the Grant of Licenses. *

**

c. No distributor's or importing distributor's license shall be issued for any premises in any part of which there is operated any retail license for the sale of liquor or malt or
baked beverages. The requirements of this section shall not
prohibit a distributor or importing distributor from holding a
wine or liquor enhanced permit pursuant to section 416.

* * *

Section 8. Section 443(b) of the act, amended May 31, 1996-
(P.L.312, No.49), is amended to read:

Section 443. Interlocking Business Prohibited. * * *

(b) No distributor or importing distributor and no officer-
or director of any distributor or importing distributor shall at
the same time be a manufacturer, a retail dispenser or a liquor-
licensee, or be an officer, director, stockholder or creditor of-
a manufacturer, a retail dispenser or a liquor licensee, or,
directly or indirectly, own any stock of, or have any financial-
interest in, or be the owner, proprietor or lessor of, any place-
covered by any other malt or brewed beverage or liquor license.
The requirements of this section may not prohibit a distributor-
or importing distributor from holding a wine or liquor enhanced-
permit pursuant to section 416.

* * *

Section 8.1 4. Section 468(a)(3) of the act, amended-
December 20, 2000 (P.L.992, No.141), is amended to read:

Section 468. Licenses Not Assignable; Transfers.--(a) * * *

{(3) No license shall be transferred to any place or-
property upon which is located as a business the sale of liquid-
fuels and oil. Except in cases of emergency such as death,-
serious illness, or circumstances beyond the control of the-
licensee, as the board may determine such circumstances to-
justify its action, transfers of licenses may be made only at-
times fixed by the board. In the case of the death of a-
licensee, the board may transfer the license to the surviving-
spouse or personal representative or to a person designated by him. From any refusal to grant a transfer or upon the grant of any transfer, the party aggrieved shall have the right of appeal to the proper court in the manner hereinbefore provided.)

***

Section 9 5. Section 474.1(b), (c) and (g) of the act, amended November 29, 2006 (P.L.1421, No.155), are amended to read:

Section 474.1. Surrender of Restaurant, Eating Place Retail Dispenser, Hotel, Importing Distributor and Distributor License for Benefit of Licensee.--* * *

(b) The board may hold the license in safekeeping for a period not to exceed [three] two consecutive years. Any license remaining in safekeeping for more than [three] two consecutive years shall be immediately revoked by the Bureau of Licensing unless a transfer application or request for reissue from safekeeping has been filed prior to the expiration of the [three-year] two-year period or unless the board has approved a request to extend the safekeeping for an additional year as set forth in subsection (g). In addition, the board shall extend the period for an additional year if, at the end of the [three-year] two-year period, the licensed premises are unavailable due to fire, flood or other similar natural disaster; no further extension beyond one additional year shall be granted by the board regardless of whether the licensed premises are unavailable due to fire, flood or other similar natural disaster unless an application is made as set forth in subsection (g).

(c) In the event a transfer application filed prior to the expiration of the [three-year] two-year period is disapproved by the board, then the license may remain in safekeeping so long as
the licensee has submitted and the board has approved a request to extend the safekeeping for an additional year as set forth in subsection (g). Such request must be submitted within thirty days of the board's decision notwithstanding any appeal filed in the matter; however, the fee set forth in subsection (g) shall be refunded if the board's decision is overturned.

***

(g) (1) A licensee whose license is subject to this section may, upon written request, apply to the board to allow the license to remain in safekeeping for an additional one year. The written request must be accompanied by a [five thousand dollar ($5,000)] ten thousand dollar ($10,000) fee for licenses placed in safekeeping from counties of the first class, second class, second class A, third class and fourth class and a fee of [two thousand five hundred dollars ($2,500)] five thousand dollars ($5,000) for licenses placed in safekeeping from counties of the fifth through eighth classes. For each subsequent year in safekeeping, the fees set forth in this paragraph shall be doubled over the amount charged for the previous year's fee. No fee shall be required if the licensee can prove that he or she is unable to use the license through no fault of his or her own, including a fire, flood or other event that renders the licensed premises unusable. The board shall approve the request unless the license or licensee no longer meets the requirements of this act or the board's regulations. The fee collected shall be paid into the State Treasury through the Department of Revenue into the State Store Fund.

(2) A licensee whose license remains in safekeeping after the expiration of an approved additional one-year period may submit a written request for additional one-year periods;
however, each such request must be accompanied by a five-
thousand-dollar ($5,000) fee for licenses placed in safekeeping-
from counties of the first class, second class, second class A,
third class and fourth class and a fee of two thousand five-
hundred dollars ($2,500) for licenses placed in safekeeping from-
counties of the fifth through eighth classes.)

Section 10. Section 492(12), (13) and (14) of the act,
amended December 22, 2011 (P.L.530, No.113), are amended to-
read:

Section 492. Unlawful Acts Relative to Malt or Brewed-
Beverages and Licensees.--

It shall be unlawful--

***

(12) Distributors and Importing Distributors Engaging in-
Other Business. For any distributor or importing distributor, or-
his servants, agents or employes, without the approval of the-
board, and then only in accordance with board regulations, to-
engage in any other business whatsoever, except the business of-
distributing malt or brewed beverages, except that the sale of-
the following goods shall be permitted on the licensed premises-
of a distributor or importing distributor:

(i) Any book, magazine or other publication related to malt-
or brewed beverages.

(ii) Any equipment, ingredients or other supplies necessary-
for the unlicensed manufacture of malt or brewed beverages as-
described in paragraph (1), commonly known as "homebrewing."

(iii) If the holder of a distributor or importing-
distributor license acquires a wine or liquor enhanced permit-
pursuant to section 416 for use at its licensed premises, it may-
engage in the sale of wine or liquor, so long as the licensee-
meets all of the requirements of this act.

(13) Possession or Storage of Liquor or Alcohol by Certain Licensees. For any distributor, importing distributor or retail dispenser, or his servants, agents or employes, to have in his possession, or to permit the storage of on the licensed premises or in any place contiguous or adjacent thereto accessible to the public or used in connection with the operation of the licensed premises, any alcohol or liquor. This section shall not prohibit a licensed distributor or importing distributor that holds a wine or liquor enhanced permit issued pursuant to section 416-1 from possessing or permitting the storage of wine or liquor on the licensed premises used in connection with the operation of the licensed premises.

(14) Malt or Brewed Beverage Licensees Dealing in Liquor or Alcohol. For any malt or brewed beverage licensee, other than a distributor or importing distributor that holds a wine or liquor enhanced permit, manufacturer, or the servants, agents or employes thereof, to manufacture, import, sell, transport, store, trade or barter in any liquor or alcohol.

***

Section 11. The act is amended by adding sections to read:

Section 1002. Transition Assistance Committee.—(a) The following shall apply to the transition assistance committee:

(1) On the effective date of this section, the Department of General Services shall designate individuals to serve on a committee for the purpose of managing the staffing transition and displacement of employees during the divestiture process.

(2) The committee, which shall be chaired by a representative from the department, shall involve the participation of the Office of Administration, the Civil Service—
Commission, the Department of Labor and Industry and the board's
Bureau of Human Resources, to ensure a coordinated approach to
allocating personnel and assisting displaced employees during
the transition to find an appropriate position.

(3) The department shall contract with advisors necessary to
assist the department and the board in administering the duties
under paragraph (2). The contracts shall not be subject to the
provisions of 62 Pa.C.S. Ch. 5 (relating to source selection and
contract formation).

(b) The committee shall coordinate with the Office of
Administration to provide counseling and other general
assistance to employees of the board who are displaced to
transition the employees to other employment in either the
public or private sector.

(c) The costs for the programs provided under this section
and sections 1003, 1004, 1005 and 1006 shall be transferred from
the State Stores Fund.

Section 1003. Preference in Public Employment Hiring.--(a)
The following shall apply to civil service examinations:

(1) A displaced employee who successfully passes a civil
service appointment examination shall be marked or graded an
additional three points above the mark or grade credited for the
examination if all of the following apply:

   (i) The examination is for a paid position administered
   under the act of August 5, 1941 (P.L.752, No.286), known as the
   Civil Service Act, and in the classified service existing under
   the commission's jurisdiction.

   (ii) The employee establishes the qualifications required by
   law for appointment to the position.

   (2) The total mark or grade, including the markup under
paragraph (1), obtained by the displaced employee shall represent the final mark or grade of the employee and shall determine the employee's standing on any eligibility list certified or furnished to the appointing power.

(3) The three additional points awarded under paragraph (1) shall be in addition to any points that shall be afforded to a veteran meeting the requirements of 51 Pa.C.S. § 7103 (relating to additional points in grading civil service examinations).

(b) The commission shall require the board to certify a list of displaced employees under subsection (a). Placement on the list by the board shall establish eligibility for the preference granted under subsection (a).

(c) If a paid State position does not require a civil service examination, a displaced employee, possessing the requisite qualifications and who is eligible for appointment to a paid State position in offices under the Governor's jurisdiction within the executive branch shall be given a preference in the appointment by the appointing authority over nonveteran candidates.

(d) (Reserved).

(e) The following shall apply:

(1) A displaced employee's eligibility for the markup provided under subsection (a) and for the preference for noncivil service positions provided under subsection (c) shall cease upon the occurrence of one of the following:

   (i) The displaced employee's appointment or hiring into a position in the classified service existing under the commission's jurisdiction or into a paid State position where no civil service examination is required.

   (ii) Four years from the effective date of this section.
In order to be eligible for the markup provided under subsection (a) and for the preference for noncivil service positions provided under subsection (c), a displaced worker must be terminated as a sole and direct result of the decision to cease wholesale and retail operations under this section and sections 1004, 1005 and 1006, and must work until the final day set by the board for that employee's job function.

Section 1004. Career Training and Post-secondary Education Grant Eligibility.—(a) A displaced employee shall be eligible for a two-year grant for attending a program of instruction at an institution of higher education, including career training and adult education courses of study, within one year of the date of displacement from State service in the following amount:

(1) two thousand dollars ($2,000) per year for attendance on a full-time basis; or

(2) one thousand dollars ($1,000) per year for attendance on a part-time basis.

(b) The board shall certify the list of displaced employees to the Pennsylvania Higher Education Assistance Agency.

(c) The agency shall make a determination of grant eligibility and shall pay the grant directly to the institution of higher education attended by the displaced employee in a manner consistent with the Pennsylvania Higher Education Assistance Agency's regulations.

Section 1005. Reemployment Tax Credit.—(a) The following shall apply:

(1) A displaced employee shall be eligible for a two-year reemployment tax credit voucher in the amount of two thousand dollars ($2,000) per taxable year.

(2) The voucher under paragraph (1) shall be made available...
to each displaced employee upon termination of employment.

(3) Each voucher under paragraph (1) shall be certified by the board before the voucher is provided to the displaced employee.

(4) The Department of Revenue shall be informed of each displaced employee to whom a voucher under paragraph (1) has been provided.

(b) An employer in this Commonwealth who employs a displaced employee on a full-time basis may, upon transfer of the voucher from the employee to the employer, use the voucher as a credit against the State tax liability of the employer, if the employer can demonstrate the following:

(1) The employee for whom the tax credit is being sought was displaced from the board within 12 months of being employed by the employer.

(2) The former board employee has been employed by the employer seeking the tax credit on a full-time basis for a period not less than one year.

(c) The employer shall submit the tax credit voucher to the Department of Revenue with the information required under subsection (b)(1) and (2) to claim a tax credit against the employer's liability for a tax identified under subsection (d)(2).

(d) The following shall apply:

(1) An employer may claim a reemployment tax credit for each job filled by a displaced employee of two thousand dollars ($2,000) per taxable year for a maximum of two taxable years.

(2) An employer may apply the reemployment tax credit to 100% of the employer's:

(i) State corporate net income tax, capital stock and
franchise tax or the personal tax of a shareholder of the
company if the company is a Pennsylvania S corporation.

(ii) Insurance premiums tax, gross receipts tax, bank and
trust company shares tax, mutual thrift institutions tax or
title insurance companies shares tax.

(iii) Any combination of the taxes under subparagraphs (i)
and (ii).

(3) A displaced employee whose subsequent employment is
terminated with an employer and who has utilized the
reemployment tax credit voucher to claim a one year two thousand-
dollar ($2,000) tax credit may transfer the voucher to a new
employer who may use the remaining two thousand dollar ($2,000) 
tax credit as a claim against the employer's tax liability for
taxes identified under paragraph (2).

(4) The term of the reemployment tax credit voucher may not
exceed two years from the date the voucher is provided to the-
qualified displaced employee.

Section 1006. Protection of Existing Benefits.--(a) Nothing
under this section shall be deemed to affect:

(1) Pension benefits accrued prior to the date of separation
occurring as a sole and direct result of the divestiture of the-
board's wholesale and retail operations under this article.

(2) Payment of an accrued benefit derived from the terms of
a preexisting collective bargaining agreement payable upon
separation from employment.

(b) As a result of the preferential hiring benefits, the tax
credit for subsequent employers and the protection of benefits
arising from an employee's pension or from a preexisting
collective bargaining agreement under this section, the board
shall be deemed to have satisfied all obligations to bargain.
over the impact of the decision to cease wholesale and retail
operations under this article which may arise under the act of
July 23, 1970 (P.L.563, No.195), known as the Public Employe-
Relations Act.

(c) The provisions of this section and sections 1002, 1003,
1004 and 1005 supersede a local regulation, ordinance or
resolution of a political subdivision regarding notice to
displaced workers.

Section 12. The regulations of the board at 40 Pa. Code §§
3.52 and 3.53 are abrogated to the extent of any inconsistency
with this act.

Section 13 6. This act shall take effect in 60 days.

SECTION 1. THE DEFINITIONS OF "ALCOHOL," "ALCOHOLIC CIDER," <--
"DENATURED ALCOHOL," "DIRECT SHIPPER," "ELIGIBLE ENTITY,"
"HOLIDAY," "LIQUOR" AND "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)
AND AMENDED OR ADDED FEBRUARY 21, 2002 (P.L.103, NO.10),
DECEMBER 8, 2004 (P.L.1810, NO.239), JUNE 25, 2010 (P.L.217,
NO.35) AND JULY 5, 2012 (P.L.1007, NO.116), ARE AMENDED AND THE
SECTION IS AMENDED BY ADDING DEFINITIONS 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:

"ALCOHOL" SHALL MEAN ETHYL ALCOHOL OF ANY DEGREE OF PROOF
ORIGINALLY PRODUCED BY THE DISTILLATION OF ANY FERMENTED LIQUID,
WHETHER RECTIFIED OR DILUTED WITH OR WITHOUT WATER, WHATEVER MAY
BE THE ORIGIN THEREOF, AND SHALL INCLUDE **POWDERED ALCOHOL AND**
SYNTHETIC ETHYL ALCOHOL, BUT SHALL NOT MEAN OR INCLUDE ETHYL
ALCOHOL, WHETHER OR NOT DILUTED, THAT HAS BEEN DENATURED OR
"ALCOHOLIC CIDER" SHALL MEAN A BEVERAGE WHICH MAY CONTAIN CARBONATION IN AN AMOUNT NOT TO EXCEED THREE HUNDRED NINETY-TWO ONE THOUSANDTHS OF A GRAM PER ONE HUNDRED MILLILITERS AND FLAVORS, PRODUCED THROUGH ALCOHOLIC FERMENTATION OF ANY FRUIT OR FRUIT JUICE, CONSISTING OF AT LEAST ONE-HALF OF ONE PER CENTUM, BUT NOT GREATER THAN [FIVE] EIGHT AND ONE-HALF PER CENTUM, ALCOHOL BY VOLUME AND SOLD OR OFFERED FOR SALE AS ALCOHOLIC CIDER AND NOT AS A WINE, A WINE PRODUCT OR AS A SUBSTITUTE FOR WINE, IN BOTTLES, CASES, KEGS, CANS OR OTHER SUITABLE CONTAINERS OF THE TYPE USED FOR THE SALE OF MALT OR BREWED BEVERAGES IN THIS COMMONWEALTH.

* * *

"DENATURED ALCOHOL" SHALL MEAN AND INCLUDE ALL ALCOHOL OR ANY COMPOUND THEREOF WHICH BY THE ADMIXTURE OF SUCH DENATURING MATERIAL OR MATERIALS IS RENDERED UNFIT FOR USE AS A BEVERAGE. THE TERM SHALL NOT INCLUDE POWDERED ALCOHOL.

* * *

"DIRECT WINE SHIPPER" SHALL MEAN A PERSON [OUTSIDE THIS COMMONWEALTH WHO OBTAINS A LICENSE FROM] LICENSED AS A PRODUCER OF WINE BY THE BOARD [TO ACCEPT] OR BY ANOTHER STATE OR COUNTRY THAT ACCEPTS ORDERS PLACED FOR WINE FROM WITHIN THIS COMMONWEALTH. [BY THE INTERNET AND WHO SHIPS OR FACILITATES IN ANY WAY SHIPMENT OF WINE BY A DELIVERY AGENT OR COMMON CARRIER TO A PENNSYLVANIA LIQUOR STORE.] THE TERM INCLUDES A LIMITED WINERY.

* * *

"ELIGIBLE ENTITY" SHALL MEAN A CITY OF THE THIRD CLASS, A HOSPITAL, A CHURCH, A SYNAGOGUE, A VOLUNTEER FIRE COMPANY, A VOLUNTEER AMBULANCE COMPANY, A VOLUNTEER RESCUE SQUAD, A UNIT OF
CITY OF THE FIRST CLASS, AND WHOSE WORKS INCLUDE PUBLIC
PROMOTIONS, NEIGHBORHOOD IMPROVEMENT PROJECTS AND COMMERCIAL
CORRIDOR IMPROVEMENTS, INCLUDING A BUSINESS IMPROVEMENT DISTRICT
OR A NONPROFIT ORGANIZATION AS DEFINED UNDER SECTION 501(C)(3)
OF THE INTERNAL REVENUE CODE OF 1986 THAT IS RESPONSIBLE FOR
PROVIDING SERVICES TO MEMBERS OF THE ARMED FORCES OF THE UNITED
STATES AND RELIEF TO DISASTER VICTIMS IN THE UNITED STATES AND
ABROAD OR ANY NEIGHBORHOOD IMPROVEMENT DISTRICT MANAGEMENT
ASSOCIATION AS DEFINED IN SECTION 3 OF THE ACT OF DECEMBER 20,
2000 (P.L.949, NO.130), KNOWN AS THE "NEIGHBORHOOD IMPROVEMENT
DISTRICT ACT," THAT HAS BEEN ESTABLISHED AS A 501(C)(3)
NONPROFIT ORGANIZATION UNDER SECTION 501(C)(3) OF THE INTERNAL
REVENUE CODE OF 1986, A NONPROFIT ORGANIZATION AS DEFINED UNDER
SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986 LOCATED
IN A CITY OF THE FIRST CLASS WHOSE PURPOSE IS TO SUPPORT
INITIATIVES TO ENRICH THE LIVES OF CHILDREN, TEENS AND FAMILIES
ESPECIALLY THOSE IN NEED, TO REACH THEIR FULL POTENTIAL AS
PRODUCTIVE AND RESPONSIBLE CITIZENS AND HAS BEEN IN EXISTENCE
FOR AT LEAST SEVENTY-FIVE YEARS.

* * *

"HOLIDAY" SHALL MEAN THE FIRST DAY OF JANUARY, COMMONLY
KNOWN AS NEW YEAR'S DAY; THE THIRD MONDAY OF JANUARY, KNOWN AS
DR. MARTIN LUTHER KING, JR., DAY; THE THIRD MONDAY IN FEBRUARY,
KNOWN AS PRESIDENTS' DAY; THE LAST MONDAY IN MAY, KNOWN AS
MEMORIAL DAY; THE FOURTH DAY OF JULY, KNOWN AS INDEPENDENCE DAY;
THE FIRST MONDAY OF SEPTEMBER, KNOWN AS LABOR DAY; THE FOURTH
THURSDAY IN NOVEMBER, KNOWN AS THANKSGIVING DAY; AND THE TWENTY-
FIFTH DAY OF DECEMBER, KNOWN AS CHRISTMAS DAY.

* * *

"INSTITUTION OF HIGHER EDUCATION" SHALL MEAN ANY OF THE
FOLLOWING:

(1) A COMMUNITY COLLEGE OPERATING UNDER ARTICLE XIX-A OF THE
ACT OF MARCH 10, 1949 (P.L.30, NO.14), KNOWN AS THE PUBLIC
SCHOOL CODE OF 1949.

(2) A UNIVERSITY WITHIN THE STATE SYSTEM OF HIGHER
EDUCATION.

(3) THE PENNSYLVANIA STATE UNIVERSITY.

(4) THE UNIVERSITY OF PITTSBURGH.

(5) TEMPLE UNIVERSITY.

(6) LINCOLN UNIVERSITY.

(7) ANY OTHER INSTITUTION THAT IS DESIGNATED AS STATE-
RELATED BY THE COMMONWEALTH.

(8) ANY ACCREDITED PRIVATE OR INDEPENDENT COLLEGE OR
UNIVERSITY.

* * *

"LIQUOR" SHALL MEAN AND INCLUDE ANY ALCOHOLIC, SPIRITUOUS,
VINOUS, FERMENTED OR OTHER ALCOHOLIC BEVERAGE, POWDERED ALCOHOL,
OR COMBINATION OF LIQUORS AND MIXED LIQUOR A PART OF WHICH IS
SPIRITUOUS, VINOUS, FERMENTED OR OTHERWISE ALCOHOLIC, INCLUDING
ALL DRINKS OR DRINKABLE LIQUIDS, PREPARATIONS OR MIXTURES, AND
REUSED, RECOVERED OR REDISTILLED DENATURED ALCOHOL USABLE OR
TAXABLE FOR BEVERAGE PURPOSES WHICH CONTAIN MORE THAN ONE-HALF
OF ONE PER CENT OF ALCOHOL BY VOLUME, EXCEPT PURE ETHYL ALCOHOL
AND MALT OR BREWED BEVERAGES.

* * *

"MUG CLUB" SHALL MEAN A GROUP ORGANIZED BY A RETAIL LICENSEE
OR A BREWERY WHOSE MEMBERS ARE ENTITLED TO DISCOUNTED MALT OR
BREWED BEVERAGES. MEMBERSHIP SHALL BE BY WRITTEN APPLICATION AND
THE LICENSEE MUST MAINTAIN A WRITTEN LIST OF ACTIVE MEMBERS AS
PART OF ITS RECORDS. MEMBERS SHALL PAY AN ANNUAL FEE AS WELL AS
A RENEWAL FEE AS SET BY LICENSEE. MEMBERSHIP SHALL, AT A
MINIMUM, ENTITLE THE MEMBER TO A MUG, GLASS OR SIMILAR CONTAINER
AND SAID CONTAINER MUST BE USED WHEN THE MEMBER IS SERVED ANY
DISCOUNTED MALT OR BREWED BEVERAGES. NO DISCOUNTED MALT OR
BREWED BEVERAGES MAY BE PROVIDED BETWEEN MIDNIGHT AND SEVEN O'
CLOCK ANTEMERIDIAN.

* * *

"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. IF
THE OPERATOR OF THE PERFORMING ARTS FACILITY IS A NONPROFIT
ENTITY, THE FACILITY MUST HAVE SEATING FOR AT LEAST [TWO HUNDRED
FIFTY (250)] ONE HUNDRED FIFTY (150) PEOPLE; OTHERWISE, THE
FACILITY MUST HAVE SEATING FOR AT LEAST TWENTY-FIVE HUNDRED
(2,500) PEOPLE.

* * *

"POWDERED ALCOHOL" SHALL MEAN ALCOHOL SOLD IN A POWDER FORM
FOR EITHER DIRECT USE OR RECONSTITUTION.

* * *

"PRIVATE LABEL" SHALL MEAN A PRODUCT MADE UNDER CONTRACT BY A
MANUFACTURER OR THE MANUFACTURER'S AGENT FOR THE EXCLUSIVE RIGHT
OF A RETAILER.

* * *

SECTION 2. SECTION 207(B) OF THE ACT, AMENDED NOVEMBER 30,
2004 (P.L.1727, NO.221) AND DECEMBER 8, 2004 (P.L.1810, NO.239),
IS AMENDED AND THE SECTION IS AMENDED BY ADDING SUBSECTIONS TO
READ:

SECTION 207. GENERAL POWERS OF BOARD.--UNDER THIS ACT, THE
BOARD SHALL HAVE THE POWER AND ITS DUTY SHALL BE:

* * *

(B) THE FOLLOWING SHALL APPLY:

(1) TO CONTROL THE MANUFACTURE, POSSESSION, SALE, CONSUMPTION, IMPORTATION, USE, STORAGE, TRANSPORTATION AND DELIVERY OF LIQUOR, ALCOHOL AND MALT OR BREWED BEVERAGES IN ACCORDANCE WITH THE PROVISIONS OF THIS ACT, AND TO FIX THE WHOLESALE AND RETAIL PRICES AT WHICH LIQUORS AND ALCOHOL SHALL BE SOLD AT PENNSYLVANIA LIQUOR STORES. [PRICES]

(2) EXCEPT AS PROVIDED IN PARAGRAPHS (3) AND (4), PRICES SHALL BE PROPORTIONAL WITH PRICES PAID BY THE BOARD TO ITS SUPPLIERS AND [SHALL REFLECT ANY ADVANTAGE OBTAINED THROUGH VOLUME PURCHASES BY THE BOARD.] MAY INCLUDE A HANDLING FEE. THIS PROPORTIONAL PRICING PROVISION SHALL NOT APPLY TO SPECIAL LIQUOR ORDERS AUTHORIZED UNDER SECTION 305(A).

(3) THE BOARD MAY PRICE ITS BEST-SELLING ITEMS AND LIMITED PURCHASE ITEMS IN A MANNER THAT MAXIMIZES THE RETURN ON THE SALE OF THOSE ITEMS.

(4) THE BOARD MAY DISCOUNT THE PRICE OF DISCONTINUED ITEMS.

(5) ALL PRICES OF A PARTICULAR PRODUCT IDENTIFICATION NUMBER SHALL BE UNIFORM THROUGHOUT THE COMMONWEALTH. THE BOARD MAY ESTABLISH A PREFERENTIAL PRICE STRUCTURE FOR WINES PRODUCED WITHIN THIS COMMONWEALTH FOR THE PROMOTION OF SUCH WINES, AS LONG AS THE PRICE STRUCTURE IS UNIFORM WITHIN EACH CLASS OF WINE PURCHASED BY THE BOARD.

(6) ON A QUARTERLY BASIS THE BOARD SHALL PUBLISH A LISTING OF THE WHOLESALE AND PENNSYLVANIA LIQUOR STORE RETAIL PRICES ON ITS PUBLICLY ACCESSIBLE INTERNET WEBSITE.

(7) NO LATER THAN APRIL 1ST OF EACH YEAR THE BOARD SHALL SUBMIT AN ANNUAL WRITTEN REPORT TO THE LAW AND JUSTICE COMMITTEE.
OF THE SENATE AND THE LIQUOR CONTROL COMMITTEE OF THE HOUSE OF
REPRESENTATIVES. THE REPORT SHALL CONTAIN INFORMATION RELATED TO
THE METHOD AND RATIONALE FOR PRICING PRODUCTS.

(8) NO LATER THAN JUNE 1ST OF EACH YEAR, THE BOARD SHALL
APPEAR BEFORE THE LAW AND JUSTICE COMMITTEE OF THE SENATE AND
THE LIQUOR CONTROL COMMITTEE OF THE HOUSE OF REPRESENTATIVES TO
PROVIDE TESTIMONY IN RELATION TO ITS ANNUAL WRITTEN REPORT UNDER
PARAGRAPH (7).

(9) THE BOARD SHALL REQUIRE EACH PENNSYLVANIA MANUFACTURER
AND EACH NONRESIDENT MANUFACTURER OF LIQUORS, OTHER THAN WINE,
SELLING SUCH LIQUORS TO THE BOARD, WHICH ARE NOT MANUFACTURED IN
THIS COMMONWEALTH, TO MAKE APPLICATION FOR AND BE GRANTED A
PERMIT BY THE BOARD BEFORE SUCH LIQUORS NOT MANUFACTURED IN THIS
COMMONWEALTH SHALL BE PURCHASED FROM SUCH MANUFACTURER. EACH
SUCH MANUFACTURER SHALL PAY FOR SUCH PERMIT A FEE WHICH, IN THE
CASE OF A MANUFACTURER OF THIS COMMONWEALTH, SHALL BE EQUAL TO
THAT REQUIRED TO BE PAID, IF ANY, BY A MANUFACTURER OR
WHOLESALER OF THE STATE, TERRITORY OR COUNTRY OF ORIGIN OF THE
LIQUORS, FOR SELLING LIQUORS MANUFACTURED IN PENNSYLVANIA, AND
IN THE CASE OF A NONRESIDENT MANUFACTURER, SHALL BE EQUAL TO
THAT REQUIRED TO BE PAID, IF ANY, IN SUCH STATE, TERRITORY OR
COUNTRY BY PENNSYLVANIA MANUFACTURERS DOING BUSINESS IN SUCH
STATE, TERRITORY OR COUNTRY. IN THE EVENT THAT ANY SUCH
MANUFACTURER SHALL, IN THE OPINION OF THE BOARD, SELL OR ATTEMPT
TO SELL LIQUORS TO THE BOARD THROUGH ANOTHER PERSON FOR THE
PURPOSE OF EVADING THIS PROVISION RELATING TO PERMITS, THE BOARD
SHALL REQUIRE SUCH PERSON, BEFORE PURCHASING LIQUORS FROM HIM OR
IT, TO TAKE OUT A PERMIT AND PAY THE SAME FEE AS HEREINBEFORE
REQUIRED TO BE PAID BY SUCH MANUFACTURER. ALL PERMIT FEES SO
COLLECTED SHALL BE PAID INTO THE STATE STORES FUND. THE BOARD

20150HB1690PN2653 - 65 -
SHALL NOT PURCHASE ANY ALCOHOL OR LIQUOR FERMENTED, DISTILLED, RECTIFIED, COMPOUNDED OR BOTTLED IN ANY STATE, TERRITORY OR COUNTRY, THE LAWS OF WHICH RESULT IN PROHIBITING THE IMPORTATION THEREIN OF ALCOHOL OR LIQUOR, FERMENTED, DISTILLED, RECTIFIED, COMPOUNDED OR BOTTLED IN PENNSYLVANIA. THE BOARD MAY NOT SELL PRIVATE LABEL PRODUCTS. A PENNSYLVANIA LIQUOR STORE MAY CONTINUE TO SELL PRIVATE LABEL PRODUCTS WITHIN ITS INVENTORY AFTER THE EFFECTIVE DATE OF THIS SECTION UNTIL THE PRIVATE LABEL PRODUCTS WITHIN ITS CURRENT INVENTORY ARE DEPLETED.

(10) THE PROPORTIONAL PRICING UNDER PARAGRAPH (2) SHALL NOT APPLY TO SPECIAL LIQUOR ORDERS AUTHORIZED UNDER SECTION 305(A).

(11) AS USED IN THIS SUBSECTION, THE FOLLOWING WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS PARAGRAPH:

"BEST-SELLING ITEMS" SHALL MEAN THE ONE HUNDRED FIFTY (150) MOST SOLD PRODUCT IDENTIFICATION NUMBERS OF WINE AND THE ONE HUNDRED FIFTY (150) MOST SOLD PRODUCT IDENTIFICATION NUMBERS OF LIQUOR AS MEASURED BY THE TOTAL NUMBER OF UNITS SOLD ON A SIX-MONTH BASIS CALCULATED EVERY JANUARY 1 AND JULY 1.

"DISCONTINUED ITEMS" SHALL MEAN THOSE PRODUCT IDENTIFICATION NUMBERS THAT THE BOARD HAS VOTED TO DELIST AT A PUBLIC MEETING.

"LIMITED PURCHASE ITEMS" SHALL MEAN THOSE PRODUCT IDENTIFICATION NUMBERS THAT THE BOARD PURCHASES ON EITHER A ONE-TIME OR NONRECURRING BASIS DUE TO THE PRODUCT'S LIMITED AVAILABILITY OR FINITE ALLOCATION.

"PRODUCT IDENTIFICATION NUMBER" SHALL MEAN THE STOCK KEEPING UNIT (SKU) OR A SUCCESSOR METHOD OF IDENTIFYING SPECIFIC PRODUCTS.

* * *

(L) TO BE LICENSED AS A LOTTERY SALES AGENT AS SET FORTH IN SECTION 305 OF THE ACT OF AUGUST 26, 1971 (P.L.351, NO.91),
KNOWING AS THE "STATE LOTTERY LAW," AND TO TAKE ANY ACTIONS
AUTHORIZED BY SUCH DESIGNATION EXCEPT THAT NO BOND, INSURANCE OR
INDEMNIFICATION MAY BE REQUIRED FROM THE BOARD. NOTWITHSTANDING
ANY OTHER PROVISION OF LAW TO THE CONTRARY, THE BOARD MAY PAY
THE HOLDER OF A WINNING TICKET UP TO AN AMOUNT THAT SHALL BE
ESTABLISHED JOINTLY BY THE BOARD AND THE DEPARTMENT OF REVENUE.
ALL PROCEEDS RETAINED BY THE BOARD AS COMPENSATION FOR THE SALE
OF TICKETS, INCLUDING INCENTIVE AWARDS OR BONUSES, AS WELL AS
CREDIT FOR DIRECT PAYMENT OF PRIZES, SHALL BE DEPOSITED INTO THE
GENERAL FUND.

(M) NOTWITHSTANDING SUBSECTION (B), THE BOARD MAY ESTABLISH
AND IMPLEMENT A CUSTOMER RELATIONS MANAGEMENT PROGRAM FOR THE
PURPOSE OF OFFERING INCENTIVES, SUCH AS COUPONS OR DISCOUNTS ON
CERTAIN PRODUCTS, TO UNLICENSED CUSTOMERS OF THE BOARD.

(N) NOTWITHSTANDING THE ACT OF , (P.L. , NO. ),
KNOWN AS THE TAXPAYER-FUNDED ADVERTISING TRANSPARENCY ACT, ANY
EXPENDITURE FOR MEDIA ADVERTISING MADE BY THE BOARD SHALL NOT BE
SUBJECT TO ANY REQUIREMENT THAT THE MEDIA ADVERTISING INCLUDE
ANY STATEMENT IDENTIFYING THE FUND FROM WHICH THE EXPENDITURE
WAS MADE, NOR ANY STATEMENT THAT THE MEDIA ADVERTISING WAS PAID
FOR WITH PENNSYLVANIA TAXPAYER DOLLARS.

SECTION 2.1. SECTION 304 OF THE ACT, AMENDED DECEMBER 8,
2004 (P.L.1810, NO.239), IS AMENDED TO READ:

SECTION 304. WHEN SALES MAY BE MADE AT PENNSYLVANIA LIQUOR
STORES.--[(A) EXCEPT AS PROVIDED FOR IN SUBSECTION (B), EVERY
PENNSYLVANIA LIQUOR STORE SHALL BE OPEN FOR BUSINESS WEEK DAYS,
EXCEPT HOLIDAYS AS THAT TERM IS DEFINED IN SECTION 102. THE
BOARD MAY, WITH THE APPROVAL OF THE GOVERNOR, TEMPORARILY CLOSE
ANY STORE IN ANY MUNICIPALITY.

(B) CERTAIN PENNSYLVANIA LIQUOR STORES OPERATED BY THE BOARD
SHALL BE OPEN FOR SUNDAY RETAIL SALES BETWEEN THE HOURS OF NOON
AND FIVE O'CLOCK POSTMERIDIAN, EXCEPT THAT NO SUNDAY SALES SHALL
OCURR ON EASTER SUNDAY OR CHRISTMAS DAY. THE BOARD SHALL OPEN UP
TO TWENTY-FIVE PER CENTUM OF THE TOTAL NUMBER OF PENNSYLVANIA
LIQUOR STORES AT ITS DISCRETION FOR SUNDAY SALES AS PROVIDED FOR
IN THIS SUBSECTION. THE BOARD SHALL SUBMIT YEARLY REPORTS TO THE
APPROPRIATIONS AND THE LAW AND JUSTICE COMMITTEES OF THE SENATE
AND THE APPROPRIATIONS AND THE LIQUOR CONTROL COMMITTEES OF THE
HOUSE OF REPRESENTATIVES SUMMARIZING THE TOTAL DOLLAR VALUE OF
SALES UNDER THIS SECTION.] PENNSYLVANIA LIQUOR STORES, INCLUDING
ONLINE STORES, SHALL BE OPEN ON THE HOURS AND DAYS THAT THE
BOARD DEEMS APPROPRIATE.

SECTION 3. SECTION 305(A) AND (B) OF THE ACT, AMENDED MAY 8,
2003 (P.L.1, NO.1) AND JULY 6, 2005 (P.L.135, NO.39), ARE
AMENDED AND THE SECTION IS AMENDED BY ADDING SUBSECTIONS TO
READ:

SECTION 305. SALES BY PENNSYLVANIA LIQUOR STORES.--(A) THE
BOARD SHALL IN ITS DISCRETION DETERMINE WHERE AND WHAT CLASSES,
VARIETIES AND BRANDS OF LIQUOR AND ALCOHOL IT SHALL MAKE
AVAILABLE TO THE PUBLIC AND WHERE SUCH LIQUOR AND ALCOHOL WILL
BE SOLD. EVERY PENNSYLVANIA LIQUOR STORE SHALL BE AUTHORIZED TO
SELL COMBINATION PACKAGES. IF A PERSON DESIRES TO PURCHASE A
CLASS, VARIETY OR BRAND OF LIQUOR OR ALCOHOL NOT CURRENTLY
AVAILABLE FROM THE BOARD, HE OR SHE MAY PLACE A SPECIAL ORDER
FOR SUCH ITEM SO LONG AS THE ORDER IS FOR TWO OR MORE BOTTLES.
THE BOARD MAY REQUIRE A REASONABLE DEPOSIT FROM THE PURCHASER AS
A CONDITION FOR ACCEPTING THE ORDER. THE CUSTOMER SHALL BE
NOTIFIED IMMEDIATELY UPON THE ARRIVAL OF THE GOODS.

IN COMPUTING THE RETAIL PRICE OF SUCH SPECIAL ORDERS FOR
LIQUOR OR ALCOHOL, THE BOARD SHALL NOT INCLUDE THE COST OF
FREIGHT OR SHIPPING BEFORE APPLYING [THE] A MARK-UP THAT IS EQUAL TO TEN PER CENTUM OF THE COST OF THE PRODUCT AND TAXES BUT SHALL ADD THE FREIGHT OR SHIPPING CHARGES TO THE PRICE AFTER THE MARK-UP AND TAXES HAVE BEEN APPLIED. IN ADDITION TO THE TEN PER CENTUM MARK-UP, THE BOARD SHALL IMPOSE HANDLING FEES ON SPECIAL ORDERS WHICH COME TO REST AT A STORE, IN THE SAME MANNER THAT IT IMPOSES THEM ON THE OTHER ALCOHOL THAT IT SELLS.

A LICENSED IMPORTER OR A LICENSED VENDOR MAY PLACE SPECIAL ORDERS ON BEHALF OF CUSTOMERS AND MAY DELIVER THE ORDERS TO CUSTOMERS. THE ORDERS DO NOT NEED TO COME TO REST AT A STORE, BUT DELIVERY MAY NOT OCCUR UNTIL PAYMENT FOR THE ORDER HAS BEEN FORWARDED TO THE BOARD AND THE BOARD HAS AUTHORIZED THE DELIVERY OF THE ORDER. A HANDLING FEE MAY NOT BE ASSESSED BY THE BOARD ON AN ORDER DELIVERED DIRECTLY TO A CUSTOMER. LIABILITY FOR SPECIAL ORDERS THAT DO NOT COME TO REST AT A STORE, SHALL, UNTIL THE ORDER IS DELIVERED TO THE CUSTOMER, REMAIN WITH THE LICENSED IMPORTER OR LICENSED VENDOR THAT PLACED THE ORDER ON BEHALF OF THE CUSTOMER. THE BOARD SHALL, BY JANUARY 1, 2017, IMPLEMENT A PROCEDURE FOR PROCESSING SPECIAL ORDERS WHICH DO NOT COME TO REST AT A STORE. THE BOARD MAY CONTINUE TO ACCEPT SPECIAL ORDERS AT ITS STORES EVEN AFTER THE PROCEDURE IS IMPLEMENTED.

UNLESS THE CUSTOMER PAYS FOR AND ACCEPTS DELIVERY OF ANY SUCH SPECIAL ORDER WITHIN TEN DAYS AFTER NOTICE OF ARRIVAL, THE STORE MAY PLACE IT IN STOCK FOR GENERAL SALE AND THE CUSTOMER'S DEPOSIT SHALL BE FORFEITED.

(A.1) THE BOARD MAY REFUSE TO PROCESS A SPECIAL ORDER AND PRECLUDE A VENDOR OR IMPORTER FROM PROCESSING A SPECIAL ORDER, IF IT APPEARS THAT THE SPECIAL ORDER IS FOR AN ITEM SUBSTANTIALLY SIMILAR TO AN ITEM THAT IS ON THE MONTHLY LIST THE BOARD PUBLISHES UNDER SECTION 488(C) OR IF THE BOARD BELIEVES
THAT DEMAND FOR THE ITEM IS SUCH THAT IT SHOULD BE MADE AVAILABLE GENERALLY. IF THE PROCESSING OF A SPECIAL ORDER IS REFUSED OR PRECLUDED UNDER THIS SUBSECTION, THE ITEM SHALL BE MADE AVAILABLE THROUGH THE BOARD IN THE AMOUNT AND MANNER THE BOARD DEEMS APPROPRIATE.

(B) EVERY PENNSYLVANIA LIQUOR STORE SHALL SELL LIQUORS AT WHOLESALE TO HOTELS, RESTAURANTS, CLUBS, AND RAILROAD, PULLMAN AND STEAMSHIP COMPANIES LICENSED UNDER THIS ACT; AND, UNDER THE REGULATIONS OF THE BOARD, TO PHARMACISTS DULY LICENSED AND REGISTERED UNDER THE LAWS OF THE COMMONWEALTH, AND TO MANUFACTURING PHARMACISTS, AND TO REPUTABLE HOSPITALS APPROVED BY THE BOARD, OR CHEMISTS. SALES TO LICENSEES SHALL BE MADE AT A PRICE THAT INCLUDES A DISCOUNT OF TEN PER CENTUM FROM THE RETAIL PRICE; EXCEPT THAT SPECIAL ORDER SALES TO LICENSEES AUTHORIZED IN SECTION 305(A) SHALL NOT BE SUBJECT TO THE TEN PER CENTUM DISCOUNT. THE BOARD MAY SELL TO REGISTERED PHARMACISTS ONLY SUCH LIQUORS AS CONFORM TO THE PHARMACOPOEIA OF THE UNITED STATES, THE NATIONAL FORMULARY, OR THE AMERICAN HOMEOPATHIC PHARMACOPOEIA. THE BOARD MAY SELL AT SPECIAL PRICES UNDER THE REGULATIONS OF THE BOARD, TO UNITED STATES ARMED FORCES FACILITIES WHICH ARE LOCATED ON UNITED STATES ARMED FORCES INSTALLATIONS AND ARE CONDUCTED PURSUANT TO THE AUTHORITY AND REGULATIONS OF THE UNITED STATES ARMED FORCES. ALL OTHER SALES BY SUCH STORES SHALL BE AT RETAIL[, EXCEPT THAT INCENTIVES, SUCH AS COUPONS OR DISCOUNTS ON CERTAIN PRODUCTS, MAY BE OFFERED TO UNLICENSED CUSTOMERS OF THE BOARD AS PROVIDED UNDER SECTIONS 207(M) AND 493(24)(II)(B). A PERSON ENTITLED TO PURCHASE LIQUOR AT WHOLESALE PRICES MAY PURCHASE THE LIQUOR AT ANY PENNSYLVANIA LIQUOR STORE UPON TENDERING CASH, CHECK OR CREDIT CARD FOR THE FULL AMOUNT OF THE PURCHASE. FOR THIS PURPOSE, THE BOARD SHALL
ISSUE A DISCOUNT CARD TO EACH LICENSEE IDENTIFYING SUCH LICENSEE AS A PERSON AUTHORIZED TO PURCHASE LIQUOR AT WHOLESALE PRICES. SUCH DISCOUNT CARD SHALL BE RETAINED BY THE LICENSEE. THE BOARD MAY CONTRACT THROUGH THE COMMONWEALTH BIDDING PROCESS FOR DELIVERY TO WHOLESALE LICENSEES AT THE EXPENSE OF THE LICENSEE RECEIVING THE DELIVERY.

(B.1) THE BOARD MAY CONTRACT WITH A LICENSED TRANSPORTER FOR HIRE THROUGH THE COMMONWEALTH BIDDING PROCESS FOR DELIVERY TO RETAIL LICENSEES AND PERMIT HOLDERS AT THE EXPENSE OF THE LICENSEE OR PERMIT HOLDER RECEIVING DELIVERY. PAYMENT SHALL BE BY CREDIT CARD OR ELECTRONIC FUND TRANSFER ONLY AND MAY OCCUR NO LATER THAN THE TIME OF DELIVERY.

* * *

(J) A PENNSYLVANIA LIQUOR STORE MAY CONTINUE TO SELL ALCOHOLIC CIDER WITHIN THE PENNSYLVANIA LIQUOR STORE'S INVENTORY AFTER THE EFFECTIVE DATE OF THIS SECTION UNTIL THE ALCOHOLIC CIDER WITHIN THE PENNSYLVANIA LIQUOR STORE'S CURRENT INVENTORY IS DEPLETED. THE BOARD MAY NOT PURCHASE ADDITIONAL ALCOHOLIC CIDER AFTER THE EFFECTIVE DATE OF THIS SECTION.

(K) NOTWITHSTANDING THE PROVISIONS OF THE ACT OF AUGUST 26, 1971 (P.L.351, NO.91), KNOWN AS THE "STATE LOTTERY LAW," THE FOLLOWING SHALL APPLY IF THE BOARD BECOMES A LICENSED LOTTERY SALES AGENT, AS SET FORTH IN SECTION 305 OF THE STATE LOTTERY LAW:

(1) THE SECRETARY OF REVENUE SHALL PERMIT THE BOARD TO OPERATE AND MAINTAIN PENNSYLVANIA LOTTERY INSTANT TICKET VENDING MACHINES, PLAYER-ACTIVATED TERMINALS AND TECHNOLOGIES OR SYSTEMS SUBSEQUENTLY APPROVED BY THE DEPARTMENT OF REVENUE FOR THE SELF-SERVICE SALE OF LOTTERY TICKETS AND GAMES IN PENNSYLVANIA LIQUOR STORES. THE BOARD AND THE SECRETARY OF REVENUE SHALL MUTUALLY
AGREE UPON THE NUMBER AND LOCATION OF THE STORES AUTHORIZED TO
CONDUCT SELF-SERVICE SALES OF LOTTERY TICKETS AND GAMES.

(2) THE BOARD SHALL NOT BE REQUIRED TO POST ANY TYPE OF BOND
PRIOR TO CONDUCTING SELF-SERVICE SALES OF LOTTERY TICKETS AND
GAMES.

(3) ANY COMMISSIONS, COMPENSATION OR ANY TYPE OF INCENTIVE
AWARD BASED UPON THE SALE OF LOTTERY TICKETS AND GAMES SHALL BE
DEPOSITED BY THE BOARD INTO THE GENERAL FUND.

SECTION 3.1. SECTION 402 OF THE ACT IS AMENDED BY ADDING A
SUBSECTION TO READ:

SECTION 402. LICENSE DISTRICTS; LICENSE PERIOD; HEARINGS.--*
* *

(D) THIS SECTION SHALL NOT APPLY TO LICENSEES APPLYING FOR A
VALID WINE EXPANDED PERMIT UNDER SECTION 415.

SECTION 4. SECTION 404 OF THE ACT, AMENDED JANUARY 6, 2006
(P.L.1, NO.1), IS AMENDED TO READ:

SECTION 404. ISSUANCE, TRANSFER OR EXTENSION OF HOTEL,
RESTAURANT AND CLUB LIQUOR LICENSES.--(A) 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] AND MANAGEMENT COMPANY OR COMPANIES, IF ANY, ARE THE ONLY
[PERSON] PERSONS 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
20150HB1690PN2653 - 72 -
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 OR
THE EXTENSION OF AN EXISTING LICENSE TO COVER AN ADDITIONAL AREA
THE BOARD MAY, IN ITS DISCRETION, GRANT OR REFUSE SUCH NEW
LICENSE, TRANSFER OR EXTENSION 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, TRANSFER OR EXTENSION 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, THE TRANSFER OF ANY LICENSE
TO A NEW LOCATION OR THE EXTENSION OF AN EXISTING LICENSE TO
COVER AN ADDITIONAL AREA IF, IN THE BOARD'S OPINION, SUCH NEW
LICENSE, TRANSFER OR EXTENSION 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 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, THE TRANSFER OF ANY LICENSE TO A NEW LOCATION OR THE EXTENSION OF ANY LICENSE TO COVER AN ADDITIONAL AREA WHERE THE SALE OF LIQUID FUELS OR OIL IS CONDUCTED.] THE BOARD SHALL NOT LICENSE THE AREA WHERE LIQUID FUELS OR OIL IS SOLD. NO SALES OF LIQUID FUELS OR OIL MAY BE MADE FROM A LICENSEE’S LICENSED PREMISES. A LICENSED PREMISES MAY NOT HAVE AN INTERIOR CONNECTION WITH A LOCATION THAT SELLS LIQUID FUELS OR OILS UNLESS IT FIRST RECEIVES PERMISSION FROM THE BOARD FOR THE INTERIOR CONNECTION. THE APPROVAL SHALL BE REQUIRED REGARDLESS OF WHETHER THE LICENSEE OR ANOTHER PARTY IS THE ENTITY SELLING THE LIQUID FUELS OR OILS. THE BOARD MAY ENTER INTO AN AGREEMENT WITH THE APPLICANT CONCERNING ADDITIONAL RESTRICTIONS ON THE LICENSE IN QUESTION. IF THE BOARD AND THE APPLICANT ENTER INTO SUCH AN AGREEMENT, SUCH AGREEMENT SHALL BE BINDING ON THE APPLICANT. FAILURE BY THE APPLICANT TO ADHERE TO THE AGREEMENT WILL BE SUFFICIENT CAUSE TO FORM THE BASIS FOR A CITATION UNDER SECTION 471 AND FOR THE NONRENEWAL OF THE LICENSE UNDER SECTION 470. IF THE BOARD ENTERS INTO AN AGREEMENT WITH AN APPLICANT CONCERNING ADDITIONAL RESTRICTIONS, THOSE RESTRICTIONS SHALL BE BINDING ON SUBSEQUENT HOLDERS OF THE LICENSE UNTIL THE LICENSE IS TRANSFERRED TO A NEW LOCATION OR UNTIL THE BOARD ENTERS INTO A SUBSEQUENT AGREEMENT REMOVING THOSE RESTRICTIONS. IF THE APPLICATION IN QUESTION INVOLVES A LOCATION PREVIOUSLY LICENSED BY THE BOARD, THEN ANY RESTRICTIONS IMPOSED BY THE BOARD ON THE PREVIOUS LICENSE AT THAT LOCATION SHALL BE BINDING ON THE APPLICANT UNLESS THE BOARD ENTERS INTO A NEW AGREEMENT RESCINDING THOSE RESTRICTIONS. THE BOARD MAY, IN ITS DISCRETION, REFUSE AN APPLICATION FOR AN ECONOMIC DEVELOPMENT LICENSE UNDER
SECTION 461(B.1) OR AN APPLICATION FOR AN INTERMUNICIPAL
TRANSFER OF A LICENSE IF THE BOARD RECEIVES A PROTEST FROM THE
GOVERNING BODY OF THE RECEIVING MUNICIPALITY. THE RECEIVING
MUNICIPALITY OF AN INTERMUNICIPAL TRANSFER OR AN ECONOMIC
DEVELOPMENT LICENSE UNDER SECTION 461(B.1) MAY FILE A PROTEST
AGAINST THE TRANSFER OF A LICENSE INTO ITS MUNICIPALITY, AND THE
RECEIVING MUNICIPALITY SHALL HAVE STANDING IN A HEARING TO
PRESENT TESTIMONY IN SUPPORT OF OR AGAINST THE ISSUANCE OR
TRANSFER OF A LICENSE. 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.

(B) IF THE APPLICANT INTENDS TO USE A MANAGEMENT COMPANY TO
OPERATE, MANAGE OR SUPERVISE ALL OR PART OF THE OPERATION OF THE
LICENSED PREMISES, THE LICENSEE MUST FILE A WRITTEN APPLICATION
WITH THE BOARD ON A FORM OR FORMS AS THE BOARD SHALL, FROM TIME
TO TIME PRESCRIBE. THE APPLICATION SHALL BE ACCOMPANIED BY A FEE
IN AN AMOUNT DETERMINED BY THE BOARD. THE BOARD SHALL REFUSE THE
APPLICATION IF THE MANAGEMENT COMPANY OR ANY PERSON INVOLVED
WITH THE MANAGEMENT COMPANY WOULD BE PRECLUDED FROM HOLDING AN
INTEREST IN THE UNDERLYING LICENSE.

SECTION 5. SECTION 406(A), (F) AND (G) OF THE ACT, AMENDED
JULY 6, 2005 (P.L.135, NO.39), DECEMBER 22, 2011 (P.L.530,
NO.113) AND JULY 5, 2012 (P.L.1007, NO.116), ARE AMENDED AND THE
SECTION IS AMENDED BY ADDING SUBSECTIONS TO READ:

SECTION 406. SALES BY LIQUOR LICENSEE; RESTRICTIONS.--(A)
(1) EVERY HOTEL, RESTAURANT OR CLUB LIQUOR LICENSEE MAY SELL
LIQUOR AND MALT OR BREWED BEVERAGES BY THE GLASS, OPEN BOTTLE OR
OTHER CONTAINER, AND IN ANY MIXTURE, FOR CONSUMPTION ONLY IN
THAT PART OF THE HOTEL OR RESTAURANT HABITUALLY USED FOR THE
SERVING OF FOOD TO GUESTS OR PATRONS, OR IN A BOWLING ALLEY THAT
IS IMMEDIATELY ADJACENT TO AND UNDER THE SAME ROOF AS A
RESTAURANT, AND IN THE CASE OF HOTELS, TO GUESTS, AND IN THE
CASE OF CLUBS, TO MEMBERS, IN THEIR PRIVATE ROOMS IN THE HOTEL
OR CLUB. NO CLUB LICENSEE NOR ITS OFFICERS, SERVANTS, AGENTS OR
EMPLOYEES, OTHER THAN ONE HOLDING A CATERING LICENSE, SHALL SELL
ANY LIQUOR OR MALT OR BREWED BEVERAGES TO ANY PERSON EXCEPT A
MEMBER OF THE CLUB. THE HOLDER OF A RESTAURANT LICENSE LOCATED
IN A HOTEL MAY SELL LIQUOR OR MALT OR BREWED BEVERAGES FOR
CONSUMPTION IN THAT PART OF THE RESTAURANT HABITUALLY USED FOR
THE SERVING OF MEALS TO PATRONS AND ALSO TO GUESTS IN PRIVATE
GUEST ROOMS IN THE HOTEL. FOR THE PURPOSE OF THIS PARAGRAPH, ANY
PERSON WHO IS AN ACTIVE MEMBER OF ANOTHER CLUB WHICH IS
CHARTERED BY THE SAME STATE OR NATIONAL ORGANIZATION SHALL HAVE
THE SAME RIGHTS AND PRIVILEGES AS MEMBERS OF THE PARTICULAR
CLUB. FOR THE PURPOSE OF THIS PARAGRAPH, ANY PERSON WHO IS AN
ACTIVE MEMBER OF ANY VOLUNTEER FIREFIGHTING COMPANY, ASSOCIATION
OR GROUP OF THIS COMMONWEALTH, WHETHER INCORPORATED OR
UNINCORPORATED, SHALL UPON THE APPROVAL OF ANY CLUB COMPOSED OF
VOLUNTEER FIREFMEN LICENSED UNDER THIS ACT, HAVE THE SAME SOCIAL
RIGHTS AND PRIVILEGES AS MEMBERS OF SUCH LICENSED CLUB. FOR THE
PURPOSES OF THIS PARAGRAPH, THE TERM "ACTIVE MEMBER" SHALL NOT
INCLUDE A SOCIAL MEMBER. ANY CLUB LICENSEE WHICH IS EITHER AN
INCORPORATED UNIT OF A NATIONAL VETERANS' ORGANIZATION OR AN
AFFILIATED ORGANIZATION AS DEFINED IN SECTION 461.1 SHALL BE
PERMITTED TO SELL LIQUOR OR MALT OR BREWED BEVERAGES TO ANY
ACTIVE MEMBER OF ANOTHER UNIT WHICH IS CHARTERED BY THE SAME
NATIONAL VETERANS' ORGANIZATION OR TO ANY MEMBER OF A NATIONALLY
CHARTERED AUXILIARY ASSOCIATED WITH THE SAME NATIONAL VETERANS'
ORGANIZATION.

(2) HOTEL AND RESTAURANT LIQUOR LICENSEES, [AIRPORT
RESTAURANT LIQUOR LICENSEES, MUNICIPAL GOLF COURSE RESTAURANT LIQUOR LICENSEES AND PRIVATELY-OWNED PUBLIC GOLF COURSE RESTAURANT LICENSEES MAY SELL LIQUOR AND MALT OR BREWED BEVERAGES ONLY AFTER SEVEN O'CLOCK ANTEMERIDIAN OF ANY DAY UNTIL TWO O'CLOCK ANTEMERIDIAN OF THE FOLLOWING DAY, EXCEPT SUNDAY, AND EXCEPT AS HEREINAFTER PROVIDED, MAY SELL LIQUOR AND MALT OR BREWED BEVERAGES ON SUNDAY BETWEEN THE HOURS OF TWELVE O'CLOCK MIDNIGHT AND TWO O'CLOCK ANTEMERIDIAN.

(2.1) AIRPORT RESTAURANT LIQUOR LICENSEES MAY SELL LIQUOR AND MALT OR BREWED BEVERAGES ONLY AFTER FIVE O'CLOCK ANTEMERIDIAN OF ANY DAY AND UNTIL TWO O'CLOCK ANTEMERIDIAN OF THE FOLLOWING DAY.

(3) HOTEL AND RESTAURANT LIQUOR LICENSEES, MUNICIPAL GOLF COURSE RESTAURANT LIQUOR LICENSEES AND PRIVATELY-OWNED PUBLIC GOLF COURSE RESTAURANT LICENSEES MAY SELL LIQUOR AND MALT OR BREWED BEVERAGES ON SUNDAY BETWEEN THE HOURS OF ELEVEN O'CLOCK ANTEMERIDIAN AND TWO O'CLOCK ANTEMERIDIAN MONDAY UPON PURCHASE OF A SPECIAL PERMIT FROM THE BOARD AT AN ANNUAL FEE 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."

NOTWITHSTANDING THIS PROVISION, A LICENSEE HOLDING SUCH A PERMIT MAY BEGIN SELLING LIQUOR AND MALT OR BREWED BEVERAGES ON SUNDAY BETWEEN THE HOURS OF NINE O'CLOCK ANTEMERIDIAN AND ELEVEN O'CLOCK ANTEMERIDIAN PROVIDED THAT THE LICENSEE OFFERS A MEAL BEGINNING AT NINE O'CLOCK ANTEMERIDIAN. AIRPORT RESTAURANT LIQUOR LICENSEES MAY SELL LIQUOR AND MALT OR BREWED BEVERAGES ON SUNDAY BETWEEN THE HOURS OF [SEVEN] FIVE O'CLOCK ANTEMERIDIAN AND TWO O'CLOCK ANTEMERIDIAN MONDAY UPON PURCHASE OF A SPECIAL PERMIT FROM THE BOARD AT AN ANNUAL FEE AS PRESCRIBED IN SECTION 614-A OF THE ACT OF APRIL 9, 1929 (P.L.177, NO.175), KNOWN AS 20150HB1690PN2653 - 77 -
"THE ADMINISTRATIVE CODE OF 1929."

(4) HOTEL AND RESTAURANT LIQUOR LICENSEES, [AIRPORT
RESTAURANT LIQUOR LICENSEES,] MUNICIPAL GOLF COURSE RESTAURANT
LIQUOR LICENSEES AND PRIVATELY-OWNED PUBLIC GOLF COURSE
RESTAURANT LICENSEES WHICH DO NOT QUALIFY FOR AND PURCHASE SUCH
SPECIAL PERMIT, THEIR SERVANTS, AGENTS OR EMPLOYEES MAY SELL
LIQUOR AND MALT OR BREWED BEVERAGES ONLY AFTER SEVEN O'CLOCK
ANTEMERIDIAN OF ANY DAY AND UNTIL TWO O'CLOCK ANTEMERIDIAN OF
THE FOLLOWING DAY, AND SHALL NOT SELL AFTER TWO O'CLOCK
ANTEMERIDIAN ON SUNDAY. NO CLUB LICENSEE OR ITS SERVANTS, AGENTS
OR EMPLOYEES MAY SELL LIQUOR OR MALT OR BREWED BEVERAGES BETWEEN
THE HOURS OF THREE O'CLOCK ANTEMERIDIAN AND SEVEN O'CLOCK
ANTEMERIDIAN ON ANY DAY. NO PUBLIC SERVICE LIQUOR LICENSEE OR
ITS SERVANTS, AGENTS, OR EMPLOYEES MAY SELL LIQUOR OR MALT OR
BREWED BEVERAGES BETWEEN THE HOURS OF TWO O'CLOCK ANTEMERIDIAN
AND SEVEN O'CLOCK ANTEMERIDIAN ON ANY DAY.

(6) NOTWITHSTANDING ANY PROVISIONS TO THE CONTRARY, WHENEVER
THE THIRTY-FIRST DAY OF DECEMBER FALLS ON A SUNDAY, EVERY HOTEL
OR RESTAURANT LIQUOR LICENSEE, THEIR SERVANTS, AGENTS OR
EMPLOYEES MAY SELL LIQUOR AND MALT OR BREWED BEVERAGES ON ANY
SUCH DAY AFTER ONE O'CLOCK POSTMERIDIAN AND UNTIL TWO O'CLOCK
ANTEMERIDIAN OF THE FOLLOWING DAY.

(6.1) NOTWITHSTANDING ANY PROVISIONS TO THE CONTRARY,
WHENEVER SAINT PATRICK'S DAY FALLS ON A SUNDAY, EVERY HOTEL OR
RESTAURANT LIQUOR LICENSEE, THEIR SERVANTS, AGENTS OR EMPLOYEES
MAY SELL LIQUOR AND MALT OR BREWED BEVERAGES ON ANY SUCH DAY
AFTER SEVEN O'CLOCK ANTEMERIDIAN AND UNTIL TWO O'CLOCK
ANTEMERIDIAN OF THE FOLLOWING DAY.

(7) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT, IF
GROUNDHOG DAY FALLS ON A SUNDAY, A HOTEL OR RESTAURANT LICENSEE

20150HB1690PN2653 - 78 -
OR THE HOTEL OR RESTAURANT LICENSEE'S SERVANTS, AGENTS OR EMPLOYEES MAY SELL LIQUOR AND MALT OR BREWED BEVERAGES ON THAT DAY AFTER SEVEN O'CLOCK ANTEMERIDIAN AND UNTIL TWO O'CLOCK ANTEMERIDIAN OF THE FOLLOWING DAY.

* * *

(F) THE HOLDER OF A HOTEL OR RESTAURANT LIQUOR LICENSE MAY OBTAIN AN OFF-PREMISES CATERING PERMIT SUBJECT TO SECTION 493(33) TO HOLD A CATERED FUNCTION OFF THE LICENSED PREMISES AND ON OTHERWISE UNLICENSED PREMISES WHERE THE LICENSEE MAY SELL WINE, LIQUOR AND MALT OR BREWED BEVERAGES BY THE GLASS, OPEN BOTTLE OR OTHER CONTAINER, AND IN ANY MIXTURE TOGETHER WITH FOOD, FOR CONSUMPTION ON THOSE PREMISES. FUNCTIONS CONDUCTED UNDER THE AUTHORITY OF THE PERMIT SHALL BE SUBJECT TO THE FOLLOWING:

(1) ALCOHOL MAY BE PROVIDED ONLY DURING THE DAYS AND HOURS THAT THE LICENSE HOLDER MAY OTHERWISE SELL ALCOHOL;

(2) ALL SERVERS AT THE OFF PREMISES CATERED FUNCTION SHALL BE IN COMPLIANCE WITH THE RESPONSIBLE ALCOHOL MANAGEMENT PROVISIONS UNDER SECTION 471.1;

(3) EACH CATERED FUNCTION SHALL LAST NO LONGER THAN ONE DAY AND NOT MORE THAN [FIFTY] FIFTY-TWO CATERED FUNCTIONS MAY BE HELD EACH CALENDAR YEAR BY EACH LICENSE HOLDER FOR USE WITH A PARTICULAR LICENSE;

(4) A CATERED FUNCTION SHALL NOT BE HELD AT A LOCATION THAT IS ALREADY SUBJECT TO THE APPLICANT'S OR ANOTHER LICENSEE'S LICENSE;

(5) A PERMIT SHALL NOT BE ISSUED TO AN APPLICANT WHOSE LICENSE IS IN SAFEKEEPING;

(6) A PERMIT SHALL NOT BE ISSUED TO A LOCATION THAT IS SUBJECT TO A PENDING OBJECTION BY THE DIRECTOR OF THE BUREAU OF
LICENSING OR THE BOARD UNDER SECTION 470(A.1);

(7) A PERMIT SHALL NOT BE ISSUED TO A LOCATION THAT IS SUBJECT TO A PENDING LICENSE SUSPENSION UNDER SECTION 471 OR THE ONE-YEAR PROHIBITION ON THE ISSUANCE OR TRANSFER OF A LICENSE UNDER SECTION 471(B);

(8) NO ALCOHOL MAY BE TAKEN FROM THE PERMITTED LOCATION BY ANY PATRON, BUT THE APPLICANT MAY TRANSPORT ALCOHOL TO AND FROM ITS LICENSED PREMISES TO THE PROPOSED PREMISES;

(9) WRITTEN NOTICE OF THE CATERED FUNCTION AS ENUMERATED IN PARAGRAPH (10) SHALL BE PROVIDED TO THE LOCAL POLICE AND THE ENFORCEMENT BUREAU AT LEAST SEVEN DAYS IN ADVANCE OF THE EVENT;

(10) WRITTEN NOTICE SHALL BE PROVIDED TO THE BOARD AT LEAST [THIRTY] FOURTEEN DAYS PRIOR TO A CATERED FUNCTION. WRITTEN NOTICE MUST INCLUDE THE LOCATION OF THE FUNCTION, TIME OF THE FUNCTION, HOST OF THE FUNCTION, GENERAL INFORMATION REGARDING THE GUESTS EXPECTED AT THE FUNCTION AS WELL AS ANY INFORMATION THE BOARD SHALL FROM TIME TO TIME PRESCRIBE. THE BOARD MAY, IN ITS DISCRETION, ACCEPT NOTICE IN AN ELECTRONIC FORMAT. THE BOARD MAY, IN ITS DISCRETION, WAIVE THE [THIRTY-DAY] FOURTEEN-DAY NOTICE PERIOD FOR A CATERED FUNCTION IF:

(I) THE APPLICANT HAS PREVIOUSLY CONDUCTED FUNCTIONS THAT MEET THE REQUIREMENTS OF THIS ACT;

(II) THE APPLICANT IS A LICENSEE IN GOOD STANDING WITH THE BOARD;

(III) NOTIFICATION WAS RECEIVED AT LEAST [FOURTEEN] SEVEN DAYS PRIOR TO THE CATERED FUNCTION; AND

(IV) THE APPLICANT PAYS A LATE FEE OF ONE HUNDRED DOLLARS ($100);

(11) THE BOARD SHALL, IN ITS DISCRETION, APPROVE OR DISAPPROVE A CATERED FUNCTION IF THE APPLICANT FAILS TO PROVIDE
TIMELY NOTICE OF THE CATERED FUNCTION, DOES NOT INTEND TO
CONDUCT A FUNCTION THAT MEETS THE REQUIREMENTS OF THIS ACT OR
HAS PREVIOUSLY CONDUCTED A FUNCTION THAT DID NOT MEET THE
REQUIREMENTS OF THIS ACT;
(12) IF A CATERED FUNCTION IS SCHEDULED TO OCCUR ON PRIVATE
PROPERTY, THE OWNER OF THAT PROPERTY IS DEEMED TO HAVE SUBMITTED
TO THE JURISDICTION OF THE ENFORCEMENT BUREAU, AND THE WARRANT
REQUIRED BY SECTION 211(A)(2) OF THIS ACT SHALL NOT BE NECESSARY
FOR THE ENFORCEMENT BUREAU TO ENTER AND SEARCH THE PREMISES
DURING THE FUNCTION OR ANY ACTIVITIES RELATED TO THE FUNCTION;
(13) NO CATERED FUNCTION MAY BE HELD FOR MORE THAN FIVE
HOURS PER DAY AND MUST END BY MIDNIGHT UNLESS THE CATERED
FUNCTION OCCURS ON DECEMBER 31 OF ANY CALENDAR YEAR ON WHICH
DATE THE CATERED FUNCTION MUST END BY TWO O'CLOCK ANTEMERIDIAN;
(14) NEITHER THE OWNER OF THE PROPERTY NOR THE APPLICANT MAY
SELL TICKETS TO A CATERED FUNCTION UNLESS ONE OF THE FOLLOWING
CONDITIONS IS MET:
(I) THE APPLICANT HAS CONTRACTED WITH AN ELIGIBLE ENTITY FOR
THE FUNCTION, AND THE FUNCTION IS BEING USED TO RAISE MONEY FOR
THE ELIGIBLE ENTITY'S ORGANIZATION;
(II) THE APPLICANT HAS CONTRACTED WITH A NONPROFIT
ORGANIZATION AS DEFINED UNDER SECTION 501(C)(3) OF THE INTERNAL
FOR AN EVENT WHICH HAS THE SOLE PURPOSE OF RAISING FUNDS FOR
THAT NONPROFIT ORGANIZATION; OR
(III) THE APPLICANT HAS CONTRACTED WITH AN ORGANIZATION THAT
Holds TAX-EXEMPT STATUS UNDER SECTION 527 OF THE INTERNAL
REVENUE CODE OF 1986;
(15) THE CATERED FUNCTION LOCATION SHALL BE SUBJECT TO
SECTION 493(34) OF THIS ACT;
CATERED FUNCTIONS MAY NOT BE HELD IN LOCATIONS THAT ARE SUBJECT TO A PENDING, PROTESTED TRANSFER APPLICATION;

A PERMIT MAY NOT BE ISSUED TO A LICENSE HOLDER WHOSE LICENSE IS SUBJECT TO A PENDING OBJECTION BY THE DIRECTOR OF THE BUREAU OF LICENSING OR THE BOARD UNDER SECTION 470(A.1);

A PERMIT SHALL NOT BE ISSUED TO A LICENSEE FOR USE IN ANY LOCATION THAT IS MOBILE; AND

A PERMIT SHALL NOT BE ISSUED FOR USE ON ANY LOCATION USED FOR PARKING AT A SPORTS EVENT OR CONCERT EVENT.

NOTWITHSTANDING ANY OTHER PROVISION OF LAW OR REGULATION, THE HOLDER OF A RETAIL LICENSE MAY HOLD HAPPY HOURS UP TO FOUR CONSECUTIVE OR NONCONSECUTIVE HOURS PER DAY AND UP TO FOURTEEN HOURS PER WEEK DURING WHICH THE HOLDER DISCOUNTS THE PRICE OF ALCOHOLIC BEVERAGES. NO DISCOUNTS MAY BE GIVEN BETWEEN THE HOURS OF MIDNIGHT AND THE LEGAL CLOSING TIME. NOTICE OF ALL HAPPY HOURS SHALL BE VISIBLY POSTED ON THE LICENSED PREMISES SEVEN DAYS PRIOR TO THE HAPPY HOUR. EXCEPT AS PROVIDED IN THIS SUBSECTION, A LICENSEE SHALL COMPLY WITH THE PROVISIONS OF 40 PA. CODE § 13.102 (RELATING TO DISCOUNT PRICING PRACTICES).

NEITHER EVENTS CONDUCTED UNDER THE AUTHORITY OF 40 PA. CODE § 13.102(B) NOR DISCOUNTS PROVIDED TO MUG CLUB MEMBERS SHALL [NOT] BE COUNTED AGAINST THE FOUR-HOUR PER DAY OR FOURTEEN-HOUR PER WEEK LIMIT.

NOTWITHSTANDING ANY OTHER PROVISION OF LAW OR REGULATION, A CATERING CLUB LICENSEE MAY CATER A SELF-SPONSORED EVENT NO MORE THAN TWELVE OCCASIONS DURING ITS LICENSED TERM WITH NO MORE THAN ONE EVENT IN ANY CALENDAR MONTH.

NOTWITHSTANDING ANY OTHER PROVISION OF LAW OR REGULATION, A CLUB THAT SANCTIONS OR SPONSORS AN EVENT BETWEEN PARTICIPANTS OF ITS BONA FIDE MEMBERSHIP AND THE PARTICIPANTS
FROM ANY LICENSED ENTITY MAY SELL ALCOHOL TO THOSE NONMEMBERS PROVIDED THE FOLLOWING:

   (1) THE EVENT IS SCHEDULED MORE THAN TWENTY-FOUR HOURS IN ADVANCE; AND

   (2) THE NONMEMBER PARTICIPANTS ARE LISTED ON A ROSTER OR REGISTRATION LIST PROVIDED BY A LEAGUE, ORGANIZATION OR LICENSED ENTITY PRIOR TO THE BEGINNING OF THE EVENT.

SECTION 6. SECTION 408.4(I) OF THE ACT, AMENDED JUNE 5, 2007 (P.L.11, NO.5), IS AMENDED TO READ:

SECTION 408.4. SPECIAL OCCASION PERMITS.--

   * * *

   (I) ONLY ONE SPECIAL OCCASION PERMIT SHALL BE ISSUED TO EACH ELIGIBLE ENTITY PER CALENDAR YEAR. EACH PERMIT MAY ONLY BE USED FOR SIX CONSECUTIVE OR NONCONSECUTIVE DAYS; OR TEN CONSECUTIVE DAYS. [HOWEVER, IF THE ELIGIBLE ENTITY IS A MUSEUM OPERATED BY A NONPROFIT CORPORATION IN A CITY OF THE THIRD CLASS OR TOWNSHIP OF THE FIRST CLASS, A NONPROFIT CORPORATION ENGAGED IN THE PERFORMING ARTS IN A CITY OF THE THIRD CLASS OR IN AN INCORPORATED TOWN, A BONA FIDE SPORTSMEN'S CLUB IN EXISTENCE FOR AT LEAST TEN YEARS CONDUCTING A NATIONAL GOLF CHAMPIONSHIP OR AN ARTS COUNCIL, THEN THE SPECIAL OCCASION PERMIT MAY BE USED FOR SIX NONCONSECUTIVE OR TEN CONSECUTIVE DAYS.]

   * * *

SECTION 7. SECTION 408.12(A) OF THE ACT, AMENDED JULY 16, 2007 (P.L.107, NO.34), IS AMENDED TO READ:

SECTION 408.12. WINE AUCTION PERMITS.--(A) UPON APPLICATION OF:

   (1) ANY NONPROFIT HOSPITAL;

   (2) ANY NONPROFIT PUBLIC TELEVISION STATION WHICH IS A MEMBER OF THE PENNSYLVANIA PUBLIC TELEVISION NETWORK;
(3) Any orchestra located in a county of the first, second or third class which is operated by a nonprofit corporation;

(4) Any museum located in a county of the first, second [or third or fourth] class which is operated by a nonprofit corporation;

(5) Any nonprofit corporation located in any county of the third class which trains and places dogs for people who are physically handicapped;

(6) Any nationally recognized community-based voluntary health organization committed to fighting cancer which has been in existence for at least ninety years;

(7) Any nationally recognized emergency response organization that offers humanitarian care to victims of war or natural disaster and has been in existence for at least one hundred twenty-five years;

(8) Any nationally recognized organization whose purpose is to serve as an agent to collect funds for local charities, as well as to coordinate relief services, counsel and refer clients to cooperating agencies and make emergency assistance grants and has been in existence for at least one hundred twenty years; [or]

(9) Any hospice as defined under section 802.1 of the Act of July 19, 1979 (P.L.130, No.48), known as the "Health Care Facilities Act"; or

(10) Institution of higher education;

And upon payment of a fee of thirty dollars ($30) per day, the board shall issue a wine auction permit good for a period of not more than four consecutive or nonconsecutive days per calendar year.
SECTION 7.1. SECTION 410 OF THE ACT IS AMENDED BY ADDING
SUBSECTIONS TO READ:

SECTION 410. LIQUOR IMPORTERS' LICENSES; FEES; PRIVILEGES;
RESTRICTIONS.--* * *

(G) THE HOLDER OF AN IMPORTER'S LICENSE OR A VENDOR'S PERMIT
UNDER SECTION 208 MAY DELIVER LIQUOR PURCHASED FROM THE BOARD TO
A LICENSEE AS FOLLOWS:

(1) THE LIQUOR MAY BE STORED AT THE LICENSED IMPORTER'S OR
VENDOR'S PLACE OF BUSINESS OR ITS AUTHORIZED PLACE OF STORAGE.

(2) THE LICENSEE MUST PLACE A PURCHASE ORDER WITH THE BOARD
AND THE ORDER MUST BE PAID IN FULL PRIOR TO DELIVERY.

(3) THE HOLDER OF AN IMPORTER'S LICENSE OR VENDOR'S PERMIT
MAY CHARGE A FEE FOR DELIVERY.

(H) THE BOARD MAY RELEASE LIQUOR TO THE HOLDER OF AN
IMPORTER'S LICENSE OR THE HOLDER OF A VENDOR'S PERMIT FOR
DELIVERY TO A LICENSEE AS FOLLOWS:

(1) THE LICENSEE MUST PLACE A PURCHASE ORDER WITH THE BOARD
AND THE ORDER MUST BE PAID IN FULL PRIOR TO DELIVERY.

(2) THE HOLDER OF AN IMPORTER'S LICENSE OR VENDOR'S PERMIT
MAY CHARGE A FEE FOR DELIVERY.

SECTION 8. SECTION 411(E) OF THE ACT, AMENDED DECEMBER 22,
2011 (P.L.530, NO.113), IS AMENDED AND THE SECTION IS AMENDED BY
ADDING A SUBSECTION TO READ:

SECTION 411. INTERLOCKING BUSINESS PROHIBITED.--* * *

(E) EXCEPT AS HEREIN PROVIDED, NO HOTEL, RESTAURANT, RETAIL
DISPENSER OR CLUB LICENSEE, AND NO OFFICER, DIRECTOR OR
STOCKHOLDER, AGENT OR EMPLOYEE OF ANY SUCH LICENSEE SHALL IN ANY
WISE BE INTERESTED, DIRECTLY OR INDIRECTLY, IN THE OWNERSHIP OR
LEASEHOLD OF ANY PROPERTY OR THE EQUIPMENT OF ANY PROPERTY OR
ANY MORTGAGE LIEN AGAINST THE SAME, USED BY A DISTRIBUTOR,
IMPORTING DISTRIBUTOR, OR BY AN IMPORTER OR SACRAMENTAL WINE
LICENSEE, IN THE CONDUCT OF HIS BUSINESS; NOR SHALL ANY HOTEL,
RESTAURANT, RETAIL DISPENSER OR CLUB LICENSEE, OR ANY OFFICER,
DIRECTOR, STOCKHOLDER, AGENT OR EMPLOYEE OF ANY SUCH LICENSEE,
either directly or indirectly, lend any moneys, credit, or give
anything of value or the equivalent thereof, to any distributor,
IMPORTING DISTRIBUTOR, IMPORTER OR SACRAMENTAL WINE LICENSEE,
for equipping, fitting out, or maintaining and conducting,
either in whole or in part, an establishment used in the conduct
of his business.

The purpose of this section is to require a separation of the
financial and business interests between manufacturers and
holders of hotel or restaurant liquor licenses and, as herein
provided, of club licenses, issued under this article, and no
person shall, by any device whatsoever, directly or indirectly,
evade the provisions of the section. But in view of existing
economic conditions, nothing contained in this section shall be
construed to prohibit the ownership of property or conflicting
interest by a manufacturer of any place occupied by a licensee
under this article after the manufacturer has continuously owned
and had a conflicting interest in such place for a period of at
least five years prior to July eighteenth, one thousand nine
hundred thirty-five: provided, however, that this clause shall
not prohibit any hotel, restaurant or club liquor licensees from
owning land which is leased to, and the buildings thereon owned
by, a holder of a retail dispenser's license; and nothing in
this clause shall prevent the issuance of a retail dispenser's
license to a lessee of such lands who owns the buildings
thereon: and, provided further, that nothing contained in this
section shall be construed to prohibit any hotel, restaurant,
RETAIL DISPENSER OR CLUB LICENSEE OR ANY OFFICER, DIRECTOR OR
STOCKHOLDER, AGENT OR EMPLOYEE OF ANY SUCH LICENSEE FROM HAVING A
FINANCIAL OR OTHER INTEREST, DIRECTLY OR INDIRECTLY IN THE
OWNERSHIP OR LEASEHOLD OF ANY PROPERTY OR THE EQUIPMENT OF ANY
PROPERTY OR ANY MORTGAGE LIEN AGAINST SAME, USED, LEASED BY AN
IMPORTER OR SACRAMENTAL WINE LICENSEE FOR THE EXCLUSIVE PURPOSE
OF MAINTAINING COMMERCIAL OFFICES AND ON THE CONDITION THAT SAID
PROPERTY IS NOT USED FOR THE STORAGE OR SALE OF LIQUOR OR MALT
OR BREWED BEVERAGES IN ANY QUANTITY: AND, PROVIDED FURTHER, THAT
NOTHING CONTAINED IN THIS SECTION SHALL PROHIBIT AN OFFICER OR
MEMBER OF A LICENSED PRIVATELY OWNED PRIVATE GOLF COURSE
CATERING CLUB FROM HAVING AN INTEREST IN A LIMITED WINERY
LICENSE: AND, PROVIDED FURTHER, THAT NOTHING CONTAINED IN THIS
SECTION SHALL BE CONSTRUED TO PROHIBIT A MEMBER OF THE GOVERNING
BOARD OF A PUBLIC AUTHORITY CREATED UNDER SUBDIVISION (N) OF
ARTICLE XXIII OF THE ACT OF AUGUST 9, 1955 (P.L.323, NO.130),
KNOWN AS "THE COUNTY CODE," FROM HAVING AN INTEREST IN A
DISTRIBUTOR OR IMPORTING DISTRIBUTOR LICENSE NOTWITHSTANDING THE
FACT THAT THE PUBLIC AUTHORITY HAS AN INTEREST IN ONE OR MORE
RETAIL LICENSES OR ACTS AS A LANDLORD FOR ONE OR MORE RETAIL
LICENSES: AND, PROVIDED FURTHER, THAT, NOTHING IN THIS SECTION
MAY PROHIBIT AN EMPLOYEE OF A HOTEL OR RESTAURANT LICENSEE FROM
HAVING AN INTEREST IN ANY PROPERTY USED BY A LIMITED WINERY
LICENSEE OR IN GUARANTEEING ANY LOANS, OR LENDING ANY MONEYS,
PROVIDING CREDIT OR GIVING ANYTHING OF VALUE TO A LIMITED WINERY
LICENSEE OR ITS OFFICERS, DIRECTORS AND SHAREHOLDERS, PROVIDED
THAT THE PERSON ALSO IS NOT AN OFFICER OF OR DOES NOT HAVE ANY
INTEREST IN OR EXERCISE ANY CONTROL OVER ANY OTHER LICENSED
ENTITY THAT ENGAGES IN ANY SALES TO OR FROM THE LICENSEE: AND,
PROVIDED FURTHER, THAT, NOTWITHSTANDING ANY OTHER PROVISION OF
20150HB1690PN2653
- 87 -
THIS SECTION, AN ENTITY MAY ACQUIRE BOTH A MANUFACTURER'S LICENSE OR A LIMITED WINERY LICENSE AND A HOTEL, RESTAURANT OR RETAIL DISPENSER LICENSE FOR USE AT THE SAME LOCATION AND MORE THAN ONE LOCATION MAY BE SO LICENSED. AND, PROVIDED FURTHER, THAT, NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, AN ENTITY LICENSED AS A LIMITED WINERY MAY HOLD AND OPERATE UNDER A RESTAURANT LIQUOR LICENSE AT ONE OF ITS ADDITIONAL, BOARD-APPROVED LOCATIONS INSTEAD OF AT ITS PRIMARY LOCATION WHERE MANUFACTURING OCCURS. THE LICENSES AND A PERSON'S INTEREST IN THE LICENSES OR IN THE ENTITY HOLDING THE LICENSES SHALL NOT BE SUBJECT TO THIS SECTION. PROVIDED FURTHER, THAT, A PERSON WHO IS A HOLDER OF FIVE PER CENTUM (5%) OR LESS OF SECURITIES OR OTHER INTERESTS IN A PUBLICLY OR PRIVATELY HELD DOMESTIC OR FOREIGN CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER FORM OF LEGAL ENTITY OWNING A RESTAURANT LIQUOR LICENSE OR RETAIL DISPENSER'S LICENSE SHALL NOT BE DEEMED TO POSSESS A FINANCIAL INTEREST AND IS NOT SUBJECT TO THE PROVISIONS OF THIS SECTION, PROVIDED THAT THE PERSON IS NOT AN OFFICER OF, EMPLOYEE OF OR DOES NOT HAVE ANY INTEREST IN OR EXERCISE ANY CONTROL OVER ANY OTHER LICENSED ENTITY THAT ENGAGES IN ANY SALES TO OR FROM THE RESTAURANT LIQUOR OR RETAIL DISPENSER LICENSEE IN WHICH THE PERSON HOLDS THE FIVE PER CENTUM (5%) OR LESS INTEREST.

(F) THE FOLLOWING SHALL APPLY:

(1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, A MANUFACTURER OR LICENSEE AND ITS OFFICERS, DIRECTORS, SHAREHOLDERS, SERVANTS, AGENTS OR EMPLOYEES MAY CONTRIBUTE, AND A MANUFACTURER OR LICENSEE AND ITS OFFICERS, DIRECTORS, SHAREHOLDERS, SERVANTS, AGENTS OR EMPLOYEES MAY ACCEPT MONEY OR OTHER THINGS OF VALUE SOLELY FOR THE ADMINISTRATION OF A RESPONSIBLE ALCOHOL MANAGEMENT TRAINING PROGRAM FOR ALCOHOL.
SERVICE PERSONNEL AS PROVIDED FOR UNDER THIS SECTION. THE MONEY OR OTHER THINGS OF VALUE MAY BE PROVIDED BY OR TO A MANUFACTURER OR LICENSEE AND ITS OFFICERS, DIRECTORS, SHAREHOLDERS, SERVANTS, AGENTS OR EMPLOYEES DIRECTLY OR BY OR TO A TRADE ORGANIZATION CONSISTING, IN WHOLE OR PART, OF A GROUP OF LICENSEES.


(3) THE MANUFACTURER, LICENSEE AND TRADE ORGANIZATION ASSOCIATED WITH THE PERSON RECEIVING MONEY OR OTHER THINGS OF VALUE MUST KEEP A RECORD OF THE VALUE OF THE MONEY OR OTHER THINGS OF VALUE USED, AS PART OF THE RECORDS REQUIRED UNDER SECTION 493(12) OF THIS ACT.

SECTION 8.1. THE ACT IS AMENDED BY ADDING SECTIONS TO READ:

SECTION 415. WINE EXPANDED PERMITS.--(A) (1) THE BOARD SHALL ISSUE A WINE EXPANDED PERMIT TO A PERSON HOLDING AND POSSESSING A VALID RESTAURANT LIQUOR LICENSE OR HOTEL LIQUOR LICENSE.

(2) NOTHING IN THIS SECTION MAY AFFECT THE ABILITY OF AN EXISTING LICENSEE TO OPERATE WITHIN THE SCOPE OF ITS CURRENT LICENSE AS AUTHORIZED BY THIS ACT, EXCEPT THAT NO SALES OF WINE FOR OFF-PREMISES CONSUMPTION MAY TAKE PLACE BY A WINE EXPANDED PERMIT HOLDER AFTER ELEVEN O'CLOCK POSTMERIDIAN OF ANY DAY UNTIL THE LICENSEE'S PERMITTED HOURS OF OPERATION UNDER SECTION 406 OF THE NEXT DAY, INCLUDING SUNDAYS IF THE LICENSEE HAS A PERMIT AUTHORIZED UNDER SECTIONS 406(A)(3) AND 432(F).

(3) A WINE EXPANDED PERMIT MAY NOT BE ISSUED TO A LICENSE
HOLDER WHOSE UNDERLYING LICENSE IS SUBJECT TO A PENDING
OBJECTION BY THE DIRECTOR OF THE BUREAU OF LICENSING OR THE
BOARD UNDER SECTION 470(A.1), UNTIL THE MATTER IS DECIDED, SO
LONG AS THE UNDERLYING LICENSE IS AUTHORIZED TO OPERATE.

NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A HOLDER OF A WINE
EXPANDED PERMIT MAY CONTINUE TO OPERATE UNDER THE PERMIT IF ITS
UNDERLYING LICENSE IS OBJECTED TO BY THE DIRECTOR OF THE BUREAU
OF LICENSING OR THE BOARD UNDER SECTION 470(A.1), UNTIL THE
MATTER IS DECIDED.

(4) IF THE BOARD HAS APPROVED THE OPERATION OF ANOTHER
BUSINESS WHICH HAS AN INSIDE PASSAGE OR COMMUNICATION TO OR WITH
THE LICENSED PREMISES, THE SALE AND PURCHASE OF WINE SHALL BE
CONFINED STRICTLY TO THE PREMISES, IN A SPECIFICALLY DESIGNATED
AREA COVERED BY THE LICENSE. THE PURCHASE OF GOODS OBTAINED FROM
THE UNLICENSED AREA OF THE PREMISES SHALL BE PERMITTED IN THE
LICENSED AREA.

(5) FOR PURPOSES OF SELLING WINE FOR OFF-PREMISES
CONSUMPTION, A HOLDER OF A WINE EXPANDED PERMIT IS NOT SUBJECT
TO SECTION 493(14).

(6) A WINE EXPANDED PERMIT HOLDER SHALL COMPLY WITH THE
RESPONSIBLE ALCOHOL MANAGEMENT PROVISIONS UNDER SECTION 471.1.

(7) A WINE EXPANDED PERMIT HOLDER MAY STORE WINE IN A
NONCONTIGUOUS AREA THAT IS NOT ACCESSIBLE TO THE PUBLIC AND IS:
(I) LOCKED AT ALL TIMES WHEN NOT BEING ACCESSED BY THE
LICENSEES' EMPLOYEES;
(II) NOT ACCESSIBLE TO EMPLOYEES UNDER EIGHTEEN YEARS OF
AGE; AND
(III) IDENTIFIED BY DIMENSIONS AND LOCATIONS ON FORMS
SUBMITTED TO THE BOARD.

(8) A WINE EXPANDED PERMIT HOLDER SHALL UTILIZE A
TRANSACTION SCAN DEVICE TO VERIFY THE AGE OF AN INDIVIDUAL WHO APPEARS TO BE UNDER THIRTY-FIVE YEARS OF AGE BEFORE MAKING A SALE OF WINE. A WINE EXPANDED PERMIT HOLDER MAY NOT SELL OR SHARE DATA FROM THE USE OF A TRANSACTION SCAN DEVICE, PROVIDED THAT THE LICENSEE MAY USE THE DATA TO SHOW THE ENFORCEMENT BUREAU OF THE BOARD THAT THE LICENSEE IS IN COMPLIANCE WITH THIS ACT. AS USED IN THIS PARAGRAPH, THE TERM "TRANSACTION SCAN DEVICE" MEANS A DEVICE CAPABLE OF DECIPHERING, IN AN ELECTRONICALLY READABLE FORMAT, THE INFORMATION ENCODED ON THE MAGNETIC STRIP OR BAR CODE OF AN IDENTIFICATION CARD UNDER SECTION 495(A).

(9) A SALE OF WINE BY A WINE EXPANDED PERMIT HOLDER SHALL BE MADE THROUGH A REGISTER WHICH IS WELL DESIGNATED WITH SIGNAGE, WHICH IS STAFFED AT ALL TIMES, WHICH IS STAFFED BY A SALES CLERK WHO IS AT LEAST EIGHTEEN YEARS OF AGE AND HAS BEEN TRAINED UNDER SECTION 471.1 AND WHICH UTILIZES A TRANSACTION SCAN DEVICE FOR THE SALE. THE SALE OF WINE MAY NOT OCCUR AT A POINT OF SALE WHERE THE CUSTOMER SCANS THE CUSTOMER'S OWN PURCHASES.

(B) THE APPLICATION AND RENEWAL FEE FOR A WINE EXPANDED PERMIT SHALL BE AS FOLLOWS:

(1) FOR A WINE EXPANDED PERMIT ISSUED TO LICENSEES, AN INITIAL APPLICATION FEE OF TWO THOUSAND DOLLARS ($2,000).

(2) AN ANNUAL RENEWAL FEE EQUAL TO TWO PER CENTUM OF THE COST OF WINE PURCHASED FROM THE BOARD FOR OFF-PREMISES CONSUMPTION.

(C) NOTWITHSTANDING THE PROVISIONS OF SECTION 802, ALL FEES PAID TO THE BOARD UNDER THIS SECTION SHALL BE PAID INTO THE STATE TREASURY FOR DEPOSIT AS FOLLOWS:

(1) ALL MONEYS SHALL BE DEPOSITED IN THE STATE STORES FUND.

(2) EVERY JUNE 1, ALL MONEYS DEPOSITED UNDER PARAGRAPH (1)
SHALL BE TRANSFERRED TO THE GENERAL FUND.

(D) A WINE EXPANDED PERMIT HOLDER MAY SELL FOR OFF-PREMISES CONSUMPTION, IN A SINGLE TRANSACTION, UP TO THREE THOUSAND (3,000) MILLILITERS OF WINE.

(E) (1) WINE EXPANDED PERMIT HOLDERS SHALL COMPLY WITH THE PROVISIONS OF SECTION 201(F), (K) AND (O) OF THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE "TAX REFORM CODE OF 1971," REGARDING THE PURCHASE OF WINE FROM A PENNSYLVANIA LIQUOR STORE.

(2) THE SALE OF WINE BY A WINE EXPANDED PERMIT HOLDER FOR OFF-PREMISES CONSUMPTION SHALL BE CONSIDERED A "PURCHASE AT RETAIL" UNDER SECTION 201(F) OF THE "TAX REFORM CODE OF 1971," A "SALE AT RETAIL" UNDER SECTION 201(K) OF THE "TAX REFORM CODE OF 1971" OR A "USE" UNDER SECTION 201(O) OF THE "TAX REFORM CODE OF 1971."

(3) A WINE EXPANDED PERMIT HOLDER MAY, WHEN FILING ITS REQUIRED RETURNS UNDER ARTICLE II OF THE TAX REFORM CODE OF 1971, REQUEST A REFUND OF ANY TAXES PAID IN ACCORDANCE WITH PARAGRAPH (1) FOR WINE SOLD FOR OFF-PREMISES CONSUMPTION AND FOR WHICH TAXES WERE REMITTED TO THE DEPARTMENT UNDER PARAGRAPH (2). THE REQUEST FOR A REFUND SHALL INCLUDE THE ORIGINAL RECEIPT FROM A PENNSYLVANIA LIQUOR STORE SHOWING THE AMOUNT OF TAXES PAID UNDER PARAGRAPH (1) FOR WHICH THE TAXPAYER IS REQUESTING A REFUND.

(4) THE DEPARTMENT SHALL REFUND THE AMOUNT OF TAXES PAID TO A PENNSYLVANIA LIQUOR STORE BY A WINE EXPANDED PERMIT HOLDER UNDER PARAGRAPH (1) FOR WHICH THE TAXPAYER REMITTED TAXES IMPOSED UNDER PARAGRAPH (2). THE DEPARTMENT MAY PROMULGATE RULES OR REGULATIONS AND PRESCRIBE FORMS AS MAY BE NECESSARY TO IMPLEMENT THE PROVISIONS OF THIS SUBSECTION.

(F) A WINE EXPANDED PERMIT HOLDER MAY NOT SELL A WINE
PRODUCT FOR OFF-PREMISES CONSUMPTION AT A PRICE LESS THAN THE LICENSEE'S PURCHASE PRICE FROM THE BOARD OF THE WINE PRODUCT.

(G) A WINE EXPANDED PERMIT HOLDER MAY NOT SELL A PRIVATE LABEL PRODUCT.

SECTION 416. CASINO LIQUOR LICENSE.--(A) NOTWITHSTANDING ANY PROVISION OF LAW OR REGULATION, A SLOT MACHINE LICENSEE OR AN AFFILIATED DESIGNEE HOLDING A RESTAURANT LIQUOR OR EATING PLACE RETAIL DISPENSER LICENSE AND WHICH SELLS LIQUOR OR MALT OR BREWED BEVERAGES AT OR ADJACENT TO A GAMING FACILITY UNDER THIS ACT MAY APPLY TO THE BOARD FOR A CASINO LIQUOR LICENSE. THE BOARD MAY ISSUE A CASINO LIQUOR LICENSE TO A SLOT MACHINE LICENSEE FOR USE AT THE CASINO LIQUOR LICENSEE'S LICENSED FACILITY IN ACCORDANCE WITH THIS SECTION.

(B) EACH APPLICATION FOR A CASINO LICENSE UNDER THIS SECTION SHALL BE ACCOMPANIED BY A FEE OF ONE MILLION DOLLARS ($1,000,000).

(B.1) EACH RESTAURANT LICENSEE THAT DOES NOT HOLD A SLOT MACHINE LICENSE BUT OPERATES WITHIN OR ADJACENT TO THE GAMING FACILITY MUST PAY A ONE-TIME FEE OF TEN THOUSAND DOLLARS ($10,000).

(C) THE FOLLOWING SHALL APPLY TO RENEWALS:

(1) A CASINO LIQUOR LICENSE MUST BE RENEWED ON AN ANNUAL BASIS.

(2) FOR THE FIRST FOUR YEARS AFTER THE INITIAL ISSUE OF THE CASINO LIQUOR LICENSE, THE CASINO LIQUOR LICENSE SHALL BE SUBJECT TO AN ANNUAL RENEWAL FEE OF ONE MILLION DOLLARS ($1,000,000).

(3) AFTER THE PERIOD UNDER PARAGRAPH (2), THE CASINO LIQUOR LICENSE SHALL BE SUBJECT TO AN ANNUAL RENEWAL FEE OF TWO HUNDRED AND FIFTY THOUSAND DOLLARS ($250,000).
(4) NOTWITHSTANDING THE PROVISIONS OF SECTION 802, ALL FEES COLLECTED OR RECEIVED BY THE BOARD UNDER THIS SUBSECTION SHALL BE PAID INTO THE STATE TREASURY THROUGH THE DEPARTMENT OF REVENUE FOR DEPOSIT INTO THE GENERAL FUND.

(D) THE FOLLOWING SHALL APPLY TO DISPOSITION OF RESTAURANT LIQUOR OR EATING PLACE RETAIL DISPENSER LICENSES:

(1) AN APPLICANT UNDER THIS SECTION THAT CURRENTLY HOLDS A RESTAURANT LIQUOR OR EATING PLACE RETAIL DISPENSER LICENSE MAY CONTINUE TO UTILIZE THE LICENSE UNTIL THE CASINO LIQUOR LICENSE IS ISSUED BY THE BOARD. UPON ISSUANCE OF A CASINO LIQUOR LICENSE, THE APPLICANT MUST SURRENDER THE RESTAURANT LIQUOR OR EATING PLACE RETAIL DISPENSER LICENSE TO THE BOARD.

(2) AN APPLICANT UNDER THIS SECTION THAT CURRENTLY HOLDS A RESTAURANT LIQUOR OR EATING PLACE RETAIL DISPENSER LICENSE THAT IS SUBJECT TO THE QUOTA RESTRICTIONS UNDER SECTION 461(A) MAY CONTINUE TO UTILIZE THAT LICENSE UNTIL THE CASINO LIQUOR LICENSE IS ISSUED BY THE BOARD. UPON ISSUANCE OF A CASINO LIQUOR LICENSE, THE APPLICANT MAY SELL THE RESTAURANT LIQUOR OR EATING PLACE RETAIL DISPENSER LICENSE.

(E) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A HOLDER OF A CASINO LIQUOR LICENSE MAY SELL OR SERVE LIQUOR AND MALT OR BREWED BEVERAGES TWENTY-FOUR (24) HOURS A DAY, SEVEN (7) DAYS A WEEK.

(F) A CASINO LIQUOR LICENSE SHALL BE NONTRANSFERABLE, EXCEPT THAT NOTHING IN THIS SUBSECTION SHALL PRECLUDE A TRANSFER OF OWNERSHIP OF A CASINO LIQUOR LICENSE TO ANOTHER ELIGIBLE PERSON TO BE USED AT THE SAME LICENSED FACILITY.

(G) A CASINO LIQUOR LICENSE SHALL EXPIRE UNDER THE FOLLOWING CIRCUMSTANCES:

(1) REVOCATION BY AN ADMINISTRATIVE LAW JUDGE UNDER SECTION 20150HB1690PN2653 - 94 -
(2) NONRENEWAL BY THE BOARD UNDER SECTION 470;
(3) NONRENEWAL OF THE LICENSE BY A SLOT MACHINE LICENSEE OR
ITS DESIGNEE; OR
(4) UPON REQUEST BY THE SLOT MACHINE LICENSEE.

(H) THE BOARD MAY ISSUE A CASINO LIQUOR LICENSE 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 SLOT MACHINE LICENSEE; OR
(4) EXPIRED UPON REQUEST BY THE SLOT MACHINE LICENSEE.

(I) IN ADDITION TO ANY OTHER RESTRICTIONS AND PRIVILEGES, A
CASINO LIQUOR LICENSE SHALL BE SUBJECT TO THE FOLLOWING:

(1) SALES MAY BE MADE AT ANY TIME THE FACILITY IS OPEN TO
THE PUBLIC.
(2) LIQUOR OR MALT OR BREWED BEVERAGES MAY BE TRANSPORTED
AND CONSUMED OFF THE GAMING FLOOR IF THE LIQUOR OR MALT OR
BREWED BEVERAGE REMAINS WITHIN THE PREMISES OF THE LICENSED
FACILITY.
(3) SALES OF MALT OR BREWED BEVERAGES FOR OFF-PREMISES
CONSUMPTION ARE PROHIBITED.
(4) IN ADDITION TO THE PROVISIONS OF SECTION 493(24)(II),
THE HOLDER OF A CASINO LIQUOR LICENSE MAY GIVE LIQUOR AND MALT
OR BREWED BEVERAGES FREE OF CHARGE TO ANY PERSON ATTENDING AN
INVITATION-ONLY EVENT HELD ANYWHERE ON THE PREMISES OF THE
LICENSED FACILITY.

(5) LICENSES ISSUED UNDER THIS SECTION SHALL NOT BE SUBJECT
TO:

(I) THE PROXIMITY PROVISIONS OF SECTIONS 402 AND 404;
(II) THE RESTRICTIONS ON DISCOUNT PRICING PRACTICES SET FORTH IN SECTIONS 406(G) AND 442(G);

(III) THE QUOTA RESTRICTIONS UNDER SECTION 461;

(IV) THE PROVISIONS OF SECTION 493(10);

(V) THE PROHIBITION AGAINST MINORS FREQUENTING AS DESCRIBED IN SECTION 493(14);

(VI) THE COST AND TOTAL DISPLAY AREA LIMITATIONS OF SECTION 493(20)(I);

(VII) THE RESTRICTIONS ON EVENTS, TOURNAMENTS OR CONTESTS IN 40 PA. CODE § 5.32 (RELATING TO RESTRICTIONS/EXCEPTIONS) OR ANY SUCCESSOR REGULATION; AND

(VIII) THE RESTRICTIONS ON THE AWARDING OF TROPHIES, PRIZES OR PREMIUMS SET FORTH IN 40 PA. CODE SECTION 5.32 OR ANY SUCCESSOR REGULATION.

(J) MORE THAN ONE CASINO LIQUOR LICENSE ISSUED BY THE BOARD MAY BE IN EFFECT AT A LICENSED FACILITY AT ANY ONE TIME, EXCEPT THAT NO MORE THAN ONE CASINO LIQUOR LICENSE SHALL BE IN EFFECT AT A SPECIFIC LOCATION WITHIN THE PREMISES OF A LICENSED FACILITY AT THE SAME TIME.

SECTION 9. SECTION 431(B) AND (D)(2) OF THE ACT, AMENDED DECEMBER 20, 1996 (P.L.1513, NO.196) AND DECEMBER 8, 2004 (P.L.1810, NO.239), ARE AMENDED TO READ:

SECTION 431. MALT AND BREWED BEVERAGES MANUFACTURERS', DISTRIBUTORS' AND IMPORTING DISTRIBUTORS' LICENSES.--*

(B) THE BOARD SHALL ISSUE TO ANY REPUTABLE PERSON WHO APPLIES THEREFOR, AND PAYS THE LICENSE FEE HEREINAFTER PRESCRIBED, A DISTRIBUTOR'S OR IMPORTING DISTRIBUTOR'S LICENSE FOR THE PLACE WHICH SUCH PERSON DESIRES TO MAINTAIN FOR THE SALE OF MALT OR BREWED BEVERAGES, NOT FOR CONSUMPTION ON THE PREMISES WHERE SOLD, AND IN QUANTITIES OF NOT LESS THAN A CASE OR
ORIGINAL CONTAINERS CONTAINING ONE HUNDRED TWENTY-EIGHT OUNCES
OR MORE WHICH MAY BE SOLD SEPARATELY AS PREPARED FOR THE MARKET
BY THE MANUFACTURER AT THE PLACE OF MANUFACTURE. 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: AND PROVIDED FURTHER, 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 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. [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.] THE BOARD SHALL NOT LICENSE THE AREA
WHERE LIQUID FUELS OR OIL IS SOLD. NO SALES OF LIQUID FUELS OR
OIL MAY BE MADE FROM A LICENSEE'S LICENSED PREMISES. A LICENSED
PREMISES MAY NOT HAVE AN INTERIOR CONNECTION WITH A LOCATION
THAT SELLS LIQUID FUELS OR OILS UNLESS IT FIRST RECEIVES
PERMISSION FROM THE BOARD FOR THE INTERIOR CONNECTION. THE
APPROVAL SHALL BE REQUIRED REGARDLESS OF WHETHER THE LICENSEE OR
ANOTHER PARTY IS THE ENTITY SELLING THE LIQUID FUELS OR OILS.
THE BOARD MAY ENTER INTO AN AGREEMENT WITH THE APPLICANT
CONCERNING ADDITIONAL RESTRICTIONS ON THE LICENSE IN QUESTION.
IF THE BOARD AND THE APPLICANT ENTER INTO SUCH AN AGREEMENT,
SUCH AGREEMENT SHALL BE BINDING ON THE APPLICANT. FAILURE BY THE
APPLICANT TO ADHERE TO THE AGREEMENT WILL BE SUFFICIENT CAUSE TO
FORM THE BASIS FOR A CITATION UNDER SECTION 471 AND FOR THE
NONRENEWAL OF THE LICENSE UNDER SECTION 470. IF THE BOARD ENTERS
INTO AN AGREEMENT WITH AN APPLICANT CONCERNING ADDITIONAL
RESTRICTIONS, THOSE RESTRICTIONS SHALL BE BINDING ON SUBSEQUENT
HOLDERS OF THE LICENSE UNLESS THE LICENSE IS TRANSFERRED TO A NEW
LOCATION OR UNTIL THE BOARD ENTERS INTO A SUBSEQUENT AGREEMENT
REMOVING THOSE RESTRICTIONS. IF THE APPLICATION IN QUESTION
INvolves a location previously licensed by the board, then any
RESTRICTIONS IMPOSED BY THE BOARD ON THE PREVIOUS LICENSE AT
THAT LOCATION SHALL BE BINDING ON THE APPLICANT UNLESS THE BOARD
ENTERS INTO A NEW AGREEMENT RESCINDING THOSE RESTRICTIONS. THE
BOARD SHALL REQUIRE NOTICE TO BE POSTED ON THE PROPERTY OR
PREMISES UPON WHICH THE LICENSEE OR PROPOSED LICENSEE WILL
ENGAGE IN SALES OF MALT OR BREWED BEVERAGES. THIS NOTICE SHALL
BE SIMILAR TO THE NOTICE REQUIRED OF HOTEL, RESTAURANT AND CLUB
LIQUOR LICENSEES.
EXCEPT AS HEREINAFTER PROVIDED, SUCH LICENSE SHALL AUTHORIZE
THE HOLDER THEREOF TO SELL OR DELIVER MALT OR BREWED BEVERAGES
IN QUANTITIES ABOVE SPECIFIED ANYWHERE WITHIN THE COMMONWEALTH
OF PENNSYLVANIA, WHICH, IN THE CASE OF DISTRIBUTORS, HAVE BEEN
PURCHASED ONLY FROM PERSONS LICENSED UNDER THIS ACT AS
MANUFACTURERS OR IMPORTING DISTRIBUTORS, AND IN THE CASE OF
IMPORTING DISTRIBUTORS, HAVE BEEN PURCHASED FROM MANUFACTURERS OR PERSONS OUTSIDE THIS COMMONWEALTH ENGAGED IN THE LEGAL SALE OF MALT OR BREWED BEVERAGES OR FROM MANUFACTURERS OR IMPORTING DISTRIBUTORS LICENSED UNDER THIS ARTICLE. IN THE CASE OF AN IMPORTING DISTRIBUTOR, THE HOLDER OF SUCH A LICENSE SHALL BE AUTHORIZED TO STORE AND REPACKAGe MALT OR BREWED BEVERAGES OWNED BY A MANUFACTURER AT A SEGREGATED PORTION OF A WAREHOUSE OR OTHER STORAGE FACILITY AUTHORIZED BY SECTION 441(D) AND OPERATED BY THE IMPORTING DISTRIBUTOR WITHIN ITS APPointed TERRITORY AND DELIVER SUCH BEVERAGES TO ANOTHER IMPORTING DISTRIBUTOR WHO HAS BEEN GRANTED DISTRIBUTION RIGHTS BY THE MANUFACTURER AS PROVIDED HEREIN. THE IMPORTING DISTRIBUTOR SHALL BE PERMITTED TO RECEIVE A FEE FROM THE MANUFACTURER FOR ANY RELATED STORAGE, REPACKAGING OR DELIVERY SERVICES. IN THE CASE OF A BAILEE FOR HIRE HIRED BY A MANUFACTURER, THE HOLDER OF SUCH A PERMIT SHALL BE AUTHORIZED: TO RECEIVE, STORE AND REPACKAGe MALT OR BREWED BEVERAGES PRODUCED BY THAT MANUFACTURER FOR SALE BY THAT MANUFACTURER TO IMPORTING DISTRIBUTORS TO WHOM THAT MANUFACTURER HAS GIVEN DISTRIBUTION RIGHTS PURSUANT TO THIS SUBSECTION OR TO PURCHASERS OUTSIDE THIS COMMONWEALTH FOR DELIVERY OUTSIDE THIS COMMONWEALTH; OR TO SHIP TO THAT MANUFACTURER'S STORAGE FACILITIES OUTSIDE THIS COMMONWEALTH. THE BAILEE FOR HIRE SHALL BE PERMITTED TO RECEIVE A FEE FROM THE MANUFACTURER FOR ANY RELATED STORAGE, REPACKAGING OR DELIVERY SERVICES. THE BAILEE FOR HIRE SHALL, AS REQUIRED IN ARTICLE V OF THIS ACT, KEEP COMPLETE AND ACCurate RECORDS OF ALL TRANSACTIONS, INVENTORY, RECEIPTS AND SHIPMENTS AND MAKE ALL RECORDS AND THE LICENSED AREAS AVAILABLE FOR INSPECTION BY THE BOARD AND FOR THE PENNSYLVANIA STATE POLICE, BUREAU OF LIQUOR CONTROL ENFORCEMENT, DURING NORMAL BUSINESS HOURS.
EACH OUT OF STATE MANUFACTURER OF MALT OR BREWED BEVERAGES WHOSE PRODUCTS ARE SOLD AND DELIVERED IN THIS COMMONWEALTH SHALL GIVE DISTRIBUTING RIGHTS FOR SUCH PRODUCTS IN DESIGNATED GEOGRAPHICAL AREAS TO SPECIFIC IMPORTING DISTRIBUTORS, AND SUCH IMPORTING DISTRIBUTOR SHALL NOT SELL OR DELIVER MALT OR BREWED BEVERAGES MANUFACTURED BY THE OUT OF STATE MANUFACTURER TO ANY PERSON ISSUED A LICENSE UNDER THE PROVISIONS OF THIS ACT WHOSE LICENSED PREMISES ARE NOT LOCATED WITHIN THE GEOGRAPHICAL AREA FOR WHICH HE HAS BEEN GIVEN DISTRIBUTING RIGHTS BY SUCH MANUFACTURER. SHOULD A LICENSEE ACCEPT THE DELIVERY OF SUCH MALT OR BREWED BEVERAGES IN VIOLATION OF THIS SECTION, SAID LICENSEE SHALL BE SUBJECT TO A SUSPENSION OF HIS LICENSE FOR AT LEAST THIRTY DAYS: PROVIDED, THAT THE IMPORTING DISTRIBUTOR HOLDING SUCH DISTRIBUTING RIGHTS FOR SUCH PRODUCT SHALL NOT SELL OR DELIVER THE SAME TO ANOTHER IMPORTING DISTRIBUTOR WITHOUT FIRST HAVING ENTERED INTO A WRITTEN AGREEMENT WITH THE SAID SECONDARY IMPORTING DISTRIBUTOR SETTING FORTH THE TERMS AND CONDITIONS UNDER WHICH SUCH PRODUCTS ARE TO BE RESOLD WITHIN THE TERRITORY GRANTED TO THE PRIMARY IMPORTING DISTRIBUTOR BY THE MANUFACTURER.

WHEN A PENNSYLVANIA MANUFACTURER OF MALT OR BREWED BEVERAGES LICENSED UNDER THIS ARTICLE NAMES OR CONSTITUTES A DISTRIBUTOR OR IMPORTING DISTRIBUTOR AS THE PRIMARY OR ORIGINAL SUPPLIER OF HIS PRODUCT, HE SHALL ALSO DESIGNATE THE SPECIFIC GEOGRAPHICAL AREA FOR WHICH THE SAID DISTRIBUTOR OR IMPORTING DISTRIBUTOR IS GIVEN DISTRIBUTING RIGHTS, AND SUCH DISTRIBUTOR OR IMPORTING DISTRIBUTOR SHALL NOT SELL OR DELIVER THE PRODUCTS OF SUCH MANUFACTURER TO ANY PERSON ISSUED A LICENSE UNDER THE PROVISIONS OF THIS ACT WHOSE LICENSED PREMISES ARE NOT LOCATED WITHIN THE GEOGRAPHICAL AREA FOR WHICH DISTRIBUTING RIGHTS HAVE BEEN GIVEN
TO THE DISTRIBUTOR AND IMPORTING DISTRIBUTOR BY THE SAID MANUFACTURER: PROVIDED, THAT THE IMPORTING DISTRIBUTOR HOLDING SUCH DISTRIBUTING RIGHTS FOR SUCH PRODUCT SHALL NOT SELL OR DELIVER THE SAME TO ANOTHER IMPORTING DISTRIBUTOR WITHOUT FIRST HAVING ENTERED INTO A WRITTEN AGREEMENT WITH THE SAID SECONDARY IMPORTING DISTRIBUTOR SETTING FORTH THE TERMS AND CONDITIONS UNDER WHICH SUCH PRODUCTS ARE TO BE RESOLD WITHIN THE TERRITORY GRANTED TO THE PRIMARY IMPORTING DISTRIBUTOR BY THE MANUFACTURER. NOTHING HEREIN CONTAINED SHALL BE CONSTRUED TO PREVENT ANY MANUFACTURER FROM AUTHORIZING THE IMPORTING DISTRIBUTOR HOLDING THE DISTRIBUTING RIGHTS FOR A DESIGNATED GEOGRAPHICAL AREA FROM SELLING THE PRODUCTS OF SUCH MANUFACTURER TO ANOTHER IMPORTING DISTRIBUTOR ALSO HOLDING DISTRIBUTING RIGHTS FROM THE SAME MANUFACTURER FOR ANOTHER GEOGRAPHICAL AREA, PROVIDING SUCH AUTHORITY BE CONTAINED IN WRITING AND A COPY THEREOF BE GIVEN TO EACH OF THE IMPORTING DISTRIBUTORS SO AFFECTED.

* * *

(D) * * *

(2) AFTER JANUARY 1, 1980, NO MANUFACTURER SHALL ENTER INTO ANY AGREEMENT WITH MORE THAN ONE DISTRIBUTOR OR IMPORTING DISTRIBUTOR FOR THE PURPOSE OF ESTABLISHING MORE THAN ONE AGREEMENT FOR DESIGNATED BRAND OR BRANDS OF MALT OR BREWED BEVERAGES IN ANY ONE TERRITORY. EACH FRANCHISE TERRITORY WHICH IS GRANTED BY A MANUFACTURER SHALL BE GEOGRAPHICALLY CONTIGUOUS OR IN COUNTIES WHICH ARE CONTIGUOUS WITH ONE ANOTHER. ALL IMPORTING DISTRIBUTORS SHALL MAINTAIN SUFFICIENT RECORDS TO EVIDENCE COMPLIANCE OF THIS SECTION. WITH REGARD TO ANY TERRITORIAL DISTRIBUTION AUTHORITY GRANTED TO AN IMPORTING DISTRIBUTOR BY A MANUFACTURER OF MALT OR BREWED BEVERAGES AFTER 20150HB1690PN2653
JANUARY 1, 1996, THE RECORDS SHALL ESTABLISH THAT EACH AND EVERY
CASE OF A BRAND OF MALT OR BREWED BEVERAGES FOR WHICH THE
IMPORTING DISTRIBUTOR IS ASSIGNED WAS SOLD, RESOLD, STORED,
DELIVERED OR TRANSPORTED BY THE IMPORTING DISTRIBUTOR, EITHER
FROM A POINT OR TO A POINT WITH THE ASSIGNED GEOGRAPHICALLY
CONTIGUOUS TERRITORY OR IN COUNTIES WHICH ARE CONTIGUOUS WITH
ONE ANOTHER, TO ANY PERSON OR PERSONS, WHETHER SUCH PERSON OR
PERSONS ARE LICENSED BY THIS ACT OR NOT LICENSED BY THIS ACT.

* * *

SECTION 10.  SECTION 432(D) OF THE ACT, AMENDED JANUARY 6,
2006 (P.L.1, NO.1), IS AMENDED AND THE SECTION IS AMENDED BY
ADDING A SUBSECTION TO READ:

SECTION 432.  MALT AND BREWED BEVERAGES RETAIL LICENSES.--* * *

(D) THE BOARD SHALL, IN ITS DISCRETION, GRANT OR REFUSE ANY
NEW LICENSE, THE TRANSFER OF ANY LICENSE TO A NEW LOCATION OR
THE EXTENSION OF AN EXISTING LICENSE TO COVER AN ADDITIONAL AREA
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, TRANSFER OR EXTENSION
IS APPLIED FOR A PLACE WHICH IS WITHIN TWO HUNDRED FEET OF ANY
OTHER PREMISES WHICH IS LICENSED BY THE BOARD. THE BOARD SHALL
REFUSE ANY APPLICATION FOR A NEW LICENSE, THE TRANSFER OF ANY
LICENSE TO A NEW LOCATION OR THE EXTENSION OF AN EXISTING
LICENSE TO COVER AN ADDITIONAL AREA IF, IN THE BOARD'S OPINION,
such new license, transfer or extension 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
to be licensed. The board may enter into an agreement with the
applicant concerning additional restrictions on the license in
QUESTION. IF THE BOARD AND THE APPLICANT ENTER INTO SUCH AN
AGREEMENT, SUCH AGREEMENT SHALL BE BINDING ON THE APPLICANT.
FAILURE BY THE APPLICANT TO ADHERE TO THE AGREEMENT WILL BE
SUFFICIENT CAUSE TO FORM THE BASIS FOR A CITATION UNDER SECTION
471 AND FOR THE NONRENEWAL OF THE LICENSE UNDER SECTION 470. IF
THE BOARD ENTERS INTO AN AGREEMENT WITH AN APPLICANT CONCERNING
ADDITIONAL RESTRICTIONS, THOSE RESTRICTIONS SHALL BE BINDING ON
SUBSEQUENT HOLDERS OF THE LICENSE UNTIL THE LICENSE IS
TRANSFERRED TO A NEW LOCATION OR UNTIL THE BOARD ENTERS INTO A
SUBSEQUENT AGREEMENT REMOVING THOSE RESTRICTIONS. IF THE
APPLICATION IN QUESTION INVOLVES A LOCATION PREVIOUSLY LICENSED
BY THE BOARD, THEN ANY RESTRICTIONS IMPOSED BY THE BOARD ON THE
PREVIOUS LICENSE AT THAT LOCATION SHALL BE BINDING ON THE
APPLICANT UNLESS THE BOARD ENTERS INTO A NEW AGREEMENT
RESCINDING THOSE RESTRICTIONS. [THE BOARD SHALL REFUSE ANY
APPLICATION FOR A NEW LICENSE, THE TRANSFER OF ANY LICENSE TO A
LOCATION WHERE THE SALE OF LIQUID FUELS OR OIL IS CONDUCTED OR
THE EXTENSION OF AN EXISTING LICENSE TO COVER AN ADDITIONAL
AREA] THE BOARD SHALL NOT LICENSE THE AREA WHERE LIQUID FUELS OR
OIL IS SOLD. NO SALES OF LIQUID FUELS OR OIL MAY BE MADE FROM A
LICENSEE'S LICENSED PREMISES. A LICENSED PREMISES MAY NOT HAVE
AN INTERIOR CONNECTION WITH A LOCATION THAT SELLS LIQUID FUELS
OR OILS UNLESS IT FIRST RECEIVES PERMISSION FROM THE BOARD FOR
THE INTERIOR CONNECTION. THE APPROVAL SHALL BE REQUIRED
REGARDLESS OF WHETHER THE LICENSEE OR ANOTHER PARTY IS THE
ENTITY SELLING THE LIQUID FUELS OR OILS; 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 MAY, IN ITS DISCRETION, REFUSE AN
APPLICATION FOR AN ECONOMIC DEVELOPMENT LICENSE UNDER SECTION
461(B.1) OR AN APPLICATION FOR AN INTERMUNICIPAL TRANSFER OR A
LICENSE IF THE BOARD RECEIVES A PROTEST FROM THE GOVERNING BODY
OF THE RECEIVING MUNICIPALITY. THE RECEIVING MUNICIPALITY OF AN
INTERMUNICIPAL TRANSFER OR AN ECONOMIC DEVELOPMENT LICENSE UNDER
SECTION 461(B.1) MAY FILE A PROTEST AGAINST THE APPROVAL FOR
ISSUANCE OF A LICENSE FOR ECONOMIC DEVELOPMENT OR AN
INTERMUNICIPAL TRANSFER OF A LICENSE INTO ITS MUNICIPALITY, AND
SUCH MUNICIPALITY SHALL HAVE STANDING IN A HEARING TO PRESENT
TESTIMONY IN SUPPORT OF OR AGAINST THE ISSUANCE OR TRANSFER OF A
LICENSE. 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.

* * *

(H) IN A MUNICIPALITY WHICH HAS APPROVED THE GRANTING OF
LIQUOR LICENSES AND UPON APPLICATION TO THE BOARD AND PAYMENT OF
A FEE OF THIRTY THOUSAND DOLLARS ($30,000), THE BOARD SHALL
CONVERT AN EATING PLACE RETAIL DISPENSING LICENSE TO A
RESTAURANT LICENSE WITHOUT REGARD TO THE QUOTA RESTRICTIONS SET
FORTH IN SECTION 461(A). THE CONVERTED RESTAURANT LICENSE SHALL
BE SUBJECT TO THE PROVISIONS OF THIS ACT GOVERNING RESTAURANT
LIQUOR LICENSES. THE PROVISIONS OF THIS SUBSECTION ALLOWING A
HOLDER OF AN EATING PLACE RETAIL DISPENSING LICENSE TO CONVERT
THE LICENSE TO A RESTAURANT LIQUOR LICENSE SHALL ONLY APPLY TO A
LICENSE HOLDER WHOSE LICENSE IS NOT SUBJECT TO A PENDING
OBSESSION BY THE DIRECTOR OF THE BUREAU OF LICENSING OR THE
BOARD UNDER SECTION 470(A.1), UNTIL THE MATTER IS DECIDED. A
CONVERSION UNDER THIS SUBSECTION SHALL BE CONSIDERED A TRANSFER OR ISSUANCE OF A NEW LICENSE FOR THE PURPOSES OF SECTION 402. THIS SUBSECTION DOES NOT APPLY TO LICENSES IN A CITY OF THE FIRST CLASS.

SECTION 11. SECTION 436(F) OF THE ACT IS AMENDED AND THE SECTION IS AMENDED BY ADDING A SUBSECTION TO READ:

SECTION 436. APPLICATION FOR DISTRIBUTORS’, IMPORTING DISTRIBUTORS’ AND RETAIL DISPENSERS' LICENSES.—APPLICATION FOR DISTRIBUTORS’, IMPORTING DISTRIBUTORS’ AND RETAIL DISPENSERS' LICENSES, OR FOR THE TRANSFER OF AN EXISTING LICENSE TO ANOTHER PREMISES NOT THEN LICENSED OR TO ANOTHER PERSON, SHALL CONTAIN OR HAVE ATTACHED THERETO THE FOLLOWING INFORMATION AND STATEMENTS:

* * *

(F) THAT APPLICANT [IS] AND MANAGEMENT COMPANY OR COMPANIES, IF ANY, ARE THE ONLY [PERSON] PERSONS IN ANY MANNER PECUNIARILY INTERESTED IN THE BUSINESS SO ASKED TO BE LICENSED, AND THAT NO OTHER PERSON SHALL BE IN ANY MANNER PECUNIARILY INTERESTED THEREIN DURING THE CONTINUANCE OF THE LICENSE, EXCEPT AS HEREINAFTER PERMITTED.

* * *

(K) IF THE LICENSEE IN QUESTION HAS A RETAIL DISPENSER LICENSE, AND THE APPLICANT INTENDS TO USE A MANAGEMENT COMPANY TO OPERATE, MANAGE OR SUPERVISE ALL OR PART OF THE OPERATION OF THE LICENSED PREMISES, THE APPLICANT MUST FILE A WRITTEN APPLICATION WITH THE BOARD ON THE FORM OR FORMS AS THE BOARD SHALL, FROM TIME TO TIME, PRESCRIBE. THE APPLICATION SHALL BE ACCOMPANIED BY A FEE IN AN AMOUNT TO BE DETERMINED BY THE BOARD. THE BOARD SHALL REFUSE THE APPLICATION IF THE MANAGEMENT COMPANY OR ANY PERSON INVOLVED WITH THE MANAGEMENT WOULD BE PRECLUDED
FROM HOLDING AN INTEREST IN THE UNDERLYING LICENSE.

SECTION 11.1. SECTION 441(D)(2) OF THE ACT, AMENDED JUNE 28, 2011 (P.L.55, NO.11), IS AMENDED TO READ:

SECTION 441. DISTRIBUTORS' AND IMPORTING DISTRIBUTORS' RESTRICTIONS ON SALES, STORAGE, ETC.--* * *

(D) * * *

(2) NO IMPORTING DISTRIBUTOR SHALL MAINTAIN ANY PLACE FOR THE STORAGE OF MALT OR BREWED BEVERAGES EXCEPT IN THE FRANCHISE TERRITORY IN WHICH THE LICENSED PREMISES IS LOCATED AND UNLESS THE SAME HAS BEEN APPROVED BY THE BOARD. THE BOARD SHALL ISSUE NO MORE THAN [ONE] FOUR STORAGE [FACILITY] FACILITIES LICENSE TO AN IMPORTING DISTRIBUTOR. THE STORAGE LOCATION SHALL BE DESIGNATED SOLELY AS A STORAGE FACILITY, FROM WHICH ONLY SALES TO OTHER LICENSEES ARE PERMITTED. RETAIL SALES MAY BE MADE AT THE LICENSED LOCATION PURSUANT TO SUBSECTION (C). IF THE IMPORTING DISTRIBUTOR MAINTAINS A STORAGE LOCATION FOR COLD STORAGE IN THE SAME MUNICIPALITY IN WHICH THE IMPORTING DISTRIBUTOR IS LICENSED OR A NEARBY MUNICIPALITY, THE IMPORTING DISTRIBUTOR MAY CONTINUE TO MAINTAIN THAT COLD STORAGE LOCATION IN ADDITION TO ANOTHER STORAGE LOCATION WITHIN THEIR FRANCHISE TERRITORY.

* * *

SECTION 12. SECTION 442(F) AND (G) OF THE ACT, AMENDED OR ADDED DECEMBER 22, 2011 (P.L.530, NO.113) AND JULY 5, 2012 (P.L.1007, NO.116), ARE AMENDED TO READ:

SECTION 442. RETAIL DISPENSERS' RESTRICTIONS ON PURCHASES AND SALES.--* * *

(F) THE HOLDER OF AN EATING PLACE RETAIL DISPENSER LICENSE MAY OBTAIN AN OFF-PREMISES CATERING PERMIT UNDER SECTION 493(33) TO HOLD A CATERED FUNCTION OFF OF THE LICENSED PREMISES AND ON
OTHERWISE UNLICENSED PREMISES WHERE THE LICENSEE MAY SELL MALT
OR BREWED BEVERAGES BY THE GLASS, OPEN BOTTLE OR ANY OTHER
CONTAINER, TOGETHER WITH FOOD, FOR CONSUMPTION ON THOSE PREMISES
SOLELY USED FOR CATERING PREMISES. FUNCTIONS CONDUCTED UNDER THE
AUTHORITY OF THE PERMIT SHALL BE SUBJECT TO THE FOLLOWING:
(1) MALT OR BREWED BEVERAGES MAY ONLY BE PROVIDED DURING THE
DAYS AND HOURS THAT THE LICENSE HOLDER MAY OTHERWISE SELL MALT
OR BREWED BEVERAGES;
(2) EACH CATERED FUNCTION SHALL LAST NO LONGER THAN ONE DAY
AND NOT MORE THAN [FIFTY] FIFTY-TWO CATERED FUNCTIONS MAY BE
HELD EACH CALENDAR YEAR BY EACH LICENSE HOLDER FOR USE WITH A
PARTICULAR LICENSE;
(3) A CATERED FUNCTION SHALL NOT BE HELD AT A LOCATION THAT
IS ALREADY SUBJECT TO THE APPLICANT'S OR ANOTHER LICENSEE'S
LICENSE;
(4) A PERMIT SHALL NOT BE ISSUED TO AN APPLICANT WHOSE
LICENSE IS IN SAFEKEEPING;
(5) A PERMIT SHALL NOT BE ISSUED TO A LOCATION THAT IS
SUBJECT TO A PENDING OBJECTION BY THE DIRECTOR OF THE BUREAU OF
LICENSING OR THE BOARD UNDER SECTION 470(A.1);
(6) A PERMIT SHALL NOT BE ISSUED TO A LOCATION THAT IS
SUBJECT TO A PENDING LICENSE SUSPENSION UNDER SECTION 471 OR THE
ONE-YEAR PROHIBITION ON THE ISSUANCE OR TRANSFER OF A LICENSE
UNDER SECTION 471(B);
(7) NO MALT OR BREWED BEVERAGES MAY BE TAKEN FROM THE
PERMITTED LOCATION BY A PATRON, BUT THE APPLICANT MAY TRANSPORT
MALT OR BREWED BEVERAGES TO AND FROM ITS LICENSED PREMISES TO
THE PROPOSED PREMISES;
(8) WRITTEN NOTICE OF THE CATERED FUNCTION AS ENUMERATED IN
PARAGRAPH (9) SHALL BE PROVIDED TO THE LOCAL POLICE AND THE
ENFORCEMENT BUREAU AT LEAST SEVEN DAYS IN ADVANCE OF THE EVENT;

(9) WRITTEN NOTICE SHALL BE PROVIDED TO THE BOARD AT LEAST [THIRTY] FOURTEEN DAYS PRIOR TO A CATERED FUNCTION. WRITTEN NOTICE MUST INCLUDE THE LOCATION OF THE FUNCTION, TIME OF THE FUNCTION, HOST OF THE FUNCTION, GENERAL INFORMATION REGARDING THE GUESTS EXPECTED AT THE FUNCTION AS WELL AS ANY INFORMATION THE BOARD SHALL FROM TIME TO TIME PRESCRIBE. THE BOARD MAY, IN ITS DISCRETION, ACCEPT NOTICE IN AN ELECTRONIC FORMAT. THE BOARD MAY, IN ITS DISCRETION, WAIVE THE [THIRTY-DAY] FOURTEEN-DAY NOTICE PERIOD FOR A CATERED FUNCTION IF:

(I) THE APPLICANT HAS PREVIOUSLY CONDUCTED FUNCTIONS THAT MEET THE REQUIREMENTS OF THIS ACT;

(II) THE APPLICANT IS A LICENSEE IN GOOD STANDING WITH THE BOARD; OF

(III) NOTIFICATION WAS RECEIVED AT LEAST [FOURTEEN] SEVEN DAYS PRIOR TO THE CATERED FUNCTION; AND

(IV) THE APPLICANT PAYS A LATE FEE OF ONE HUNDRED DOLLARS ($100);

(10) THE BOARD SHALL, IN ITS DISCRETION, APPROVE OR DISAPPROVE A CATERED FUNCTION IF THE APPLICANT FAILS TO PROVIDE TIMELY NOTICE OF THE CATERED FUNCTION, DOES NOT INTEND TO CONDUCT A FUNCTION THAT MEETS THE REQUIREMENTS OF THIS ACT OR HAS PREVIOUSLY CONDUCTED A FUNCTION THAT DID NOT MEET THE REQUIREMENTS OF THIS ACT;

(11) IF A CATERED FUNCTION IS SCHEDULED TO OCCUR ON PRIVATE PROPERTY, THE OWNER OF THAT PROPERTY IS DEEMED TO HAVE SUBMITTED TO THE JURISDICTION OF THE ENFORCEMENT BUREAU, AND THE WARRANT REQUIRED BY SECTION 211(A)(2) OF THIS ACT SHALL NOT BE NECESSARY FOR THE ENFORCEMENT BUREAU TO ENTER AND SEARCH THE PREMISES DURING THE FUNCTION OR ANY ACTIVITIES RELATED TO THE FUNCTION;
ALL SERVERS AT THE OFF-PREMISES CATERED FUNCTION SHALL BE IN COMPLIANCE WITH THE RESPONSIBLE ALCOHOL MANAGEMENT PROVISIONS UNDER SECTION 471.1 OF THIS ACT;

NO CATERED FUNCTION MAY BE HELD FOR MORE THAN FIVE HOURS PER DAY AND MUST END BY MIDNIGHT UNLESS THE CATERED FUNCTION OCCURS ON DECEMBER 31 OF ANY CALENDAR YEAR ON WHICH THE DATE THE CATERED FUNCTION MUST END BY TWO O'CLOCK ANTEMERIDIAN;

NEITHER THE OWNER OF THE PROPERTY NOR THE APPLICANT MAY SELL TICKETS TO A CATERED FUNCTION UNLESS ONE OF THE FOLLOWING CONDITIONS IS MET:

(I) THE APPLICANT HAS CONTRACTED WITH AN ELIGIBLE ENTITY FOR THE FUNCTION, AND THE FUNCTION IS BEING USED TO RAISE MONEY FOR THE ELIGIBLE ENTITY'S ORGANIZATION;


(III) THE APPLICANT HAS CONTRACTED WITH AN ORGANIZATION THAT HOLDS TAX-EXEMPT STATUS UNDER SECTION 527 OF THE INTERNAL REVENUE CODE OF 1986;

CATERED FUNCTIONS HELD ON UNLICENSED PREMISES SHALL BE SUBJECT TO SECTION 493(34) OF THIS ACT;

CATERED FUNCTIONS MAY NOT BE HELD IN LOCATIONS THAT ARE SUBJECT TO A PENDING, PROTESTED TRANSFER APPLICATION;

A PERMIT MAY NOT BE ISSUED TO A LICENSEE WHO IS SUBJECT TO OBJECTION UNDER THE BOARD'S NUISANCE BAR PROGRAM;

A PERMIT SHALL NOT BE ISSUED TO A LICENSEE FOR USE IN ANY LOCATION THAT IS MOBILE; AND

A PERMIT SHALL NOT BE ISSUED FOR USE ON ANY LOCATION
USED FOR PARKING AT A SPORTS EVENT OR CONCERT EVENT.

(G) NOTWITHSTANDING ANY OTHER PROVISION OF LAW OR REGULATION, THE HOLDER OF A RETAIL DISPENSER LICENSE MAY HOLD HAPPY HOURS UP TO FOUR CONSECUTIVE OR NONCONSECUTIVE HOURS PER DAY AND UP TO FOURTEEN HOURS PER WEEK DURING WHICH THE HOLDER DISCOUNTS THE PRICE OF ALCOHOLIC BEVERAGES. NO DISCOUNTS MAY BE GIVEN BETWEEN THE HOURS OF MIDNIGHT AND THE LEGAL CLOSING TIME. NOTICE OF ALL HAPPY HOURS SHALL BE VISIBLY POSTED ON THE LICENSED PREMISES SEVEN DAYS PRIOR TO THE HAPPY HOUR. EXCEPT AS PROVIDED IN THIS SUBSECTION, A LICENSEE SHALL COMPLY WITH THE PROVISIONS OF 40 PA. CODE § 13.102 (RELATING TO DISCOUNT PRICING PRACTICES). [EVENTS] NEITHER EVENTS CONDUCTED UNDER THE AUTHORITY OF 40 PA. CODE § 13.102(B) NOR DISCOUNTS PROVIDED TO MUG CLUB MEMBERS SHALL [NOT] BE COUNTED AGAINST THE FOUR-HOURS PER DAY OR FOURTEEN-HOURS PER WEEK.

SECTION 13. SECTION 443 OF THE ACT IS AMENDED BY ADDING A SUBSECTION TO READ:

SECTION 443. INTERLOCKING BUSINESS PROHIBITED.--* * *

(H) THE FOLLOWING SHALL APPLY:

(1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, A MANUFACTURER OR LICENSEE AND ITS OFFICERS, DIRECTORS, SHAREHOLDERS, SERVANTS, AGENTS OR EMPLOYES MAY CONTRIBUTE, AND A MANUFACTURER OR LICENSEE AND ITS OFFICERS, DIRECTORS, SHAREHOLDERS, SERVANTS, AGENTS OR EMPLOYES MAY ACCEPT MONEY OR OTHER THINGS OF VALUE SOLELY FOR THE ADMINISTRATION OF A RESPONSIBLE ALCOHOL MANAGEMENT TRAINING PROGRAM FOR ALCOHOL SERVICE PERSONNEL AS PROVIDED FOR UNDER THIS SECTION. THE MONEY OR OTHER THINGS OF VALUE MAY BE PROVIDED BY OR TO A MANUFACTURER OR LICENSEE AND ITS OFFICERS, DIRECTORS, SHAREHOLDERS, SERVANTS, AGENTS OR EMPLOYES DIRECTLY OR BY OR TO A TRADE ORGANIZATION.
CONSISTING, IN WHOLE OR PART, OF A GROUP OF Licensees.

(2) The manufacturer, Licensee and trade organization associated with the person providing the money or other things of value must keep a record of the value of the money or other things of value provided, the date provided and the entity to whom it was provided, as part of the records required under section 493(12).

(3) The manufacturer, Licensee and trade organization associated with the person receiving money or other things of value must keep a record of the value of the money or other things of value used, as part of the records required under section 493(12).

Section 14. Section 446 of the Act, amended December 22, 2011 (P.L.530, No.113) and July 5, 2012 (P.L.1007, No.116), is amended to read:

Section 446. Breweries.--(A) holders of a brewery license may:

(1) sell malt or brewed beverages produced and owned by the brewery under such conditions and regulations as the board may enforce, to individuals for consumption on the licensed premises in any container or package of any volume and to hotel, restaurant, club and public service liquor licensees.

(2) operate a restaurant or brewery pub on the licensed premises under such conditions and regulations as the board may enforce: provided, however, that sales on Sunday may be made irrespective of the volume of food sales if the licensed premises are at a public venue location. the holder of a brewery license may sell at its brewery pub premises [Pennsylvania wines it has purchased from either the holder of a Pennsylvania limited winery license or from the Board] wines produced by the
HOLDER OF A LIMITED WINERY LICENSE OR LIQUOR PRODUCED BY A LICENSED LIMITED DISTILLERY OR DISTILLERY: PROVIDED, HOWEVER, THAT SAID WINES AND LIQUOR MUST BE CONSUMED AT THE LICENSED BREWERY PUB PREMISES.

(3) USE BREWERY STORAGE AND DISTRIBUTION FACILITIES FOR THE PURPOSE OF RECEIVING, STORING AND DISTRIBUTING MALT OR BREWED BEVERAGES MANUFACTURED OUTSIDE THIS COMMONWEALTH IF THE BEVERAGES ARE DISTRIBUTED IN THIS COMMONWEALTH ONLY THROUGH SPECIFIC IMPORTING DISTRIBUTORS WHO SHALL HAVE FIRST BEEN GIVEN DISTRIBUTING RIGHTS FOR SUCH PRODUCTS IN DESIGNATED GEOGRAPHICAL AREAS THROUGH THE DISTRIBUTION SYSTEM REQUIRED FOR OUT-OF-STATE MANUFACTURERS UNDER SECTION 431(B) AS WELL AS ALL OTHER PERTINENT SECTIONS OF THIS ACT. THE MANUFACTURER OF THE BEVERAGES MUST COMPLY WITH SECTION 444.

(4) APPLY FOR AND HOLD A HOTEL LIQUOR LICENSE, A RESTAURANT LIQUOR LICENSE OR A MALT AND BREWED BEVERAGES RETAIL LICENSE TO SELL FOR CONSUMPTION AT THE RESTAURANT OR BREWERY PUB ON THE LICENSED BREWERY PREMISES, LIQUOR, WINE AND MALT OR BREWED BEVERAGES REGARDLESS OF THE PLACE OF MANUFACTURE, UNDER THE SAME CONDITIONS AND REGULATIONS AS ANY OTHER HOTEL LIQUOR LICENSE, RESTAURANT LIQUOR LICENSE OR MALT AND BREWED BEVERAGES RETAIL LICENSE, BUT MUST BREW AT LEAST TWO HUNDRED FIFTY BARRELS PER YEAR. EACH HOLDER OF A BREWERY LICENSE WHO RECEIVES A HOTEL LIQUOR LICENSE, A RESTAURANT LIQUOR LICENSE OR A MALT OR BREWED BEVERAGES RETAIL LICENSE TO OPERATE A BREW PUB SHALL NOT SELL DIRECTLY TO ANY PERSON LICENSED BY THIS ACT, EXCEPT IF ANY MALT OR BREWED BEVERAGE IS TO BE DISTRIBUTED IN THIS COMMONWEALTH IT SHALL BE ONLY THROUGH SPECIFIC IMPORTING DISTRIBUTORS WHO SHALL HAVE FIRST BEEN GIVEN DISTRIBUTING RIGHTS FOR SUCH PRODUCTS IN DESIGNATED GEOGRAPHICAL AREAS THROUGH THE DISTRIBUTION SYSTEM.
REQUIRED FOR OUT-OF-STATE MANUFACTURERS UNDER SECTION 431(B) AS WELL AS ALL OTHER PERTINENT SECTIONS OF THIS ACT.

(B) THE HOLDER OF A BREW PUB LICENSE MAY OBTAIN AN OFF-PREMISES CATERING PERMIT SUBJECT TO SECTION 493(33) TO HOLD A CATERED FUNCTION OFF THE LICENSED PREMISES AND ON OTHERWISE UNLICENSED PREMISES WHERE THE LICENSEE MAY SELL WINE PRODUCED BY A LICENSED LIMITED WINERY AND MALT OR BREWED BEVERAGES PRODUCED BY THE BREWERY BY THE GLASS, OPEN BOTTLE OR OTHER CONTAINER TOGETHER WITH FOOD, AND IN ANY MIXTURE, FOR CONSUMPTION ON THOSE PREMISES. FUNCTIONS CONDUCTED UNDER THE AUTHORITY OF THE PERMIT SHALL BE SUBJECT TO THE FOLLOWING:

1. ALCOHOL MAY BE PROVIDED ONLY DURING THE DAYS AND HOURS THAT THE LICENSE HOLDER MAY OTHERWISE SELL ALCOHOL;
2. ALL SERVERS AT THE OFF PREMISES CATERED FUNCTION SHALL BE IN COMPLIANCE WITH THE RESPONSIBLE ALCOHOL MANAGEMENT PROVISIONS UNDER SECTION 471.1;
3. EACH CATERED FUNCTION SHALL LAST NO LONGER THAN ONE DAY AND NOT MORE THAN [FIFTY] FIFTY-TWO CATERED FUNCTIONS MAY BE HELD EACH CALENDAR YEAR BY EACH LICENSE HOLDER FOR USE WITH A PARTICULAR LICENSE;
4. A CATERED FUNCTION SHALL NOT BE HELD AT A LOCATION THAT IS ALREADY SUBJECT TO THE APPLICANT'S OR ANOTHER LICENSEE'S LICENSE;
5. A PERMIT SHALL NOT BE ISSUED TO AN APPLICANT WHOSE LICENSE IS IN SAFEKEEPING;
6. A PERMIT SHALL NOT BE ISSUED TO A LOCATION THAT IS SUBJECT TO A PENDING OBJECTION BY THE DIRECTOR OF THE BUREAU OF LICENSING OR THE BOARD UNDER SECTION 470(A.1);
7. A PERMIT SHALL NOT BE ISSUED TO A LOCATION THAT IS SUBJECT TO A PENDING LICENSE SUSPENSION UNDER SECTION 471.
ONE-YEAR PROHIBITION ON THE ISSUANCE OR TRANSFER OF A LICENSE UNDER SECTION 471(B);

(8) NO ALCOHOL MAY BE TAKEN FROM THE PERMITTED LOCATION BY ANY PATRON, BUT THE APPLICANT MAY TRANSPORT ALCOHOL TO AND FROM ITS LICENSED PREMISES TO THE PROPOSED PREMISES;

(9) WRITTEN NOTICE OF THE CATERED FUNCTION AS ENUMERATED IN PARAGRAPH (10) SHALL BE PROVIDED TO THE LOCAL POLICE AND THE ENFORCEMENT BUREAU AT LEAST SEVEN DAYS IN ADVANCE OF THE EVENT;


(I) THE APPLICANT HAS PREVIOUSLY CONDUCTED FUNCTIONS THAT MEET THE REQUIREMENTS OF THIS ACT;

(II) THE APPLICANT IS A LICENSEE IN GOOD STANDING WITH THE BOARD;

(III) NOTIFICATION WAS RECEIVED AT LEAST [FOURTEEN] SEVEN DAYS PRIOR TO THE CATERED FUNCTION; AND

(IV) THE APPLICANT PAYS A LATE FEE OF ONE HUNDRED DOLLARS ($100);

(11) THE BOARD SHALL, IN ITS DISCRETION, APPROVE OR DISAPPROVE A CATERED FUNCTION IF THE APPLICANT FAILS TO PROVIDE TIMELY NOTICE OF THE CATERED FUNCTION, DOES NOT INTEND TO CONDUCT A FUNCTION THAT MEETS THE REQUIREMENTS OF THIS ACT OR HAS PREVIOUSLY CONDUCTED A FUNCTION THAT DID NOT MEET THE REQUIREMENTS OF THIS ACT;
(12) IF A CATERED FUNCTION IS SCHEDULED TO OCCUR ON PRIVATE PROPERTY, THE OWNER OF THAT PROPERTY IS DEEMED TO HAVE SUBMITTED TO THE JURISDICTION OF THE ENFORCEMENT BUREAU, AND THE WARRANT REQUIRED BY SECTION 211(A)(2) OF THIS ACT SHALL NOT BE NECESSARY FOR THE ENFORCEMENT BUREAU TO ENTER AND SEARCH THE PREMISES DURING THE FUNCTION OR ANY ACTIVITIES RELATED TO THE FUNCTION;

(13) NO CATERED FUNCTION MAY BE HELD FOR MORE THAN FIVE HOURS PER DAY AND MUST END BY MIDNIGHT UNLESS THE CATERED FUNCTION OCCURS ON DECEMBER 31 OF ANY CALENDAR YEAR ON WHICH DATE THE CATERED FUNCTION MUST END BY TWO O’CLOCK ANTEMERIDIAN;

(14) NEITHER THE OWNER OF THE PROPERTY NOR THE APPLICANT MAY SELL TICKETS TO A CATERED FUNCTION UNLESS ONE OF THE FOLLOWING CONDITIONS IS MET:

(I) THE APPLICANT HAS CONTRACTED WITH AN ELIGIBLE ENTITY FOR THE FUNCTION, AND THE FUNCTION IS BEING USED TO RAISE MONEY FOR THE ELIGIBLE ENTITY’S ORGANIZATION;


(III) THE APPLICANT HAS CONTRACTED WITH AN ORGANIZATION THAT HOLDS TAX-EXEMPT STATUS UNDER SECTION 527 OF THE INTERNAL REVENUE CODE OF 1986;

(15) THE CATERED FUNCTION LOCATION SHALL BE SUBJECT TO SECTION 493(34) OF THIS ACT;

(16) CATERED FUNCTIONS MAY NOT BE HELD IN LOCATIONS THAT ARE SUBJECT TO A PENDING, PROTESTED TRANSFER APPLICATION;

(17) A PERMIT MAY NOT BE ISSUED TO A LICENSE HOLDER WHOSE LICENSE IS SUBJECT TO A PENDING OBJECTION BY THE DIRECTOR OF THE
BUREAU OF LICENSING OR THE BOARD UNDER SECTION 470(A.1);

(18) A PERMIT SHALL NOT BE ISSUED TO A LICENSEE FOR USE IN
ANY LOCATION THAT IS MOBILE; AND

(19) A PERMIT SHALL NOT BE ISSUED FOR USE ON ANY LOCATION
USED FOR PARKING AT A SPORTS EVENT OR CONCERT EVENT.

(C) (1) HOLDERS OF A BREWERY LICENSE MAY OBTAIN A SPECIAL
PERMIT TO PARTICIPATE IN MALT OR BREWED BEVERAGES AND FOOD
EXPOSITIONS OFF THE LICENSED PREMISES. A SPECIAL PERMIT SHALL BE
ISSUED UPON PROPER APPLICATION AND PAYMENT OF A FEE OF THIRTY
DOLLARS ($30) PER DAY FOR EACH DAY OF PERMITTED USE, NOT TO
EXCEED THIRTY CONSECUTIVE DAYS. THE TOTAL NUMBER OF DAYS FOR ALL
THE SPECIAL PERMITS MAY NOT EXCEED ONE HUNDRED DAYS IN ANY
CALENDAR YEAR. A SPECIAL PERMIT SHALL ENTITLE THE HOLDER TO
ENGAGE IN THE SALE BY THE GLASS, GROWLER, BOTTLE OR PACKAGE NOT
TO EXCEED ONE HUNDRED NINETY-TWO FLUID OUNCES IN A SINGLE SALE
OF MALT OR BREWED BEVERAGES PRODUCED BY THE PERMITTEE UNDER THE
AUTHORITY OF ITS BREWERY LICENSE. HOLDERS OF SPECIAL PERMITS MAY
PROVIDE TASTING SAMPLES OF MALT OR BREWED BEVERAGES IN
INDIVIDUAL PORTIONS NOT TO EXCEED FOUR FLUID OUNCES. SAMPLES AT
MALT OR BREWED BEVERAGES AND FOOD EXPOSITIONS MAY BE SOLD OR
OFFERED FREE OF CHARGE. EXCEPT AS PROVIDED HEREIN, BREWERIES
UTILIZING SPECIAL PERMITS SHALL BE GOVERNED BY ALL APPLICABLE
PROVISIONS OF THIS ACT AS WELL AS BY ALL APPLICABLE REGULATIONS
OR CONDITIONS ADOPTED BY THE BOARD. FOR PURPOSES OF THIS
PARAGRAPH, "MALT OR BREWED BEVERAGES AND FOOD EXPOSITIONS" ARE
DEFINED AS AFFAIRS HELD INDOORS OR OUTDOORS WITH THE INTENT OF
EDUCATING THOSE IN ATTENDANCE OF THE AVAILABILITY, NATURE AND
QUALITY OF MALT OR BREWED BEVERAGES IN CONJUNCTION WITH SUITABLE
FOOD DISPLAYS, DEMONSTRATIONS AND SALES. MALT OR BREWED
BEVERAGES AND FOOD EXPOSITIONS MAY ALSO INCLUDE ACTIVITIES OTHER
THAN MALT OR BREWED BEVERAGES AND FOOD DISPLAYS, INCLUDING ARTS
AND CRAFTS, MUSICAL ACTIVITIES, CULTURAL EXHIBITS, AGRICULTURAL
EXHIBITS AND FARMERS MARKETS.

(2) THE HOLDER OF A BREWERY LICENSE MAY, AT THE DISCRETION
OF THE BOARD, OBTAIN A FARMERS MARKET PERMIT. THE PERMIT SHALL
ENTITLE THE HOLDER TO PARTICIPATE IN MORE THAN ONE FARMERS
MARKET AT ANY GIVEN TIME AND AN UNLIMITED NUMBER THROUGHOUT THE
YEAR AND SELL MALT OR BREWED BEVERAGES PRODUCED UNDER THE
AUTHORITY OF THE UNDERLYING BREWERY LICENSE BY THE GROWLER,
BOTTLE OR PACKAGE NOT TO EXCEED ONE HUNDRED NINETY-TWO FLUID
OUNCE IN A SINGLE SALE. SAMPLES NOT TO EXCEED FOUR FLUID OUNCE
PER BRAND OF MALT OR BREWED BEVERAGES MAY BE OFFERED FREE OF
CHARGE. A FARMERS MARKET PERMIT SHALL BE ISSUED UPON PROPER
APPLICATION AND PAYMENT OF AN ANNUAL FEE OF TWO HUNDRED FIFTY
DOLLARS ($250). A PERMIT HOLDER MAY PARTICIPATE IN MORE THAN ONE
FARMERS MARKET AT ANY GIVEN TIME. SALES BY PERMIT HOLDERS SHALL
TAKE PLACE DURING THE STANDARD HOURS OF OPERATION OF THE FARMERS
MARKET. WRITTEN NOTICE OF THE DATE, TIMES AND LOCATION THE
PERMIT IS TO BE USED SHALL BE PROVIDED BY THE PERMIT HOLDER TO
THE ENFORCEMENT BUREAU AT LEAST TWO (2) WEEKS PRIOR TO THE
EVENT. EXCEPT AS PROVIDED IN THIS SUBSECTION, BREWERIES
UTILIZING FARMERS MARKET PERMITS SHALL BE GOVERNED BY ALL
APPLICABLE PROVISIONS OF THIS ACT AS WELL AS BY ALL APPLICABLE
REGULATIONS ADOPTED BY THE BOARD.

THE TERM "FARMERS MARKET" AS USED IN THIS SECTION SHALL
INCLUDE ANY BUILDING, STRUCTURE OR OTHER PLACE:

(I) OWNED, LEASED OR OTHERWISE IN THE POSSESSION OF A
PERSON, MUNICIPAL CORPORATION OR PUBLIC OR PRIVATE ORGANIZATION;

(II) USED OR INTENDED TO BE USED BY TWO OR MORE FARMERS OR
AN ASSOCIATION OF FARMERS, WHO ARE CERTIFIED BY THE DEPARTMENT
OF AGRICULTURE TO PARTICIPATE IN THE FARMERS MARKET NUTRITION PROGRAM SUBJECT TO 7 CFR PT. 249 (RELATING TO SENIOR FARMERS' MARKET NUTRITION PROGRAM (SFMNP)), FOR THE PURPOSE OF SELLING AGRICULTURAL COMMODITIES PRODUCED IN THIS COMMONWEALTH DIRECTLY TO CONSUMERS;

(III) WHICH IS PHYSICALLY LOCATED WITHIN THIS COMMONWEALTH;

AND

(IV) WHICH IS NOT OPEN FOR BUSINESS MORE THAN TWELVE HOURS EACH DAY.

(3) THESE PERMITS SHALL ONLY BE AVAILABLE TO A BREWERY THAT QUALIFIES AS A MANUFACTURER AS AUTHORIZED UNDER SECTION 431(A) AND MAY BE USED ANYWHERE IN PENNSYLVANIA REGARDLESS OF WHETHER THE MANUFACTURER HAS NAMED OR CONSTITUTED A DISTRIBUTOR OR IMPORTING DISTRIBUTOR AS A PRIMARY OR ORIGINAL SUPPLIER OF THE PRODUCT UNDER SECTION 431(B). ONLY MALT OR BREWED BEVERAGES FOR WHICH THE BREWERY IS RESPONSIBLE FOR PAYING THE MALT BEVERAGE TAX SHALL BE CONSIDERED IN CALCULATING THE TOTAL NUMBER OF BARRELS PRODUCED EACH YEAR. ALL BRANDS OF MALT OR BREWED BEVERAGES SOLD OR PROVIDED UNDER THE AUTHORITY OF THE SPECIAL PERMIT AS WELL AS THE FARMERS MARKET PERMIT MUST BE REGISTERED AS SET FORTH BY THIS ACT.

THE TERM "GROWLER" AS USED IN THIS SECTION SHALL MEAN A REFILLABLE CONTAINER THAT HOLDS A MINIMUM OF SIXTY-FOUR FLUID OUNCES OF MALT OR BREWED BEVERAGES.

SECTION 15. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

SECTION 446.1. PENNSYLVANIA MALT AND BREWED BEVERAGES INDUSTRY PROMOTION BOARD.--(A) THERE IS ESTABLISHED THE PENNSYLVANIA MALT AND BREWED BEVERAGES INDUSTRY PROMOTION BOARD.

(B) THE PENNSYLVANIA MALT AND BREWED BEVERAGES INDUSTRY PROMOTION BOARD SHALL BE COMPOSED OF THE FOLLOWING MEMBERS:
(1) One member appointed by the Governor.

(2) Four members appointed by the General Assembly as follows:

(I) One individual appointed by the President Pro Tempore of the Senate.

(II) One individual appointed by the Minority Leader of the Senate.

(III) One individual appointed by the Speaker of the House of Representatives.

(IV) One individual appointed by the Minority Leader of the House of Representatives.

(C) Each member must be a resident of this Commonwealth and have substantial experience or expertise in the Pennsylvania Malt and Brewed Beverage Industry.

(D) Each member shall serve at the pleasure of the appointing authority.

(E) The Pennsylvania Malt and Brewed Beverages Industry Promotion Board has the following powers and duties:

(1) Make recommendations to the Board to award grants to entities for the purpose of increasing the production of Pennsylvania-made malt and brewed beverages and enhancing the Pennsylvania Malt and Brewed Beverages Industry through promotion, marketing and research-based programs and projects. Grants shall be awarded through a competitive grant review process. The application for a grant shall include the following information:

(I) Purpose for which the grant will be utilized.

(II) Need for the grant.

(III) Estimated budget.

(IV) Method for measuring outcome.
(V) OTHER CRITERIA REQUIRED BY THE PENNSYLVANIA MALT AND BREWED BEVERAGES INDUSTRY PROMOTION BOARD.

(2) REQUIRE EACH GRANT RECIPIENT TO PROVIDE FULL AND COMPLETE ACCESS TO ALL RECORDS RELATING TO THE PERFORMANCE OF THE GRANT AND TO SUBMIT ACCURATE INFORMATION.

(3) CONDUCT A THOROUGH ANNUAL EVALUATION OF EACH PROGRAM FOR WHICH A GRANT UNDER THIS SECTION IS MADE.

(4) SEEK REPAYMENT OF MONEY UPON A DETERMINATION THAT THE MONEY WAS NOT UTILIZED FOR THE ORIGINAL STATED PURPOSE.

(5) SUBMIT AN ANNUAL REPORT TO THE GENERAL ASSEMBLY DETAILING ALL GRANTS AND OTHER ACTIONS.

(F) THE DEPARTMENT OF AGRICULTURE SHALL PROVIDE ASSISTANCE TO ASSIST THE PENNSYLVANIA MALT AND BREWED BEVERAGES INDUSTRY PROMOTION BOARD IN CARRYING OUT ITS POWERS AND DUTIES.

(G) ANNUALLY, THE BOARD SHALL ALLOCATE THE AMOUNT OF ONE MILLION DOLLARS ($1,000,000) FOR THE PURPOSE OF AWARDING GRANTS UNDER SUBSECTION (E)(1).

SECTION 16. SECTION 461(B.1)(4), (7) AND (8), (B.2) AND (D) OF THE ACT, AMENDED NOVEMBER 29, 2006 (P.L.1421, NO.155) AND JUNE 28, 2011 (P.L.55, NO.11), ARE AMENDED AND SUBSECTION (C) IS AMENDED BY ADDING A CLAUSE TO READ:

SECTION 461. LIMITING NUMBER OF RETAIL LICENSES TO BE ISSUED IN EACH COUNTY.---* * * ---

(B.1) THE BOARD MAY ISSUE RESTAURANT AND EATING PLACE RETAIL DISPENSER LICENSES AND RENEW LICENSES ISSUED UNDER THIS SUBSECTION WITHOUT REGARD TO THE QUOTA RESTRICTIONS SET FORTH IN SUBSECTION (A) FOR THE PURPOSE OF ECONOMIC DEVELOPMENT IN A MUNICIPALITY UNDER THE FOLLOWING CONDITIONS:

* * *

(4) AN APPLICANT UNDER THIS SUBSECTION SHALL BE REQUIRED TO
SELL FOOD AND NONALCOHOLIC BEVERAGES EQUAL TO [SEVENTY PER
CENTUM (70%)] FIFTY PER CENTUM (50%) OR MORE OF ITS COMBINED
GROSS SALES OF FOOD AND ALCOHOLIC BEVERAGES.

* * *

(7) AN APPEAL OF THE BOARD'S DECISION REFUSING TO GRANT OR
RENEW A LICENSE UNDER THIS SUBSECTION SHALL NOT ACT AS A
SUPERSEDEAS OF THE DECISION OF THE BOARD IF THE DECISION IS
BASED, IN WHOLE OR IN PART, ON THE LICENSEE'S FAILURE TO
DEMONSTRATE THAT ITS FOOD AND NONALCOHOLIC BEVERAGES WERE AT
LEAST [SEVENTY PER CENTUM (70%)] FIFTY PER CENTUM (50%) OF ITS
COMBINED GROSS SALES OF FOOD AND ALCOHOLIC BEVERAGES.

(8) A LICENSE ISSUED UNDER THIS SUBSECTION MAY NOT BE
VALIDATED OR RENEWED UNLESS THE LICENSEE CAN ESTABLISH THAT ITS
SALE OF FOOD AND NONALCOHOLIC BEVERAGES DURING THE LICENSE YEAR
IMMEDIATELY PRECEDING APPLICATION FOR VALIDATION OR RENEWAL IS
EQUAL TO [SEVENTY PER CENTUM (70%)] FIFTY PER CENTUM (50%) OR
MORE OF ITS FOOD AND ALCOHOLIC BEVERAGE SALES.

(B.2) QUALIFIED APPLICANTS UNDER SUBSECTION (B.1) SHALL
RECEIVE A PROVISIONAL LICENSE FOR ONE HUNDRED TWENTY DAYS,
EXCLUSIVE OF PERIODS OF SAFEKEEPING. AFTER NINETY DAYS FROM THE
DATE OF ISSUANCE, THE LICENSEE MAY FILE AN APPLICATION FOR A
PERMANENT LICENSE. A LICENSE SHALL BE ISSUED IF THE LICENSEE
ESTABLISHES THAT FOR NINETY CONSECUTIVE DAYS FROM THE DATE OF
INITIAL ISSUE ITS SALES OF FOOD AND NONALCOHOLIC BEVERAGES IS
EQUAL TO AT LEAST [SEVENTY PER CENTUM (70%)] FIFTY PER CENTUM
(50%) OF ITS COMBINED GROSS SALES OF FOOD AND ALCOHOLIC
BEVERAGES. LICENSEES SHALL NOT BE SUBJECT TO CITATION BY THE
ENFORCEMENT BUREAU FOR A VIOLATION OF THE REQUIREMENT THAT FOOD
AND NONALCOHOLIC BEVERAGES EQUAL AT LEAST [SEVENTY PER CENTUM
(70%)] FIFTY PER CENTUM (50%) OF THE COMBINED GROSS SALES OF
20150HB1690PN2653

- 121 -
FOOD AND ALCOHOLIC BEVERAGES DURING THE PROVISIONAL LICENSING PERIOD.

(C) THE WORD "HOTEL" AS USED IN THIS SECTION SHALL MEAN ANY REPUTABLE PLACE OPERATED BY A RESPONSIBLE PERSON OF GOOD REPUTATION WHERE THE PUBLIC MAY, FOR A CONSIDERATION, OBTAIN SLEEPING ACCOMMODATIONS, AND WHICH SHALL HAVE THE FOLLOWING NUMBER OF BEDROOMS AND REQUIREMENTS IN EACH CASE—AT LEAST ONE-HALF OF THE REQUIRED NUMBER OF BEDROOMS SHALL BE REGULARLY AVAILABLE TO TRANSIENT GUESTS SEVEN DAYS WEEKLY, EXCEPT IN RESORT AREAS; AT LEAST ONE-THIRD OF SUCH BEDROOMS SHALL BE EQUIPPED WITH HOT AND COLD WATER, A LAVATORY, COMMODE, BATHTUB OR SHOWER AND A CLOTHES CLOSET; AND AN ADDITIONAL ONE-THIRD OF THE TOTAL OF SUCH REQUIRED ROOMS SHALL BE EQUIPPED WITH LAVATORY AND COMMODE:

* * *


(D) "AIRPORT RESTAURANT," AS USED IN THIS SECTION, SHALL MEAN RESTAURANT FACILITIES AT ANY AIRPORT FOR PUBLIC ACCOMMODATION, WHICH ARE OWNED OR OPERATED DIRECTLY OR THROUGH LESSEES BY THE COMMONWEALTH OF PENNSYLVANIA, BY ANY MUNICIPAL AUTHORITY, COUNTY OR CITY, EITHER SEVERALLY OR JOINTLY, WITH ANY OTHER MUNICIPAL AUTHORITY, COUNTY OR CITY, BUT SHALL NOT INCLUDE ANY SUCH RESTAURANT FACILITIES AT ANY AIRPORT SITUATED IN A MUNICIPALITY WHERE BY VOTE OF THE ELECTORS THE RETAIL SALE OF LIQUOR AND MALT OR BREWED BEVERAGES IS NOT PERMITTED. AN AIRPORT RESTAURANT IS NOT SUBJECT TO THE SEATING REQUIREMENTS NOR TO THE
SQUARE FOOTAGE REQUIREMENTS OF THE DEFINITION OF RESTAURANT IN
SECTION 102. AN AIRPORT RESTAURANT MAY HAVE UNLIMITED EXTENSIONS
OF SERVICE AREAS PROVIDING ALL EXTENDED SERVICE AREAS ARE INSIDE
THE AIRPORT TERMINAL BUILDING OR BUILDINGS, NOTWITHSTANDING ANY
INTERVENING THOROUGHFARES. IN ADDITION TO THE PRIVILEGES GRANTED
UNDER SECTIONS 406 AND 407 RELATIVE TO MALT OR BREWED BEVERAGES,
AIRPORT RESTAURANT LIQUOR LICENSEE MAY ALSO SELL [WINE] LIQUOR
BY THE GLASS, OPEN BOTTLE OR OTHER CONTAINER FOR CONSUMPTION
[OFF THE LICENSED PREMISES AND] WITHIN THE AIRPORT TERMINAL
BUILDING. NOTWITHSTANDING ANY PROVISION TO THE CONTRARY, AN
AIRPORT RESTAURANT LICENSEE THAT HAS ACQUIRED A SUNDAY SALES
PERMIT MAY COMMENCE SALES AT [SEVEN] FIVE O'CLOCK ANTEMERIDIAN.

* * *

SECTION 17. SECTION 461.1(B) OF THE ACT, AMENDED JUNE 18,
1998 (P.L.664, NO.86), IS AMENDED TO READ:

SECTION 461.1. INCORPORATED UNITS OF NATIONAL VETERANS'
ORGANIZATIONS.--* * *

(B) THE TERM "NATIONAL VETERANS' ORGANIZATION" SHALL MEAN
ANY VETERANS' ORGANIZATION HAVING A NATIONAL CHARTER.

THE TERM "INCORPORATED UNIT OF A NATIONAL VETERANS'
ORGANIZATION" SHALL MEAN ANY INCORPORATED POST, BRANCH, CAMP,
DETACHMENT, LODGE OR OTHER SUBORDINATE UNIT OF A NATIONAL
VETERANS' ORGANIZATION HAVING [ONE HUNDRED] FIFTY OR MORE PAID
UP MEMBERS AND ORGANIZED FOR A PERIOD OF AT LEAST ONE YEAR PRIOR
TO FILING THE APPLICATION FOR A LICENSE. THE TERM DOES NOT
INCLUDE AUXILIARIES, "SONS OF" OR OTHER SIMILAR ORGANIZATION.

THE TERM "AFFILIATED ORGANIZATION" SHALL MEAN HOME
ASSOCIATIONS, HOME CORPORATIONS, AUXILIARIES, "SONS OF" OR
SIMILAR ORGANIZATIONS WHICH ARE DIRECTLY AFFILIATED WITH AN
INCORPORATED UNIT OR A NATIONAL VETERANS' ORGANIZATION.
AFFILIATED ORGANIZATION MUST MEET THE DEFINITION OF A CLUB SET FORTH IN SECTION 102, EXCEPT THAT:

(1) IF INCORPORATED, THE AFFILIATED ORGANIZATION NEED NOT HAVE BEEN IN CONTINUOUS EXISTENCE FOR AT LEAST ONE YEAR PRIOR TO ITS APPLICATION; OR

(2) IF UNINCORPORATED, THE AFFILIATED ORGANIZATION NEED NOT HAVE BEEN IN CONTINUOUS EXISTENCE FOR AT LEAST TEN YEARS PRIOR TO ITS APPLICATION.

* * *

SECTION 17.1. SECTION 468(A)(3) OF THE ACT, AMENDED DECEMBER 20, 2000 (P.L.992, NO.141), IS AMENDED TO READ:

SECTION 468. LICENSES NOT ASSIGNABLE; TRANSFERS.--(A) * * *

(3) [NO LICENSE SHALL BE TRANSFERRED TO ANY PLACE OR PROPERTY UPON WHICH IS LOCATED AS A BUSINESS THE SALE OF LIQUID FUELS AND OIL. EXCEPT IN CASES OF EMERGENCY SUCH AS DEATH, SERIOUS ILLNESS, OR CIRCUMSTANCES BEYOND THE CONTROL OF THE LICENSEE, AS THE BOARD MAY DETERMINE SUCH CIRCUMSTANCES TO JUSTIFY ITS ACTION, TRANSFERS OF LICENSES MAY BE MADE ONLY AT TIMES FIXED BY THE BOARD. IN THE CASE OF THE DEATH OF A LICENSEE, THE BOARD MAY TRANSFER THE LICENSE TO THE SURVIVING SPOUSE OR PERSONAL REPRESENTATIVE OR TO A PERSON DESIGNATED BY HIM.] FROM ANY REFUSAL TO GRANT A TRANSFER OR UPON THE GRANT OF ANY TRANSFER, THE PARTY AGGRIEVED SHALL HAVE THE RIGHT OF APPEAL TO THE PROPER COURT IN THE MANNER HEREINBEFORE PROVIDED.

* * *

SECTION 17.2. SECTION 470(A) OF THE ACT, AMENDED DECEMBER 22, 2011 (P.L.530, NO.113), IS AMENDED TO READ:

SECTION 470. RENEWAL OF LICENSES; TEMPORARY PROVISIONS FOR LICENSEEES IN ARMED SERVICE.--(A) ALL APPLICATIONS FOR VALIDATION OR RENEWAL OF LICENSES UNDER THE PROVISIONS OF THIS 20150HB1690PN2653
ARTICLE SHALL BE FILED WITH TAX CLEARANCE FROM THE DEPARTMENT OF REVENUE AND THE DEPARTMENT OF LABOR AND INDUSTRY AND REQUISITE LICENSE AND FILING FEES, AND SHALL INCLUDE AN APPLICATION SURCHARGE OF SEVEN HUNDRED DOLLARS ($700.00), ATM LEAST SIXTY DAYS BEFORE THE EXPIRATION DATE OF SAME: PROVIDED, HOWEVER, THAT THE BOARD, IN ITS DISCRETION, MAY ACCEPT NUNC PRO TUNC A RENEWAL APPLICATION FILED LESS THAN SIXTY DAYS BEFORE THE EXPIRATION DATE OF THE LICENSE WITH THE REQUIRED FEES, UPON REASONABLE CAUSE SHOWN AND THE PAYMENT OF AN ADDITIONAL FILING FEE OF ONE HUNDRED DOLLARS ($100.00) FOR LATE FILING: AND PROVIDED FURTHER, THAT EXCEPT WHERE THE FAILURE TO FILE A RENEWAL APPLICATION ON OR BEFORE THE EXPIRATION DATE HAS CREATED A LICENSE QUOTA VACANCY AFTER SAID EXPIRATION DATE WHICH HAS BEEN FILLED BY THE ISSUANCE OF A NEW LICENSE, AFTER SUCH EXPIRATION DATE, BUT BEFORE THE BOARD HAS RECEIVED A RENEWAL APPLICATION NUNC PRO TUNC WITHIN THE TIME PRESCRIBED HEREIN THE BOARD, IN ITS DISCRETION, MAY, AFTER HEARING, ACCEPT A RENEWAL APPLICATION FILED WITHIN TWO YEARS AFTER THE EXPIRATION DATE OF THE LICENSE WITH THE REQUIRED FEES UPON THE PAYMENT OF AN ADDITIONAL FILING FEE OF TWO HUNDRED FIFTY DOLLARS ($250.00) FOR LATE FILING. WHERE ANY SUCH RENEWAL APPLICATION IS FILED LESS THAN SIXTY DAYS BEFORE THE EXPIRATION DATE, OR SUBSEQUENT TO THE EXPIRATION DATE, NO LICENSE SHALL ISSUE UPON THE FILING OF THE RENEWAL APPLICATION UNTIL THE MATTER IS FINALLY DETERMINED BY THE BOARD AND IF AN APPEAL IS TAKEN FROM THE BOARD'S ACTION THE COURTS SHALL NOT ORDER THE ISSUANCE OF THE RENEWAL LICENSE UNTIL FINAL DETERMINATION OF THE MATTER BY THE COURTS. THE BOARD MAY ENTER INTO AN AGREEMENT WITH THE APPLICANT CONCERNING ADDITIONAL RESTRICTIONS ON THE LICENSE IN QUESTION. IF THE BOARD AND THE APPLICANT ENTER INTO SUCH AN AGREEMENT, SUCH AGREEMENT SHALL BE
BINDING ON THE APPLICANT. FAILURE BY THE APPLICANT TO ADHERE TO
THE AGREEMENT WILL BE SUFFICIENT CAUSE TO FORM THE BASIS FOR A
CITATION UNDER SECTION 471 AND FOR THE NONRENEWAL OF THE LICENSE
UNDER THIS SECTION. A RENEWAL APPLICATION WILL NOT BE CONSIDERED
FILED UNLESS ACCOMPANIED BY THE REQUISITE FILING AND LICENSE
FEES AND ANY ADDITIONAL FILING FEE REQUIRED BY THIS SECTION.
UNLESS THE BOARD SHALL HAVE GIVEN TEN DAYS' PREVIOUS NOTICE TO
THE APPLICANT OF OBJECTIONS TO THE RENEWAL OF HIS LICENSE, BASED
UPON VIOLATION BY THE LICENSEE OR HIS SERVANTS, AGENTS OR
EMPLOYEES OF ANY OF THE LAWS OF THE COMMONWEALTH OR REGULATIONS
OF THE BOARD RELATING TO THE MANUFACTURE, TRANSPORTATION, USE,
STORAGE, IMPORTATION, POSSESSION OR SALE OF LIQUORS, ALCOHOL OR
MALT OR BREWED BEVERAGES, OR THE CONDUCT OF A LICENSED
ESTABLISHMENT, OR UNLESS THE APPLICANT HAS BY HIS OWN ACT BECOME
A PERSON OF ILL REPUTE, OR UNLESS THE PREMISES DO NOT MEET THE
REQUIREMENTS OF THIS ACT OR THE REGULATIONS OF THE BOARD, THE
LICENSE OF A LICENSEE SHALL BE RENEWED. NOTWITHSTANDING ANY
OTHER PROVISION OF THIS ACT, A NOISE VIOLATION SHALL NOT BE THE
SOLE BASIS FOR OBJECTION BY THE BOARD TO THE RENEWAL OF A
LICENSE UNLESS THE LICENSEE HAS RECEIVED SIX PRIOR ADJUDICATED
NOISE CITATIONS WITHIN A TWENTY-FOUR-MONTH PERIOD.
* * *
SECTION 17.3. THE ACT IS AMENDED BY ADDING A SECTION TO
READ:
SECTION 470.3. LICENSE AUCTION.--(A) A RESTAURANT LIQUOR
LICENSE SHALL BECOME AVAILABLE FOR AUCTION BY THE BOARD UNDER
THE FOLLOWING CONDITIONS:
(1) THE LICENSE HAS NOT BEEN RENEWED UNDER SECTION 470;
(2) THE LICENSE HAS BEEN REVOKED UNDER SECTION 471; OR
(3) THE LICENSEE HAS FAILED TO MEET THE REQUIREMENTS UNDER
(A.1) (1) SUBSECTION (A) SHALL APPLY TO ALL RESTAURANT LIQUOR LICENSES THAT BECAME AVAILABLE AFTER DECEMBER 31, 1999.

(2) ANY LICENSES NOT SOLD SHALL BE AVAILABLE FOR SALE AT FUTURE AUCTIONS, PROVIDED, HOWEVER, THAT NO MORE THAN FIFTY (50) LICENSES SHALL BE AUCTIONED IN ANY COUNTY PER YEAR.

(B) A LICENSE BECOMES AVAILABLE FOR AUCTION BY THE BOARD THE DAY AFTER THE DEADLINE HAS PASSED FOR APPEALING A DECISION REVOKING OR NOT RENEWING THE LICENSE OR THE DAY AFTER THE TWO-YEAR WINDOW TO FILE A RENEWAL APPLICATION NUNC PRO TUNC UNDER SECTION 470 HAS PASSED.

(C) THE AUCTION SHALL OCCUR NO LATER THAN JUNE 1 OF THE CALENDAR YEAR AFTER THE LICENSE BECOMES AVAILABLE FOR AUCTION AND ON A DATE TO BE DETERMINED BY THE BOARD.

(D) BY MARCH 1 OF EACH YEAR, THE BOARD SHALL POST ON ITS PUBLICLY ACCESSIBLE INTERNET WEBSITE A LISTING OF ALL THE LICENSES THAT ARE TO BE AVAILABLE FOR AUCTION IN JUNE OF THAT YEAR. THE LIST SHALL ALSO BE AVAILABLE UPON REQUEST.

(E) THE BOARD SHALL ACCEPT APPLICATIONS FROM PERSONS INTERESTED IN BIDDING AT THE AUCTION BEGINNING MARCH 1. THE APPLICATION SHALL BE IN WRITING AND SHALL CONTAIN INFORMATION AS THE BOARD SHALL FROM TIME TO TIME PRESCRIBE. THE BOARD SHALL ACCEPT APPLICATIONS UNTIL MAY 15 AND MAY, IN ITS DISCRETION, ACCEPT APPLICATIONS AFTER THAT DATE.

(F) A PERSON WHO WOULD BE PRECLUDED FROM ACQUIRING A LICENSE UNDER SECTIONS 411 OR 443 OR WHO, IN THE BOARD'S OPINION IS NOT OF GOOD REPUTE, MAY NOT APPLY FOR A LICENSE UNDER THIS SECTION AND THE BOARD SHALL REFUSE ANY APPLICATIONS SUBMITTED BY THE PERSON.

(G) THE AUCTION SHALL BE CONDUCTED IN THE MANNER SET FORTH
BY THE BOARD AND AT THE DATE AND TIME APPOINTED BY THE BOARD.

AFTER THE AUCTION, THE BOARD SHALL PROVISIONALLY AWARD TO THE
PERSON MAKING THE HIGHEST BID FOR THE LICENSE, THE RIGHT TO FILE
AN APPLICATION FOR THE LICENSE. THE BOARD SHALL NOT ACCEPT A BID
LOWER THAN TWENTY-FIVE THOUSAND DOLLARS ($25,000).

(H) THE WINNING BIDDER SHALL PAY TO THE BOARD THE BID AMOUNT
WITHIN TWO WEEKS. PAYMENT SHALL BE BY CASHIER'S CHECK, CERTIFIED
CHECK OR ANY OTHER METHOD ACCEPTABLE TO THE BOARD. IF THE
WINNING BIDDER DOES NOT PAY THE BID AMOUNT WITHIN TWO WEEKS, THE
SECOND HIGHEST BIDDER SHALL BE AWARDED THE RIGHT TO FILE AN
APPLICATION FOR THE LICENSE, SO LONG AS THE BID AMOUNT IS IN
ACCORDANCE WITH SUBSECTION (G). THE BOARD SHALL HOLD THE BID
AMOUNT IN ESCROW UNTIL THE LICENSE IS APPROVED.

(I) WITHIN SIX MONTHS OF BEING AWARDED THE LICENSE, THE
BIDDER OR ITS ASSIGNEE SHALL FILE AN APPLICATION TO TRANSFER THE
LICENSE. THE APPLICATION SHALL BE PROCESSED IN THE SAME MANNER
AS ANY OTHER TRANSFER APPLICATION AND SHALL BE SUBJECT TO THE
SAME RESTRICTIONS AS ANY OTHER TRANSFER APPLICATION, INCLUDING
ANY CONDITIONAL LICENSING AGREEMENTS AND COUNTY QUOTA
RESTRICTIONS UNDER SECTION 461. THE BOARD SHALL ONLY APPROVE THE
TRANSFER OF A LICENSE UNDER THIS SECTION TO A MUNICIPALITY,
OTHER THAN THE MUNICIPALITY IT LAST OPERATED IN, UPON APPROVAL
BY THE GOVERNING BODY OF THE MUNICIPALITY.

(J) ONCE A LICENSE HAS BECOME AVAILABLE AS SET FORTH IN THIS
SECTION, IT MAY NO LONGER BE SUBJECT TO ANY UNPAID FINES,
UNSERVED SUSPENSIONS, LIENS OR JUDGMENTS ACCRUED BY THE PREVIOUS
LICENSE HOLDER. A WINNING BIDDER UNDER THIS SECTION SHALL NOT BE
REQUIRED TO SUPPLY ANY INFORMATION ABOUT OR SECURE ANY
INFORMATION FROM THE PREVIOUS LICENSE HOLDER DURING THE
APPLICATION PROCESS.
A LICENSE ACQUIRED UNDER THIS SECTION MAY SUBSEQUENTLY BE TRANSFERRED SUBJECT TO ANY RESTRICTIONS THAT WOULD OTHERWISE BE APPLICABLE TO THE TRANSFER OF THE LICENSE.

SECTION 17.4. SECTION 471.1 OF THE ACT IS AMENDED BY ADDING A SUBSECTION TO READ:

SECTION 471.1. RESPONSIBLE ALCOHOL MANAGEMENT.--* * *

(H) UNLESS SUCCESSFULLY COMPLETED PRIOR TO BEING HIRED, ALL ALCOHOL SERVICE PERSONNEL SHALL BE REQUIRED TO COMPLETE THE TRAINING FOR ALCOHOL SERVICE PERSONNEL UNDER SUBSECTION (B) WITHIN SIX MONTHS OF BEING HIRED BY A LICENSED ESTABLISHMENT.

SECTION 18. SECTION 472(A) OF THE ACT, AMENDED FEBRUARY 21, 2002 (P.L.103, NO.10), IS AMENDED TO READ:

SECTION 472. LOCAL OPTION.--(A) IN ANY MUNICIPALITY OR ANY PART OF A MUNICIPALITY WHERE SUCH MUNICIPALITY IS SPLIT SO THAT EACH PART THEREOF IS SEPARATED BY ANOTHER MUNICIPALITY, AN ELECTION MAY BE HELD, SUBJECT TO SUBSECTION (C), [ON THE DATE OF THE PRIMARY ELECTION IMMEDIATELY PRECEDING ANY MUNICIPAL ELECTION, BUT] NOT OFTENER THAN ONCE IN FOUR YEARS, TO DETERMINE THE WILL OF THE ELECTORS WITH RESPECT TO THE GRANTING OF LIQUOR LICENSES TO HOTELS, RESTAURANTS, RESORT FACILITIES AND CLUBS, NOT OFTENER THAN ONCE IN FOUR YEARS, TO DETERMINE THE WILL OF THE ELECTORS WITH RESPECT TO THE GRANTING OF LICENSES TO PUBLIC VENUES, TO PERFORMING ARTS FACILITIES, TO CONTINUING CARE RETIREMENT COMMUNITIES, TO HOTELS LOCATED ON PROPERTY OWNED BY AN ACCREDITED COLLEGE OR UNIVERSITY, TO PRIVATELY-OWNED PRIVATE GOLF COURSES OR TO PRIVATELY-OWNED PUBLIC GOLF COURSES, NOT OFTENER THAN ONCE IN FOUR YEARS, TO DETERMINE THE WILL OF THE ELECTORS WITH RESPECT TO THE GRANTING OF LICENSES TO RETAIL DISPENSERS OF MALT AND BREWED BEVERAGES, NOT OFTENER THAN ONCE IN FOUR YEARS, TO DETERMINE THE WILL OF THE ELECTORS WITH
RESPECT TO GRANTING OF LICENSES TO WHOLESALE DISTRIBUTORS AND
IMPORTING DISTRIBUTORS, 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
of tenor 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, or not more than
once in two years, to determine the will of the electors with
respect to the granting of liquor licenses to ski resort
facilities, 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] ANY 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, IN SO FAR 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.................................................................? NO
WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF LIQUOR
LICENSES TO RESORT FACILITIES 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 RESORT
FACILITIES FOR THE SALE OF LIQUOR IN THE.............. YES
OF.................................................................? NO
WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF LIQUOR
LICENSES TO SKI RESORTS 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 SKI
RESORT FACILITIES FOR THE SALE OF LIQUOR IN THE YES
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 NO

WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF LIQUOR LICENSES FOR HOTELS LOCATED ON PROPERTY OWNED BY AN ACCREDITED COLLEGE OR UNIVERSITY IN THOSE MUNICIPALITIES THAT DO NOT ALREADY ALLOW THE GRANTING OF LIQUOR LICENSES, IT SHALL BE IN THE FOLLOWING FORM:

DO YOU FAVOR THE GRANTING OF LIQUOR LICENSES TO HOTELS ON PROPERTY OWNED BY AN ACCREDITED COLLEGE OR UNIVERSITY IN NO

WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF LIQUOR LICENSES, FOR PRIVATELY-OWNED PRIVATE GOLF COURSES, IT SHALL BE IN THE FOLLOWING FORM:
DO YOU FAVOR THE GRANTING OF LIQUOR LICENSES FOR
PRIVATELY-OWNED PRIVATE GOLF COURSES FOR THE SALE OF
LIQUOR IN............................................ BY...............................? YES
OF.........................................................? NO
WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF LIQUOR
LICENSES, FOR PRIVATELY-OWNED PUBLIC GOLF COURSES, IT SHALL BE
IN THE FOLLOWING FORM:

DO YOU FAVOR THE GRANTING OF LIQUOR LICENSES FOR
PRIVATELY-OWNED PUBLIC GOLF COURSES FOR THE SALE OF
LIQUOR IN............................................ BY...............................? YES
OF.........................................................? NO
WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF LIQUOR
LICENSES TO CONTINUING CARE RETIREMENT COMMUNITIES IN THOSE
MUNICIPALITIES THAT HAVE NOT ALREADY APPROVED THE GRANTING OF
LIQUOR LICENSES, IT SHALL BE IN THE FOLLOWING FORM:

DO YOU FAVOR THE GRANTING OF LIQUOR LICENSES FOR
CONTINUING CARE RETIREMENT COMMUNITIES
IN............................................... BY...............................? YES
OF.........................................................? NO
WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF LICENSES
TO RETAIL DISPENSERS OF MALT AND BREWED BEVERAGES, IT SHALL BE
IN THE FOLLOWING FORM:

DO YOU FAVOR THE GRANTING OF MALT AND BREWED BEVERAGE
RETAIL DISPENSER LICENSES FOR CONSUMPTION ON PREMISES
WHERE SOLD IN THE.................................? YES
OF.........................................................? NO
WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF LICENSES
TO WHOLESALE DISTRIBUTORS OF MALT OR BREWED BEVERAGES AND
IMPORTING DISTRIBUTORS, IT SHALL BE IN THE FOLLOWING FORM:

DO YOU FAVOR THE GRANTING OF MALT AND BREWED BEVERAGE
20150HB1690PN2653 - 133 -
WHOLESALE DISTRIBUTOR'S AND IMPORTING DISTRIBUTOR'S
LICENSES NOT FOR CONSUMPTION ON PREMISES WHERE SOLD IN
THE................................................................. YES
OF.................................................................? NO
WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF CLUB
LIQUOR LICENSES TO INCORPORATED UNITS OF NATIONAL VETERANS'
ORGANIZATIONS, IT SHALL BE IN THE FOLLOWING FORM:
DO YOU FAVOR THE GRANTING OF CLUB LIQUOR LICENSES TO
INCORPORATED UNITS OF NATIONAL VETERANS' ORGANIZATIONS
IN THE................................................................. YES
OF.................................................................? NO
WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF CLUB
RETAIL DISPENSER LICENSES TO INCORPORATED UNITS OF NATIONAL
VETERANS' ORGANIZATIONS, IT SHALL BE IN THE FOLLOWING FORM:
DO YOU FAVOR THE GRANTING OF CLUB RETAIL DISPENSER
LICENSES TO INCORPORATED UNITS OF NATIONAL VETERANS'
ORGANIZATIONS IN THE......................................... YES
OF.................................................................? NO
WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF SPECIAL
OCCASION PERMITS ALLOWING THE SALE OF LIQUOR BY QUALIFIED
ORGANIZATIONS IN MUNICIPALITIES THAT DO NOT ALREADY ALLOW THE
RETAIL SALE OF LIQUOR, IT SHALL BE IN THE FOLLOWING FORM:
DO YOU FAVOR THE GRANTING OF SPECIAL OCCASION PERMITS
TO ALLOW THE SALE OF LIQUOR BY QUALIFIED ORGANIZATIONS
IN
THE................................................................. YES
OF.................................................................? NO
WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF SPECIAL
OCCASION PERMITS ALLOWING THE SALE OF MALT OR BREWED BEVERAGES
ONLY BY QUALIFIED ORGANIZATIONS IN MUNICIPALITIES THAT DO NOT
ALREADY ALLOW THE RETAIL SALE OF MALT OR BREWED BEVERAGES, IT
SHALL BE IN THE FOLLOWING FORM:

DO YOU FAVOR THE GRANTING OF SPECIAL OCCASION PERMITS
TO ALLOW THE SALE OF MALT OR BREWED BEVERAGES ONLY BY
QUALIFIED ORGANIZATIONS IN THE..........................  YES
OF.................................................................?  NO

WHEN THE QUESTION IS IN RESPECT TO THE ESTABLISHMENT,
OPERATION AND MAINTENANCE OF PENNSYLVANIA LIQUOR STORES IT SHALL
BE IN THE FOLLOWING FORM:

DO YOU FAVOR THE ESTABLISHMENT, OPERATION AND
MAINTENANCE OF PENNSYLVANIA LIQUOR STORES IN
THE..........................  YES
OF.................................................................?  NO

IN CASE OF A TIE VOTE, THE STATUS QUO SHALL OBTAIN. IF A
MAJORITY OF THE VOTING ELECTORS ON ANY SUCH QUESTION VOTE "YES,"
THEN LIQUOR LICENSES SHALL BE GRANTED BY THE BOARD TO HOTELS,
RESTAURANTS, SKI RESORTS, RESORT FACILITIES AND CLUBS, OR LIQUOR
LICENSES SHALL BE GRANTED BY THE BOARD TO PUBLIC VENUES, TO
PERFORMING ARTS FACILITIES, TO CONTINUING CARE RETIREMENT
COMMUNITIES, TO HOTELS LOCATED ON PROPERTY OWNED BY AN
ACCREDITED COLLEGE OR UNIVERSITY, TO PRIVATELY-OWNED PRIVATE
GOLF COURSES OR TO PRIVATELY-OWNED PUBLIC GOLF COURSES, OR MALT
AND BREWED BEVERAGE RETAIL DISPENSER LICENSES OR WHOLESALE
DISTRIBUTOR'S AND IMPORTING DISTRIBUTOR'S LICENSE FOR THE SALE
OF MALT OR BREWED BEVERAGES SHALL BE GRANTED BY THE BOARD, OR
CLUB LIQUOR LICENSES OR CLUB RETAIL DISPENSER LICENSES SHALL BE
GRANTED BY THE BOARD TO INCORPORATED UNITS OF NATIONAL VETERANS'
ORGANIZATIONS, OR SPECIAL OCCASION PERMITS MAY BE ISSUED TO
QUALIFIED ORGANIZATIONS, OR THE BOARD MAY ESTABLISH, OPERATE AND
MAINTAIN PENNSYLVANIA LIQUOR STORES, AS THE CASE MAY BE, IN SUCH
20150HB1690PN2653 - 135 -
MUNICIPALITY OR PART OF A SPLIT MUNICIPALITY, AS PROVIDED BY THIS ACT; BUT IF A MAJORITY OF THE ELECTORS VOTING ON ANY SUCH QUESTION VOTE "NO," THEN THE BOARD SHALL HAVE NO POWER TO GRANT OR TO RENEW UPON THEIR EXPIRATION ANY LICENSES OF THE CLASS SO VOTED UPON IN SUCH MUNICIPALITY OR PART OF A SPLIT MUNICIPALITY; OR IF THE NEGATIVE VOTE IS ON THE QUESTION IN RESPECT TO THE ESTABLISHMENT, OPERATION AND MAINTENANCE OF PENNSYLVANIA LIQUOR STORES, THE BOARD SHALL NOT OPEN AND OPERATE A PENNSYLVANIA LIQUOR STORE IN SUCH MUNICIPALITY OR PART OF A SPLIT MUNICIPALITY, NOR CONTINUE TO OPERATE A THEN EXISTING 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.

SECTION 19. SECTION 473 OF THE ACT IS AMENDED TO READ:

SECTION 473. PUBLIC RECORD.—(A) ANY PERSON HAVING A PECUNIARY INTEREST IN THE CONDUCT OF BUSINESS ON LICENSED PREMISES WHETHER THAT INTEREST IS DIRECT OR INDIRECT, LEGAL OR EQUITABLE, INDIVIDUAL, CORPORATE, OR MUTUAL, INCLUDING ANY MANAGEMENT COMPANY, SHALL FILE HIS NAME AND ADDRESS WITH THE BOARD ON FORMS PROVIDED BY THE BOARD. IN THE CASE OF CORPORATE OWNERSHIP, THE SECRETARY OF THE CORPORATION SHALL FILE WITH THE BOARD THE NAMES AND ADDRESSES OF ALL PERSONS HAVING SUCH A CORPORATE PECUNIARY INTEREST.

(B) THE NAMES AND ADDRESSES REQUIRED BY THIS SECTION SHALL BE RECORDED BY THE BOARD AND MADE AVAILABLE TO THE PUBLIC AS A PUBLIC RECORD.

SECTION 20. SECTION 474.1(B), (C) AND (G) OF THE ACT,
AMENDED NOVEMBER 29, 2006 (P.L.1421, NO.155), ARE AMENDED TO READ:

SECTION 474.1. SURRENDER OF RESTAURANT, EATING PLACE RETAIL DISPENSER, HOTEL, IMPORTING DISTRIBUTOR AND DISTRIBUTOR LICENSE FOR BENEFIT OF LICENSEE.—* * *

(B) THE BOARD MAY HOLD THE LICENSE IN SAFEKEEPING FOR A PERIOD NOT TO EXCEED [THREE] TWO CONSECUTIVE YEARS. ANY LICENSE REMAINING IN SAFEKEEPING FOR MORE THAN [THREE] TWO CONSECUTIVE YEARS SHALL BE IMMEDIATELY REVOKED BY THE BUREAU OF LICENSING UNLESS A TRANSFER APPLICATION OR REQUEST FOR REISSUE FROM SAFEKEEPING HAS BEEN FILED PRIOR TO THE EXPIRATION OF THE [THREE-YEAR] TWO-YEAR PERIOD OR UNLESS THE BOARD HAS APPROVED A REQUEST TO EXTEND THE SAFEKEEPING FOR AN ADDITIONAL YEAR AS SET FORTH IN SUBSECTION (G). IN ADDITION, THE BOARD SHALL EXTEND THE PERIOD FOR AN ADDITIONAL YEAR IF, AT THE END OF THE [THREE-YEAR] TWO-YEAR PERIOD, THE LICENSED PREMISES ARE UNAVAILABLE DUE TO FIRE, FLOOD OR OTHER SIMILAR NATURAL DISASTER; NO FURTHER EXTENSION BEYOND ONE ADDITIONAL YEAR SHALL BE GRANTED BY THE BOARD REGARDLESS OF WHETHER THE LICENSED PREMISES ARE UNAVAILABLE DUE TO FIRE, FLOOD OR OTHER SIMILAR NATURAL DISASTER UNLESS AN APPLICATION IS MADE AS SET FORTH IN SUBSECTION (G).

(C) IN THE EVENT A TRANSFER APPLICATION FILED PRIOR TO THE EXPIRATION OF THE [THREE-YEAR] TWO-YEAR PERIOD IS DISAPPROVED BY THE BOARD, THEN THE LICENSE MAY REMAIN IN SAFEKEEPING SO LONG AS THE LICENSEE HAS SUBMITTED AND THE BOARD HAS APPROVED A REQUEST TO EXTEND THE SAFEKEEPING FOR AN ADDITIONAL YEAR AS SET FORTH IN SUBSECTION (G). SUCH REQUEST MUST BE SUBMITTED WITHIN THIRTY DAYS OF THE BOARD'S DECISION NOTWITHSTANDING ANY APPEAL FILED IN THE MATTER; HOWEVER, THE FEE SET FORTH IN SUBSECTION (G) SHALL BE REFUNDED IF THE BOARD'S DECISION IS OVERTURNED.
A LICENSEE WHOSE LICENSE IS SUBJECT TO THIS SECTION MAY, UPON WRITTEN REQUEST, APPLY TO THE BOARD TO ALLOW THE LICENSE TO REMAIN IN SAFEKEEPING FOR AN ADDITIONAL ONE YEAR. THE WRITTEN REQUEST MUST BE ACCOMPANIED BY A [FIVE THOUSAND DOLLAR ($5,000)] TEN THOUSAND DOLLAR ($10,000) FEE FOR LICENSES PLACED IN SAFEKEEPING FROM COUNTIES OF THE FIRST CLASS, SECOND CLASS, SECOND CLASS A, THIRD CLASS AND FOURTH CLASS AND A FEE OF [TWO THOUSAND FIVE HUNDRED DOLLARS ($2,500)] FIVE THOUSAND DOLLARS ($5,000) FOR LICENSES PLACED IN SAFEKEEPING FROM COUNTIES OF THE FIFTH THROUGH EIGHTH CLASSES. FOR EACH SUBSEQUENT YEAR IN SAFEKEEPING, THE FEES SET FORTH IN THIS PARAGRAPH SHALL BE DOUBLED OVER THE AMOUNT CHARGED FOR THE PREVIOUS YEAR'S FEE. NO FEE SHALL BE REQUIRED IF THE LICENSEE CAN PROVE THAT HE OR SHE IS UNABLE TO USE THE LICENSE THROUGH NO FAULT OF HIS OR HER OWN, INCLUDING A FIRE, FLOOD OR OTHER EVENT, WHICH INCLUDES THE INABILITY TO OBTAIN AN OCCUPANCY PERMIT FOR THE LICENSED PREMISES FROM A MUNICIPALITY, THAT RENDERS THE LICENSED PREMISES UNUSABLE. FACTORS SUCH AS ANOTHER BUSINESS OPERATING AT THE LICENSED PREMISES, THE LICENSED BUSINESS BEING NO LONGER VIABLE OR OTHER SIMILAR CIRCUMSTANCES SHALL NOT JUSTIFY A FEE WAIVER. THE BOARD SHALL APPROVE THE REQUEST UNLESS THE LICENSE OR LICENSEE NO LONGER MEETS THE REQUIREMENTS OF THIS ACT OR THE BOARD'S REGULATIONS. THE FEE COLLECTED SHALL BE PAID INTO THE STATE TREASURY THROUGH THE DEPARTMENT OF REVENUE INTO THE STATE STORE FUND.

A LICENSEE WHOSE LICENSE REMAINS IN SAFEKEEPING AFTER THE EXPIRATION OF AN APPROVED ADDITIONAL ONE-YEAR PERIOD MAY SUBMIT A WRITTEN REQUEST FOR ADDITIONAL ONE-YEAR PERIODS; HOWEVER, EACH SUCH REQUEST MUST BE ACCOMPANIED BY A FIVE
THOUSAND DOLLAR ($5,000) FEE FOR LICENSES PLACED IN SAFEKEEPING
FROM COUNTIES OF THE FIRST CLASS, SECOND CLASS, SECOND CLASS A,
THIRD CLASS AND FOURTH CLASS AND A FEE OF TWO THOUSAND FIVE
HUNDRED DOLLARS ($2,500) FOR LICENSES PLACED IN SAFEKEEPING FROM
COUNTIES OF THE FIFTH THROUGH EIGHTH CLASSES.] (RESERVED).

SECTION 21. SECTION 488 OF THE ACT, ADDED FEBRUARY 21, 2002
(P.L.103, NO.10), IS AMENDED TO READ:

SECTION 488. SHIPMENT OF WINE [INTO COMMONWEALTH].--(A) THE
SHIPMENT OF WINE [FROM OUT-OF-STATE] TO RESIDENTS OF THIS
COMMONWEALTH [IS PROHIBITED, EXCEPT AS OTHERWISE PROVIDED FOR
IN] SHALL BE GOVERNED BY THIS SECTION.

(B) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT OR LAW
[TO THE CONTRARY], A PERSON LICENSED BY THE BOARD OR ANOTHER
STATE OR COUNTRY AS A PRODUCER[, SUPPLIER, IMPORTER, WHOLESALER,
DISTRIBUTOR OR RETAILER] OF WINE AND WHO OBTAINS A DIRECT WINE
SHIPPER LICENSE AS PROVIDED FOR IN THIS SECTION MAY SHIP [UP TO
NINE LITERS PER MONTH OF] UP TO THIRTY-SIX CASES OF UP TO NINE,
LITERS PER CASE IN A CALENDAR YEAR OF ANY WINE [NOT INCLUDED ON
THE LIST PROVIDED FOR IN SUBSECTION (C)] ON THE [INTERNET] ORDER
OF ANY RESIDENT OF THIS COMMONWEALTH WHO IS AT LEAST TWENTY-ONE
(21) YEARS OF AGE FOR SUCH RESIDENT'S PERSONAL USE AND NOT FOR
RESALE.

(C) EACH MONTH, THE BOARD SHALL PUBLISH ON THE INTERNET A
LIST OF ALL CLASSES, VARIETIES AND BRANDS OF WINE AVAILABLE FOR
SALE IN THE PENNSYLVANIA LIQUOR STORES. [A PERSON HOLDING A
DIRECT SHIPPER LICENSE MAY SHIP ONLY THOSE CLASSES, VARIETIES
AND BRANDS OF WINE NOT INCLUDED ON THE LIST AT THE TIME AN
INTERNET ORDER IS PLACED.]

(C.1) PRIOR TO ISSUING A DIRECT WINE SHIPPER LICENSE, THE
BOARD SHALL REQUIRE AN APPLICANT TO:
(1) FILE AN APPLICATION WITH THE BOARD.

(2) PAY A REGISTRATION FEE OF TWO HUNDRED FIFTY DOLLARS ($250).

(3) PROVIDE TO THE BOARD A TRUE COPY OF THE APPLICANT'S CURRENT ALCOHOLIC BEVERAGE LICENSE ISSUED BY THE BOARD OR ANOTHER STATE OR COUNTRY.

(4) PROVIDE DOCUMENTATION WHICH EVIDENCES THAT THE APPLICANT HAS OBTAINED A SALES TAX LICENSE FROM THE DEPARTMENT OF REVENUE.

(5) PROVIDE THE BOARD WITH ANY OTHER INFORMATION THAT THE BOARD DEEMS NECESSARY AND APPROPRIATE.

(D) [AN OUT-OF-STATE] A DIRECT WINE SHIPPER SHALL DO ALL OF THE FOLLOWING:

[(1) NOT SHIP MORE THAN NINE LITERS PER MONTH ON THE INTERNET ORDER OF ANY PERSON IN THIS COMMONWEALTH.]

(2) REPORT TO THE BOARD EACH YEAR THE TOTAL OF WINE SHIPPED INTO RESIDENTS OF THIS COMMONWEALTH IN THE PRECEDING CALENDAR YEAR.

(3) PERMIT THE BOARD, THE ENFORCEMENT BUREAU OR THE SECRETARY OF REVENUE, OR THEIR DESIGNATED REPRESENTATIVES, TO PERFORM AN AUDIT OF THE [OUT-OF-STATE] DIRECT WINE SHIPPER'S RECORDS UPON REQUEST.

(4) BE DEEMED TO HAVE SUBMITTED TO THE JURISDICTION OF THE BOARD, ANY OTHER STATE AGENCY AND THE COURTS OF THIS COMMONWEALTH FOR PURPOSES OF ENFORCEMENT OF THIS SECTION AND ANY RELATED LAWS, RULES OR REGULATIONS.

(5) REQUIRE PROOF OF AGE OF THE RECIPIENT, IN A MANNER OR FORMAT APPROVED BY THE BOARD, BEFORE WINE IS SHIPPED TO A RESIDENT OF THIS COMMONWEALTH.

(6) ENSURE THAT ALL BOXES OR EXTERIOR CONTAINERS OF WINE SHIPPED DIRECTLY TO A RESIDENT OF THIS COMMONWEALTH ARE...
CONSPICUOUSLY LABELED WITH THE WORDS "CONTAINS ALCOHOL:"
SIGNATURE OF PERSON 21 YEARS OF AGE OR OLDER REQUIRED FOR
DELIVERY."

(7) PAY TO THE DEPARTMENT OF REVENUE ALL TAXES DUE ON SALES
TO RESIDENTS OF THIS COMMONWEALTH. THE AMOUNT OF THE TAXES SHALL
BE CALCULATED AS IF THE SALES WERE IN THIS COMMONWEALTH AT THE
LOCATIONS WHERE DELIVERY WAS MADE. THE WINE DELIVERED UNDER
THIS SUBSECTION SHALL BE SUBJECT TO ONLY THE FOLLOWING:

(I) THE SALES AND USE TAX IMPOSED BY SECTION 202 AND ARTICLE
II-B OF THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE
"TAX REFORM CODE OF 1971."

(II) THE SALES AND USE TAX IMPOSED BY ARTICLE XXXI-B OF THE
ACT OF JULY 28, 1953 (P.L.723, NO.230), KNOWN AS THE "SECOND
CLASS COUNTY CODE."

(III) THE SALES AND USE TAX IMPOSED BY THE ACT OF JUNE 5,
1991 (P.L.9, NO.6), KNOWN AS THE "PENNSYLVANIA INTERGOVERNMENTAL
COORDINATION AUTHORITY ACT FOR CITIES OF THE FIRST CLASS."

(IV) THE WINE EXCISE TAX IMPOSED UNDER SUBSECTION (J).

(8) ANNUALLY RENEW ITS LICENSE BY PAYING A RENEWAL FEE OF
TWO HUNDRED FIFTY DOLLARS ($250).

[(E) A DIRECT SHIPPER MAY SHIP WINE ON THE INTERNET ORDER OF A RESIDENT INTO THIS COMMONWEALTH PROVIDED THAT THE WINE IS
SHIPPED TO A PENNSYLVANIA LIQUOR STORE SELECTED BY THE RESIDENT. THE WINE WILL BE SUBJECT TO TAXES IN THE SAME MANNER AS WINE
SOLD DIRECTLY BY THE BOARD. THE WINE WILL NOT BE RELEASED BY THE
STATE STORE UNTIL ALL MONEYS DUE, INCLUDING ALL TAXES AND FEES,
HAVE BEEN PAID BY THE RESIDENT.]

(F) [A PERSON SHALL SIGN AN AFFIDAVIT PROVIDED BY THE
PENNSYLVANIA LIQUOR STORE WHERE THE WINE WAS DELIVERED TO
STATING THAT THE WINE WILL ONLY BE USED FOR THE PERSON'S

PERSONAL USE. ANY PERSON WHO RESELLS WINE OBTAINED UNDER THIS
SECTION COMMITS A MISDEMEANOR OF THE SECOND DEGREE. A PERSON
CONVICTED OF SELLING OR OFFERING TO SELL ANY WINE IN VIOLATION
OF THIS SECTION SHALL, IN ADDITION TO ANY OTHER PENALTY
PRESCRIBED BY LAW, BE SENTENCED TO PAY A FINE OF FOUR DOLLARS
($4) PER FLUID OUNCE FOR EACH CONTAINER OF WINE FOUND ON THE
PREMISES WHERE THE SALE WAS MADE OR ATTEMPTED. THE AMOUNT OF
FINE PER CONTAINER SHALL BE BASED ON THE CAPACITY OF THE
CONTAINER WHEN FULL, WHETHER OR NOT IT IS FULL AT THE TIME OF
SALE OR ATTEMPTED SALE. ALL WINE FOUND ON THE PREMISES SHALL BE
CONFISCATED. THE PROHIBITION ON RESELLING WINE SHALL NOT APPLY
TO ANY ENTITY WHO IS LICENSED TO RESELL WINE AND WHO ACQUIRES
THE WINE FROM A LIMITED WINERY LICENSED UNDER SECTION 505.2.
(G) THE BOARD MAY PROMULGATE SUCH RULES AND REGULATIONS AS
ARE NECESSARY TO IMPLEMENT AND ENFORCE THE PROVISIONS OF THIS
SECTION. [THE BOARD MAY CHARGE THE RESIDENT A FEE TO COVER THE
COST ASSOCIATED WITH PROCESSING THE INTERNET ORDER.]
(H) THE BOARD SHALL SUBMIT [MONTHLY] ANNUAL REPORTS TO THE
APPROPRIATIONS COMMITTEE AND THE LAW AND JUSTICE COMMITTEE OF
THE SENATE AND TO THE APPROPRIATIONS COMMITTEE AND THE LIQUOR
CONTROL COMMITTEE OF THE HOUSE OF REPRESENTATIVES SUMMARIZING
THE NUMBER OF DIRECT SHIPPER LICENSES ISSUED BY THE BOARD[,] AND
THE QUANTITY OF WINE SOLD BY DIRECT WINE SHIPPERS PURSUANT TO
THIS SECTION [AND THE TOTAL DOLLAR VALUE OF SALES UNDER THIS
SECTION].
(I) THE TERM "WINE" AS USED IN THIS SECTION SHALL MEAN
LIQUOR WHICH IS FERMENTED FROM GRAPES AND OTHER FRUITS, HAVING
ALCOHOLIC CONTENT OF TWENTY-FOUR PER CENTUM OR LESS. THE TERM
"WINE" SHALL NOT INCLUDE MALT OR BREWED BEVERAGES NOR SHALL WINE
INCLUDE ANY PRODUCTS CONTAINING ALCOHOL DERIVED FROM MALT,
GRAIN, CEREAL, MOLASSES OR CACTUS.]


(K) RECEIPTS FROM THE TAX UNDER SUBSECTION (J) SHALL BE DEPOSITED INTO THE GENERAL FUND. ANNUALLY, THE BOARD SHALL ALLOCATE THE AMOUNT OF ONE MILLION DOLLARS ($1,000,000) FOR THE PURPOSE OF AWARDING GRANTS UNDER SECTION 488.1.

(L) DELIVERY SHALL BE BY A LICENSED TRANSPORTER FOR HIRE. THE LICENSED TRANSPORTER FOR HIRE SHALL:

(1) KEEP RECORDS AS REQUIRED UNDER SECTION 512 PERTAINING TO THE DIRECT SHIPMENT OF WINE; AND

(2) PERMIT THE BOARD AND THE ENFORCEMENT BUREAU, OR THEIR DESIGNATED REPRESENTATIVES, TO INSPECT THE RECORDS UNDER SECTION 513.

SECTION 22. THE ACT IS AMENDED BY ADDING A SECTION TO READ:
SECTION 488.1. PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM BOARD.--(A) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM BOARD SHALL, IN ADDITION TO THE MEMBERS APPOINTED BY THE SECRETARY OF AGRICULTURE UNDER 3 PA.C.S. § 4504(A) (RELATING TO COMMODITY MARKETING BOARD), BE COMPOSED OF FOUR MEMBERS APPOINTED BY THE GENERAL ASSEMBLY AS follows:

(1) ONE INDIVIDUAL APPOINTED BY THE PRESIDENT PRO TEMPORE OF THE SENATE.
(2) ONE INDIVIDUAL APPOINTED BY THE MINORITY LEADER OF THE SENATE.

(3) ONE INDIVIDUAL APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

(4) ONE INDIVIDUAL APPOINTED BY THE MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES.

(B) THE MEMBERS APPOINTED UNDER SUBSECTION (A) SHALL:

(1) EXCEPT AS PROVIDED UNDER THIS SECTION, SERVE ON THE SAME TERMS AND CONDITIONS AS MEMBERS APPOINTED BY THE SECRETARY OF AGRICULTURE.

(2) BE RESIDENTS OF THIS COMMONWEALTH.

(3) HAVE SUBSTANTIAL EXPERIENCE OR EXPERTISE IN THE PENNSYLVANIA WINE INDUSTRY.

(4) SERVE AT THE PLEASURE OF THE APPOINTING AUTHORITY.

(C) APPOINTING AUTHORITIES UNDER SUBSECTION (A) SHALL APPOINT INITIAL MEMBERS WITHIN THIRTY DAYS OF THE EFFECTIVE DATE OF THIS SECTION.

(D) IN ADDITION TO DUTIES IMPOSED UNDER OTHER LAWS, THE PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM BOARD SHALL DO ALL OF THE FOLLOWING:

(1) MEET AS OFTEN AS NECESSARY BUT AT LEAST ANNUALLY.

(2) ADOPT GUIDELINES ESTABLISHING THE PROCEDURE BY WHICH AN ENTITY MAY SUBMIT AN APPLICATION FOR GRANT FUNDING UNDER THIS SECTION TO THE PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM BOARD.

(3) HAVE THE FOLLOWING DUTIES AS TO AWARDING GRANTS:

(I) MAKE RECOMMENDATIONS TO THE BOARD TO AWARD GRANTS TO ENTITIES FOR THE PURPOSE OF INCREASING THE PRODUCTION OF PENNSYLVANIA-MADE WINES AND ENHANCING THE PENNSYLVANIA WINE INDUSTRY THROUGH PROMOTION, MARKETING AND RESEARCH-BASED
PROGRAMS AND PROJECTS.

(II) ALLOCATE GRANTS THROUGH A COMPETITIVE GRANT REVIEW PROCESS ESTABLISHED BY THE PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM BOARD. THE APPLICATION FOR A GRANT SHALL INCLUDE:

(A) THE PURPOSE FOR WHICH THE GRANT SHALL BE UTILIZED;
(B) INFORMATION INDICATING NEED FOR THE GRANT;
(C) AN ESTIMATED BUDGET;
(D) METHODS FOR MEASURING OUTCOMES; AND
(E) ANY OTHER CRITERIA AS THE BOARD MAY REQUIRE.

(III) REQUIRE GRANT RECIPIENTS TO PROVIDE THE PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM BOARD WITH FULL AND COMPLETE ACCESS TO ALL RECORDS RELATING TO THE PERFORMANCE OF THE GRANT AND TO SUBMIT AT THE TIME AND IN THE FORM AS MAY BE PRESCRIBED TRUTHFUL AND ACCURATE INFORMATION THAT THE PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM BOARD MAY REQUIRE.

(IV) CONDUCT A THOROUGH ANNUAL EVALUATION OF EACH PROGRAM FOR WHICH A GRANT UNDER THIS SECTION IS MADE. THE PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM BOARD SHALL SEEK REPAYMENT OF FUNDS IF THE PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM BOARD DETERMINES THAT FUNDS ARE NOT UTILIZED FOR THE ORIGINAL STATED PURPOSE.

(V) SUBMIT AN ANNUAL REPORT TO THE GENERAL ASSEMBLY DETAILING ALL ACTIONS OF THE PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM BOARD AND GRANTS AWARDED UNDER THIS SECTION.

SECTION 23. SECTION 491(1) AND (11) OF THE ACT, AMENDED DECEMBER 9, 2002 (P.L.1653, NO.212), ARE AMENDED AND THE SECTION IS AMENDED BY ADDING A CLAUSE TO READ:

SECTION 491. UNLAWFUL ACTS RELATIVE TO LIQUOR, ALCOHOL AND LIQUOR LICENSEES.--
IT SHALL BE UNLAWFUL--

(1) SALES OF LIQUOR. FOR ANY PERSON, BY HIMSELF OR BY AN EMPLOYEE OR AGENT, TO EXPOSE OR KEEP FOR SALE, OR DIRECTLY OR INDIRECTLY, OR UPON ANY PRETENSE OR UPON ANY DEVICE, TO SELL OR OFFER TO SELL ANY LIQUOR WITHIN THIS COMMONWEALTH, EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF THIS ACT AND THE REGULATIONS OF THE BOARD. THIS CLAUSE SHALL NOT BE CONSTRUED TO PROHIBIT HOSPITALS, PHYSICIANS, DENTISTS OR VETERINARIANS WHO ARE LICENSED AND REGISTERED UNDER THE LAWS OF THIS COMMONWEALTH FROM ADMINISTERING LIQUOR IN THE REGULAR COURSE OF THEIR PROFESSIONAL WORK AND TAKING INTO ACCOUNT THE COST OF THE LIQUOR SO ADMINISTERED IN MAKING CHARGES FOR THEIR PROFESSIONAL SERVICE, OR A PHARMACIST DULY LICENSED AND REGISTERED UNDER THE LAWS OF THIS COMMONWEALTH FROM DISPENSING LIQUOR ON A PRESCRIPTION OF A DULY LICENSED PHYSICIAN, DENTIST OR VETERINARIAN, OR SELLING MEDICAL PREPARATIONS CONTAINING ALCOHOL, OR USING LIQUOR IN COMPOUNDING PRESCRIPTIONS OR MEDICINES AND MAKING A CHARGE FOR THE LIQUOR USED IN SUCH MEDICINES, OR A MANUFACTURING PHARMACIST OR CHEMIST FROM USING LIQUOR IN MANUFACTURING PREPARATIONS UNFIT FOR BEVERAGE PURPOSES AND MAKING A CHARGE FOR THE LIQUOR SO USED. ALL SUCH LIQUORS SO ADMINISTERED OR SOLD BY HOSPITALS, PHYSICIANS, DENTISTS, VETERINARIANS, PHARMACISTS OR CHEMISTS SHALL CONFORM TO THE PHARMACOPOEIA OF THE UNITED STATES, THE NATIONAL FORMULARY, OR THE AMERICAN HOMEOPATHIC PHARMACOPOEIA. THIS CLAUSE SHALL NOT BE CONSTRUED TO PROHIBIT AN EXECUTOR OR AN ADMINISTRATOR OF A DECEDED'S ESTATE FROM SELLING PRIVATELY OR AT PUBLIC AUCTION LIQUOR WHICH WAS AN ASSET OF THE DECEDED. THIS CLAUSE SHALL NOT BE CONSTRUED TO PROHIBIT THE PRACTICE BY A BED AND BREAKFAST HOMESTEAD OR INN OF PROVIDING ONE BOTTLE OF WINE TO ITS PAYING GUESTS AT CHECK-IN WHILE IN AN OVERNIGHT
STATUS SO LONG AS THAT WINE IS PRODUCED BY A LICENSED LIMITED
WINERY AS PROVIDED FOR UNDER SECTION 505.2. FOR PURPOSES OF THIS
PARAGRAPH, A "BED AND BREAKFAST HOMESTEAD OR INN" SHALL MEAN A
PRIVATE RESIDENCE THAT CONTAINS TEN OR FEWER BEDROOMS USED FOR
PROVIDING OVERNIGHT ACCOMMODATIONS TO THE PUBLIC AND IN WHICH
BREAKFAST IS THE ONLY MEAL SERVED AND IS INCLUDED IN THE CHARGE
FOR THE ROOM. THIS CLAUSE SHALL NOT BE CONSTRUED TO PROHIBIT THE
PRACTICE OF A BUSINESS WHICH IS PRINCIPALLY ENGAGED IN THE SALE
OF GIFT BASKETS WITHIN THIS COMMONWEALTH TO SELL A GIFT BASKET
CONTAINING NONLIQUOR ITEMS AND NO MORE THAN ONE BOTTLE OF WINE
WHICH HAS BEEN LAWFULLY PURCHASED FROM THE BOARD, SO LONG AS
THAT WINE IS PRODUCED BY A LICENSED LIMITED WINERY AS PROVIDED
FOR UNDER SECTION 505.2 AND PROVIDED THAT DELIVERY OF THE GIFT
BASKET SHALL BE BY A LICENSED TRANSPORTER FOR HIRE, WHICH SHALL
KEEP RECORDS AS REQUIRED UNDER SECTION 512 PERTAINING TO THE
DIRECT SHIPMENT OF WINE, AND PROVIDED THAT THE BUSINESS COMPLIES
WITH THE PROVISIONS OF SECTION 488 RELATIVE TO REQUIRING PROOF
OF AGE AND LABELING ADVISING THAT THE PACKAGE CONTAINS ALCOHOL.
THE BOARD SHALL ESTABLISH REGULATIONS TO ENSURE THAT STATE TAXES
FROM THE SALES WILL BE PAID BY THE ESTATE FROM THE PROCEEDS OF
THE SALE. THE BOARD MAY NOT PROHIBIT A SALE OF LIQUOR FOR THE
REASON THAT IT WAS NOT LAWFULLY ACQUIRED PRIOR TO JANUARY 1,
1934 OR HAS NOT BEEN PURCHASED FROM A PENNSYLVANIA LIQUOR STORE
OR IN COMPLIANCE WITH PENNSYLVANIA LAW.

* * *

(11) IMPORTATION OF LIQUOR. FOR ANY PERSON, OTHER THAN THE
BOARD OR THE HOLDER OF A SACRAMENTAL WINE LICENSE, AN IMPORTER'S
LICENSE OR A DIRECT WINE SHIPPER'S LICENSE, TO IMPORT ANY LIQUOR
WHATSOEVER INTO THIS COMMONWEALTH, BUT THIS SECTION SHALL NOT BE
CONSTRUED TO PROHIBIT RAILROAD AND PULLMAN COMPANIES FROM
PURCHASING AND SELLING LIQUORS PURCHASED OUTSIDE THE COMMONWEALTH IN THEIR DINING, CLUB AND BUFFET CARS WHICH ARE COVERED BY PUBLIC SERVICE LIQUOR LICENSES AND WHICH ARE OPERATED IN THIS COMMONWEALTH.

* * *

(16) POSSESSION OR SALE OF POWDERED ALCOHOL. FOR ANY PERSON TO POSSESS, PURCHASE, SELL, OFFER TO SELL OR USE POWDERED ALCOHOL. THIS CLAUSE SHALL NOT APPLY TO A HOSPITAL THAT OPERATES PRIMARILY FOR THE PURPOSE OF CONDUCTING SCIENTIFIC RESEARCH, A STATE INSTITUTION CONDUCTING BONA FIDE RESEARCH, A PRIVATE COLLEGE OR UNIVERSITY CONDUCTING BONA FIDE RESEARCH OR A PHARMACEUTICAL COMPANY CONDUCTING BONA FIDE RESEARCH.


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--

* * *

(2) PURCHASE OR SALE OF LIQUOR OR MALT OR BREWED BEVERAGES ON CREDIT; IMPORTING DISTRIBUTORS OR DISTRIBUTORS ACCEPTING CASH. FOR ANY LICENSEE, HIS AGENT, SERVANT OR EMPLOYE, TO SELL OR OFFER TO SELL OR PURCHASE OR RECEIVE ANY LIQUOR OR MALT OR BREWED BEVERAGES EXCEPT FOR CASH, EXCEPTING CREDIT EXTENDED BY A HOTEL OR CLUB TO A BONA FIDE GUEST OR MEMBER, OR BY RAILROAD OR PULLMAN COMPANIES IN DINING, CLUB OR BUFFET CARS TO PASSENGERS,
FOR CONSUMPTION WHILE ENROUTE, HOLDING AUTHORIZED CREDIT CARDS
ISSUED BY RAILROAD OR RAILROAD CREDIT BUREAUS OR BY HOTEL,
RESTAURANT, RETAIL DISPENSER EATING PLACE, CLUB AND PUBLIC
SERVICE LICENSEES, IMPORTING DISTRIBUTORS OR DISTRIBUTORS TO
CUSTOMERS NOT POSSESSING A LICENSE UNDER THIS ARTICLE AND
HOLDING CREDIT CARDS ISSUED IN ACCORDANCE WITH REGULATIONS OF
THE BOARD OR CREDIT CARDS ISSUED BY BANKING INSTITUTIONS SUBJECT
TO STATE OR FEDERAL REGULATION: PROVIDED FURTHER, THAT NOTHING
HEREIN CONTAINED SHALL BE CONSTRUED TO PROHIBIT THE USE OF
CHECKS OR DRAFTS DRAWN ON A BANK, BANKING INSTITUTION, TRUST
COMPANY OR SIMILAR DEPOSITORY, ORGANIZED AND EXISTING UNDER THE
LAWS OF THE UNITED STATES OF AMERICA OR THE LAWS OF ANY STATE,
TERRITORY OR POSSESSION THEREOF, IN PAYMENT FOR ANY LIQUOR OR
MALT OR BREWED BEVERAGES IF THE PURCHASER IS THE PAYOR OF THE
CHECK OR DRAFT AND THE LICENSEE IS THE PAYEE: PROVIDED FURTHER,
THAT NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT TO THE
CONTRARY, IT SHALL BE UNLAWFUL FOR AN IMPORTING DISTRIBUTOR OR
DISTRIBUTOR TO ACCEPT CASH FOR PAYMENT OF ANY MALT OR BREWED
BEVERAGES FROM ANYONE POSSESSING A LICENSE ISSUED UNDER THIS
ARTICLE, EXCEPT IT SHALL BE PERMISSIBLE FOR THE IMPORTING
DISTRIBUTOR OR DISTRIBUTOR TO ACCEPT CREDIT CARDS, MONEY ORDERS
OR CASHIERS' CHECKS FOR PAYMENT OF ANY MALT OR BREWED BEVERAGES
IN ADDITION TO ANY OTHER TYPE OF PAYMENT AUTHORIZED BY THE BOARD
FROM ANYONE POSSESSING A LICENSE UNDER THIS ARTICLE.
NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY,
DISTRIBUTORS AND IMPORTING DISTRIBUTORS MAY ACCEPT CREDIT CARDS
FOR PAYMENT OF MALT OR BREWED BEVERAGES BUT THEY ARE NOT
REQUIRED TO ACCEPT CREDIT CARDS. NO RIGHT OF ACTION SHALL EXIST
TO COLLECT ANY CLAIM FOR CREDIT EXTENDED CONTRARY TO THE
PROVISIONS OF THIS CLAUSE. NOTHING HEREIN CONTAINED SHALL
PROHIBIT A LICENSEE FROM CREDITING TO A PURCHASER THE ACTUAL
PRICE CHARGED FOR ORIGINAL CONTAINERS RETURNED BY THE ORIGINAL
PURCHASER AS A CREDIT ON ANY SALE, OR FROM REFUNDING TO ANY
PURCHASER THE AMOUNT PAID BY SUCH PURCHASER FOR SUCH CONTAINERS
OR AS A DEPOSIT ON CONTAINERS WHEN TITLE IS RETAINED BY THE
VENDOR, IF SUCH ORIGINAL CONTAINERS HAVE BEEN RETURNED TO THE
LICENSEE. NOTHING HEREIN CONTAINED SHALL PROHIBIT A MANUFACTURER
FROM EXTENDING USUAL AND CUSTOMARY CREDIT FOR LIQUOR OR MALT OR
BREWED BEVERAGES SOLD TO CUSTOMERS OR PURCHASERS WHO LIVE OR
MAINTAIN PLACES OF BUSINESS OUTSIDE OF THE COMMONWEALTH OF
PENNSYLVANIA, WHEN THE LIQUOR OR MALT OR BREWED BEVERAGES SO
SOLD ARE ACTUALLY TRANSPORTED AND DELIVERED TO POINTS OUTSIDE OF
THE COMMONWEALTH: PROVIDED, HOWEVER, THAT AS TO ALL TRANSACTIONS
AFFECTING MALT OR BREWED BEVERAGES TO BE RESOLD OR CONSUMED
WITHIN THIS COMMONWEALTH, EVERY LICENSEE SHALL PAY AND SHALL
REQUIRE CASH DEPOSITS ON ALL RETURNABLE ORIGINAL CONTAINERS AND
ALL SUCH CASH DEPOSITS SHALL BE REFUNDED UPON RETURN OF THE
ORIGINAL CONTAINERS.

* * *

(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 EMPLOYEES, TO
PERMIT PERSONS OF ILL REPUTE OR PROSTITUTES TO FREQUENT HIS
LICENSED PREMISES OR ANY PREMISES OPERATED IN CONNECTION
THEREWITH. MINORS MAY ONLY FREQUENT LICENSED PREMISES IF: (A)
THEY ARE ACCOMPANYED BY A PARENT; (B) THEY ARE ACCOMPANYED BY A
LEGAL GUARDIAN; (C) THEY ARE UNDER PROPER SUPERVISION; (D) THEY
ARE ATTENDING A SOCIAL GATHERING; OR (E) THE HOTEL, RESTAURANT
OR RETAIL DISPENSER LICENSEE HAS GROSS SALES OF FOOD AND
NONALCOHOLIC BEVERAGES EQUAL TO FIFTY PER CENTUM OR MORE OF ITS
20150HB1690PN2653 - 150 -
COMBINED GROSS SALE OF BOTH FOOD AND ALCOHOLIC BEVERAGES. IF A
MINOR IS FREQUENTING A HOTEL, RESTAURANT OR RETAIL DISPENSER
LICENSEE UNDER SUBSECTION (E), THEN THE MINOR MAY NOT SIT AT THE
BAR SECTION OF THE PREMISES, NOR MAY ANY ALCOHOLIC BEVERAGES BE
SERVED AT THE TABLE OR BOOTH AT WHICH THE SAID MINOR IS SEATED
UNLESS SAID MINOR IS WITH A PARENT, LEGAL GUARDIAN OR UNDER
PROPER SUPERVISION. FURTHER, IF A HOTEL, RESTAURANT, CLUB LIQUOR
LICENSEE OR RETAIL DISPENSER IS HOSTING A SOCIAL GATHERING UNDER
SUBSECTION (D), THEN WRITTEN NOTICE AT LEAST FORTY-EIGHT HOURS
IN ADVANCE OF SUCH GATHERING SHALL BE GIVEN TO THE BUREAU OF
ENFORCEMENT. IF A MINOR IS FREQUENTING LICENSED PREMISES WITH
PROPER SUPERVISION UNDER SUBSECTION (C), EACH SUPERVISOR CAN
SUPERVISE UP TO TWENTY MINORS, EXCEPT FOR PREMISES LOCATED IN
CITIES OF THE FIRST CLASS, WHERE EACH SUPERVISOR CAN SUPERVISE
UP TO FIVE MINORS. NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS
SECTION, IF THE MINORS ARE ON THE PREMISES AS PART OF A SCHOOL-
ENDORSED FUNCTION, THEN EACH SUPERVISOR CAN SUPERVISE FIFTY
MINORS. NOTHING IN THIS CLAUSE SHALL BE CONSTRUED TO MAKE IT
UNLAWFUL FOR MINORS TO FREQUENT PUBLIC VENUES [OR] PERFORMING
ARTS FACILITIES OR SKI RESORTS.

* * *

(24) (I) THINGS OF VALUE OFFERED AS INDUCEMENT. EXCEPT AS
PROVIDED IN [SUBCLAUSE] SUBCLAUSES (II) AND (III), FOR ANY
LICENSEE UNDER THE PROVISIONS OF THIS ARTICLE, OR THE BOARD OR
ANY MANUFACTURER, OR ANY EMPLOYEE OR AGENT OF A MANUFACTURER,
LICENSEE OR OF THE BOARD, TO OFFER TO GIVE ANYTHING OF VALUE OR
TO SOLICIT OR RECEIVE ANYTHING OF VALUE AS A PREMIUM FOR THE
RETURN OF CAPS, STOPPERS, CORKS, STAMPS OR LABELS TAKEN FROM ANY
BOTTLE, CASE, BARREL OR PACKAGE CONTAINING LIQUOR OR MALT OR
BREWED BEVERAGE, OR TO OFFER OR GIVE OR SOLICIT OR RECEIVE
Anything of value as a premium or present to induce directly the purchase of liquor or malt or brewed beverage, or for any licensee, manufacturer or other person to offer or give to trade or consumer buyers any prize, premium, gift or other inducement to purchase liquor or malt or brewed beverages, except advertising novelties of nominal value which the board shall define. This section shall not prevent any manufacturer or any agent of a manufacturer from offering and honoring coupons which offer monetary rebates on purchases of wines and spirits through state liquor stores or purchases of malt or brewed beverages through distributors and importing distributors in accordance with conditions or regulations established by the board. The board may redeem coupons offered by a manufacturer or an agent of a manufacturer at the time of purchase. Coupons offered by a manufacturer or an agent of a manufacturer shall not be redeemed without proof of purchase. This section shall not apply to the return of any monies specifically deposited for the return of the original container to the owners thereof.

(II) Notwithstanding subclause (I) or any other provision of law, A:

(A) A holder of a restaurant license that is also approved to hold a slot machine license or a conditional slot machine license under 4 Pa.C.S. Part II (relating to gaming) may give liquor and malt or brewed beverages free of charge to any person actively engaged in playing a slot machine.

(B) The board may establish and implement a customer relations management program for the purpose of offering to unlicensed customers of the board incentives, such as coupons or discounts on certain products, which may be conditioned on the purchase of liquor.
(III) NOTWITHSTANDING SUBCLAUSE (I) OR ANY OTHER PROVISION OF LAW, A RETAIL LICENSEE OR A BREWERY MAY OFFER A MUG CLUB TO ITS PATRONS.

* * *

(33) OFF-PREMISES CATERING PERMIT; FEES. FOR ANY LICENSEE, HIS SERVANTS, AGENTS OR EMPLOYEES TO SELL ALCOHOL AT A LOCATION OTHER THAN ITS LICENSED PREMISES, UNLESS THE SALE IS SPECIFICALLY AUTHORIZED UNDER THIS ACT, OR UNLESS THE LICENSEE RECEIVES A SPECIAL PERMIT FROM THE BOARD TO DO SO. ONLY THOSE LICENSEES HOLDING A CURRENT AND VALID RESTAURANT, HOTEL, BREW PUB OR EATING PLACE LICENSE SHALL BE ALLOWED TO APPLY FOR SUCH A PERMIT. ANY LICENSEE THAT WISHES TO OBTAIN AN OFF-PREMISES CATERING PERMIT MUST NOTIFY THE BOARD AND PAY THE PERMITTING FEE BY MARCH OF EACH CALENDAR YEAR REGARDLESS OF WHETHER THE LICENSEE HAS SCHEDULED CATERED EVENTS. ANY LICENSEE THAT FAILS TO NOTIFY THE BOARD AND PAY THE PERMIT FEE BY MARCH 1 SHALL BE PRECLUDED FROM OBTAINING THE PERMIT FOR THAT CALENDAR YEAR. IF A LICENSEE NOTIFIES THE BOARD AND PAYS THE PERMITTING FEE BY MARCH 1 AND DOES NOT THEN USE THE PERMIT THROUGHOUT THE CALENDAR YEAR, THE LICENSEE SHALL NOT BE ENTITLED TO A RETURN OF THE PERMITTING FEE. ANY LICENSEE NOT GRANTED A LICENSE UNTIL AFTER MARCH 1 OF THE CALENDAR YEAR SHALL HAVE SIXTY DAYS FROM THE DATE OF THE LICENSE TRANSFER TO NOTIFY THE BOARD OF THE LICENSEE'S INTENTION TO USE AN OFF-PREMISES CATERING PERMIT AND PAY THE PERMITTING FEE. THE BOARD SHALL HAVE THE DISCRETION TO ALLOW THE ISSUANCE OF THE PERMIT AFTER THE MARCH 1 DEADLINE IF THE APPLICANT IS A LICENSEE IN GOOD STANDING WITH THE BOARD AND COMPLIES WITH ALL OTHER REQUIREMENTS FOR THE OFF-PREMISES CATERING PERMIT. A LICENSEE SHALL APPLY FOR THE PERMIT AT LEAST SIXTY DAYS PRIOR TO THE FIRST CATERED FUNCTION. ALL SERVERS AT THE OFF-PREMISES
CATERED FUNCTION SHALL BE CERTIFIED UNDER THE BOARD'S RESPONSIBLE ALCOHOL MANAGEMENT PROGRAM AS REQUIRED UNDER SECTION 471.1. THE BOARD MAY CHARGE A FEE OF FIVE HUNDRED DOLLARS ($500) EACH CALENDAR YEAR, TO EACH APPLICANT FOR THE INITIAL PERMIT ASSOCIATED WITH A PARTICULAR LICENSE, BUT NO FURTHER FEE SHALL BE CHARGED FOR ANY SUBSEQUENT PERMITS ISSUED TO THE APPLICANT FOR THE LICENSE DURING THE SAME CALENDAR YEAR. THE APPLICANT SHALL SUBMIT WRITTEN NOTICE TO THE BOARD THIRTY DAYS PRIOR TO EACH CATERED EVENT, UNLESS THIS TIME FRAME HAS BEEN WAIVED BY THE BOARD, AND THE BOARD MAY APPROVE OR DISAPPROVE EACH EVENT IF THE APPLICANT FAILS TO PROVIDE TIMELY NOTICE OF THE CATERED FUNCTION, DOES NOT INTEND TO CONDUCT A FUNCTION THAT MEETS THE REQUIREMENTS OF THIS ACT OR HAS PREVIOUSLY CONDUCTED A FUNCTION THAT DID NOT MEET THE REQUIREMENTS OF THIS ACT. THE FEES SHALL BE PAID INTO THE STATE STORES FUND. ANY VIOLATION OF THIS ACT OR THE BOARD'S REGULATIONS FOR GOVERNING ACTIVITY OCCURRING UNDER THE AUTHORITY OF THIS PERMIT MAY BE THE BASIS FOR THE ISSUANCE OF A CITATION UNDER SECTION 471, THE NONRENEWAL OF THE LICENSE UNDER SECTION 470 OR THE REFUSAL BY THE BOARD TO ISSUE SUBSEQUENT PERMITS OR HONOR SUBSEQUENT DATES ON THE EXISTING PERMIT. THIS PENALTY SHALL BE IN ADDITION TO ANY OTHER REMEDIES AVAILABLE TO THE ENFORCEMENT BUREAU OR THE BOARD.

* * *

SECTION 24.1. SECTION 495(A) OF THE ACT, AMENDED FEBRUARY 21, 2002 (P.L.103, NO.10), IS AMENDED TO READ:

SECTION 495. IDENTIFICATION CARDS; LICENSEES AND STATE LIQUOR STORE EMPLOYEES SAVED FROM PROSECUTION.--(A) THE VALID PHOTO DRIVER'S LICENSE OR IDENTIFICATION CARD ISSUED BY THE DEPARTMENT OF TRANSPORTATION OR BY ANY OTHER STATE, OR CANADIAN DRIVER'S LICENSE OR OTHER BONA FIDE CANADIAN IDENTIFICATION SUCH
AS A CANADIAN-ISSUED PASSPORT, OR A VALID ARMED FORCES OF THE
UNITED STATES IDENTIFICATION CARD, A VALID PASSPORT OR A TRAVEL
VISA ISSUED BY THE UNITED STATES OR A FOREIGN COUNTRY THAT
CONTAINS THE HOLDER'S PHOTOGRAPH SHALL, FOR THE PURPOSE OF THIS
ACT, BE ACCEPTED AS AN IDENTIFICATION CARD.

* * *

SECTION 25. SECTION 505.2(A)(5) AND (6.1) OF THE ACT,
AMENDED DECEMBER 8, 2004 (P.L.1810, NO.239) AND JUNE 28, 2011
(P.L.55, NO.11), ARE AMENDED AND THE SUBSECTION IS AMENDED BY
ADDING A CLAUSE TO READ:

SECTION 505.2. LIMITED WINERIES.--(A) IN THE INTEREST OF
PROMOTING TOURISM AND RECREATIONAL DEVELOPMENT IN PENNSYLVANIA,
HOLDERS OF A LIMITED WINERY LICENSE MAY:

* * *

(2.1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT OR LAW
TO THE CONTRARY, ONLY SHIP WINE IN ACCORDANCE WITH THE
PROVISIONS OF SECTION 488.

* * *

(5) DO EITHER OF THE FOLLOWING:

(I) APPLY FOR AND HOLD A HOTEL LIQUOR LICENSE, A RESTAURANT
LIQUOR LICENSE OR A MALT AND BREWED BEVERAGES RETAIL LICENSE TO
SELL FOR CONSUMPTION AT THE RESTAURANT OR LIMITED WINERY ON THE
LICENSED WINERY PREMISES, LIQUOR, WINE AND MALT OR BREWED
BEVERAGES REGARDLESS OF THE PLACE OF MANUFACTURE UNDER THE SAME
CONDITIONS AND REGULATIONS AS ANY OTHER HOTEL LIQUOR LICENSE,
RESTAURANT LIQUOR LICENSE OR MALT AND BREWED BEVERAGES RETAIL
LICENSE.

(II) APPLY FOR AND HOLD A RESTAURANT LIQUOR LICENSE FOR USE
AT ONE OF THE ADDITIONAL BOARD-APPROVED LOCATIONS REFERENCED
UNDER CLAUSE (3), AS LONG AS SUCH LOCATION DOES NOT SERVE AS AN
ADDITIONAL BOARD-APPROVED LOCATION FOR ANY OTHER MANUFACTURER.

* * *

(6.1) SELL FOOD FOR CONSUMPTION ON OR OFF THE LICENSED PREMISES AND AT THE LIMITED WINERY'S ADDITIONAL BOARD-APPROVED LOCATIONS AND SELL BY THE GLASS, AT THE LICENSED PREMISES AND AT THE LIMITED WINERY'S ADDITIONAL BOARD-APPROVED LOCATIONS, [ONLY] WINE AND ALCOHOLIC CIDERS THAT MAY OTHERWISE BE SOLD BY THE BOTTLE. IN ADDITION, THE HOLDER OF A LIMITED WINERY LICENSE MAY SELL FOR CONSUMPTION ON THE LICENSED PREMISES AND AT THE LIMITED WINERY'S ADDITIONAL BOARD-APPROVED LOCATIONS, LIQUOR PRODUCED BY A LICENSED DISTILLERY OR LIMITED DISTILLERY AND MALT OR BREWED BEVERAGES PRODUCED BY A LICENSED BREWERY.

* * *

SECTION 26. SECTION 505.4(B)(1) AND (2) AND (C) OF THE ACT, AMENDED DECEMBER 22, 2011 (P.L.530, NO.113), ARE AMENDED AND SUBSECTION (B) IS AMENDED BY ADDING PARAGRAPHS TO READ:

SECTION 505.4. DISTILLERIES.--** * *

(B) (1) THE BOARD MAY ISSUE A LIMITED DISTILLERY LICENSE THAT WILL ALLOW THE HOLDER THEREOF TO OPERATE A DISTILLERY THAT SHALL NOT EXCEED PRODUCTION OF ONE HUNDRED THOUSAND (100,000) GALLONS OF DISTILLED LIQUOR PER YEAR. THE HOLDER OF THE LICENSE MAY MANUFACTURE AND SELL BOTTLED LIQUORS PRODUCED ON THE LICENSED PREMISES TO THE BOARD, TO ENTITIES LICENSED BY THE BOARD AND TO THE PUBLIC BETWEEN THE HOURS OF NINE O'CLOCK ANTERIDIAN AND ELEVEN O'CLOCK POSTMERIDIAN SO LONG AS A SPECIFIC CODE OF DISTILLED LIQUOR WHICH IS LISTED FOR SALE AS A STOCK ITEM BY THE BOARD IN STATE LIQUOR STORES MAY NOT BE OFFERED FOR SALE AT A LICENSED LIMITED DISTILLERY LOCATION AT A PRICE WHICH IS LOWER THAN THAT CHARGED BY THE BOARD AND UNDER SUCH CONDITIONS AND REGULATIONS AS THE BOARD MAY ENFORCE. THE

20150HB1690PN2653 - 156 -
HOLDER OF A LIMITED DISTILLERY LICENSE MAY NOT SELL A PRODUCT OR A SUBSTANTIALLY SIMILAR PRODUCT WHICH IS LISTED FOR SALE AS A STOCK ITEM BY THE BOARD IN STATE LIQUOR STORES TO A LICENSEE AT A PRICE WHICH IS LOWER THAN THAT CHARGED BY THE BOARD AND UNDER SUCH CONDITIONS AND REGULATIONS AS THE BOARD MAY ENFORCE. THE HOLDER OF A LIMITED DISTILLERY LICENSE MAY ALSO SELL WINES PRODUCED BY A LICENSED LIMITED WINERY OR MALT OR BREWED BEVERAGES PRODUCED BY A LICENSED BREWERY FOR ON-PREMISES CONSUMPTION.

(2) (I) THE HOLDER OF A LIMITED DISTILLERY LICENSE MAY, SEPARATELY OR IN CONJUNCTION WITH OTHER LIMITED DISTILLERY LICENSEES, SELL BOTTLED LIQUORS PRODUCED BY THE DISTILLERY AT NO MORE THAN [TWO (2)] FIVE (5) BOARD-APPROVED LOCATIONS OTHER THAN THE LICENSED PREMISES, WITH NO BOTTLING OR PRODUCTION REQUIREMENT AT THOSE ADDITIONAL BOARD-APPROVED LOCATIONS AND UNDER SUCH CONDITIONS AND REGULATIONS AS THE BOARD MAY ENFORCE TO THE BOARD, TO INDIVIDUALS AND TO ENTITIES LICENSED BY THE BOARD.

(II) IF TWO (2) OR MORE LIMITED DISTILLERIES APPLY TO OPERATE AN ADDITIONAL BOARD-APPROVED LOCATION IN CONJUNCTION WITH EACH OTHER, THE DISTILLERIES NEED ONLY HAVE ONE (1) BOARD-APPROVED MANAGER FOR THE LOCATION, NEED ONLY PAY ONE APPLICATION FEE AND NEED NOT DESIGNATE SPECIFIC OR DISTINCT AREAS FOR EACH DISTILLERY'S LICENSED AREA. A LIMITED DISTILLERY MUST FILE AN APPLICATION FOR THE ADDITIONAL BOARD-APPROVED LOCATION, AND THAT LOCATION SHALL COUNT AS ONE (1) OF THE [TWO (2)] FIVE (5) PERMITTED FOR EACH LIMITED DISTILLERY. A LIMITED DISTILLERY IS RESPONSIBLE FOR KEEPING ONLY ITS OWN COMPLETE RECORDS. A LIMITED DISTILLERY MAY BE CITED FOR A VIOLATION OF THE RECORDKEEPING REQUIREMENTS OF SECTIONS 512 AND 513 PERTAINING TO ITS OWN
RECORDS ONLY.

* * *

(8) AT THE DISCRETION OF THE BOARD THE HOLDER OF A LIMITED DISTILLERY LICENSE MAY OBTAIN A SPECIAL PERMIT TO PARTICIPATE IN ALCOHOLIC CIDER, LIQUOR AND FOOD EXPOSITIONS OFF THE LICENSED PREMISES. A SPECIAL PERMIT SHALL BE ISSUED UPON PROPER APPLICATION AND PAYMENT OF A FEE OF THIRTY DOLLARS ($30) PER DAY FOR EACH DAY OF PERMITTED USE, NOT TO EXCEED THIRTY (30) CONSECUTIVE DAYS. THE TOTAL NUMBER OF DAYS FOR ALL THE SPECIAL PERMITS MAY NOT EXCEED ONE HUNDRED (100) DAYS IN ANY CALENDAR YEAR. A SPECIAL PERMIT SHALL ENTITLE THE HOLDER TO ENGAGE IN THE SALE BY THE GLASS, BY THE BOTTLE OR IN CASE LOTS OF LIQUOR PRODUCED BY THE PERMITTEE UNDER THE AUTHORITY OF A LIMITED DISTILLERY LICENSE. HOLDERS OF SPECIAL PERMITS MAY PROVIDE TASTING SAMPLES OF LIQUOR IN INDIVIDUAL PORTIONS NOT TO EXCEED ONE AND ONE-HALF (1.5) FLUID OUNCES. SAMPLES AT ALCOHOLIC CIDER, LIQUOR AND FOOD EXPOSITIONS MAY BE SOLD OR OFFERED FREE OF CHARGE. EXCEPT AS PROVIDED IN THIS CLAUSE, LIMITED DISTILLERIES UTILIZING SPECIAL PERMITS SHALL BE GOVERNED BY ALL APPLICABLE PROVISIONS OF THIS ACT AS WELL AS BY ALL APPLICABLE REGULATIONS OR CONDITIONS ADOPTED BY THE BOARD. FOR THE PURPOSES OF THIS CLAUSE, "ALCOHOLIC CIDER, LIQUOR AND FOOD EXPOSITIONS" ARE DEFINED AS AFFAIRS HELD INDOORS OR OUTDOORS WITH THE INTENT OF PROMOTING PENNSYLVANIA PRODUCTS BY EDUCATING THOSE IN ATTENDANCE OF THE AVAILABILITY, NATURE AND QUALITY OF PENNSYLVANIA-PRODUCED ALCOHOLIC CIDERS AND LIQUORS IN CONJUNCTION WITH SUITABLE FOOD DISPLAYS, DEMONSTRATIONS AND SALES. ALCOHOLIC CIDER, LIQUOR AND FOOD EXPOSITIONS MAY ALSO INCLUDE ACTIVITIES OTHER THAN ARTS AND CRAFTS, MUSICAL ACTIVITIES, CULTURAL EXHIBITS, AGRICULTURAL
EXHIBITS AND FARMERS MARKETS.

(9) AT THE DISCRETION OF THE BOARD, THE HOLDER OF A LIMITED DISTILLERY LICENSE MAY OBTAIN A FARMERS MARKET PERMIT. THE PERMIT SHALL ENTITLE THE HOLDER TO PARTICIPATE IN MORE THAN ONE (1) FARMERS MARKET AT ANY GIVEN TIME AND AN UNLIMITED NUMBER THROUGHOUT THE YEAR AND SELL LIQUOR PRODUCED UNDER THE AUTHORITY OF THE UNDERLYING LIMITED DISTILLERY LICENSE BY THE BOTTLE OR IN CASE LOTS. SAMPLES NOT TO EXCEED ONE AND ONE-HALF (1.5) FLUID OUNCES PER BRAND OF LIQUOR MAY BE OFFERED FREE OF CHARGE. A FARMERS MARKET PERMIT SHALL BE ISSUED UPON PROPER APPLICATION AND PAYMENT OF AN ANNUAL FEE OF TWO HUNDRED FIFTY DOLLARS ($250). A PERMIT HOLDER MAY PARTICIPATE IN MORE THAN ONE (1) FARMERS MARKET AT ANY GIVEN TIME. SALES BY PERMIT HOLDERS SHALL TAKE PLACE DURING THE STANDARD HOURS OF OPERATION OF THE FARMERS MARKET. WRITTEN NOTICE OF THE DATE, TIMES AND LOCATION THE PERMIT IS TO BE USED SHALL BE PROVIDED BY THE PERMIT HOLDER TO THE ENFORCEMENT BUREAU AT LEAST TWO (2) WEEKS PRIOR TO THE EVENT. EXCEPT AS PROVIDED IN THIS SUBSECTION, LIMITED DISTILLERIES UTILIZING FARMERS MARKET PERMITS SHALL BE GOVERNED BY ALL APPLICABLE PROVISIONS OF THIS ACT AS WELL AS BY ALL APPLICABLE REGULATIONS ADOPTED BY THE BOARD.

(C) (1) THE HOLDER OF A DISTILLERY LICENSE AS ISSUED UNDER SECTION 505 MAY SELL BOTTLED LIQUORS PRODUCED ON THE LICENSED PREMISES TO THE BOARD, TO ENTITIES LICENSED BY THE BOARD AND TO THE PUBLIC BETWEEN THE HOURS OF NINE O'CLOCK ANTERMIERIDIAN AND ELEVEN O'CLOCK POSTMERIDIAN SO LONG AS A SPECIFIC CODE OF DISTILLED LIQUOR WHICH IS LISTED FOR SALE AS A STOCK ITEM BY THE BOARD IN STATE LIQUOR STORES MAY NOT BE OFFERED FOR SALE AT A LICENSED DISTILLERY LOCATION AT A PRICE WHICH IS LOWER THAN THAT CHARGED BY THE BOARD AND UNDER SUCH CONDITIONS AND REGULATIONS
AS THE BOARD MAY ENFORCE. THE HOLDER OF A DISTILLERY LICENSE MAY NOT SELL A PRODUCT OR A SUBSTANTIALLY SIMILAR PRODUCT WHICH IS LISTED FOR SALE AS A STOCK ITEM BY THE BOARD IN STATE LIQUOR STORES TO A LICENSEE AT A PRICE WHICH IS LOWER THAN THAT CHARGED BY THE BOARD AND UNDER SUCH CONDITIONS AND REGULATIONS AS THE BOARD MAY ENFORCE. THE HOLDER OF A DISTILLERY LICENSE MAY ALSO SELL WINES PRODUCED BY A LICENSED LIMITED WINERY OR MALT OR BREWED BEVERAGES PRODUCED BY A LICENSED BREWERY FOR ON-PREMISES CONSUMPTION.

(2) THE HOLDER OF A DISTILLERY LICENSE AS ISSUED UNDER SECTION 505 MAY PROVIDE TASTING SAMPLES OF LIQUOR THAT IN TOTAL DO NOT EXCEED ONE AND ONE-HALF (1.5) FLUID OUNCES. SAMPLES MAY BE SOLD OR PROVIDED FREE OF CHARGE BETWEEN THE HOURS OF NINE O'CLOCK ANTEMERIDIAN AND ELEVEN O'CLOCK POSTMERIDIAN.

SECTION 27. (RESERVED).

SECTION 28. THE FOLLOWING SHALL APPLY:

(1) THERE IS ESTABLISHED A WINE AND SPIRITS WHOLESALE AND RETAIL PRIVATIZATION COMMISSION.

(2) THE COMMISSION SHALL RESEARCH AND MAKE RECOMMENDATIONS RELATED TO PRIVATIZING THE WHOLESALE AND RETAIL WINE AND SPIRITS OPERATIONS IN THIS COMMONWEALTH AS PROVIDED FOR IN THIS SECTION.

(3) THE COMMISSION SHALL CONSIST OF THE FOLLOWING MEMBERS:


(II) THREE LEGISLATORS FROM EACH CHAMBER OF THE
GENERAL ASSEMBLY APPOINTED AS FOLLOWS:

(A) TWO MEMBERS APPOINTED BY THE PRESIDENT PRO TEMPORE OF THE SENATE.

(B) ONE MEMBER APPOINTED BY THE MINORITY LEADER OF THE SENATE.

(C) TWO MEMBERS APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

(D) ONE MEMBER APPOINTED BY THE MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES.

(III) AN INDIVIDUAL APPOINTED BY THE GOVERNOR FROM WITHIN THE GOVERNOR'S ADMINISTRATION.

(IV) THE CHAIRMAN OF THE LIQUOR CONTROL BOARD.

(4) THE COMMISSION SHALL APPOINT A MEMBER TO SERVE AS CHAIRPERSON OF THE COMMISSION.

(5) THE COMMISSION SHALL HOLD ITS FIRST MEETING WITHIN 45 DAYS OF THE EFFECTIVE DATE OF THIS SECTION, NOTWITHSTANDING WHETHER THE GOVERNOR OR ALL LEGISLATIVE CAUCUSES HAVE ACTUALLY APPROVED MEMBERS TO THE COMMISSION.

(6) THE COMMISSION SHALL HOLD MEETINGS AT THE CALL OF THE CHAIRPERSON.

(7) A MEMBER OF THE COMMISSION MAY NOT RECEIVE COMPENSATION FOR THE MEMBER'S SERVICES, BUT SHALL BE REIMBURSED FOR ALL NECESSARY TRAVEL AND OTHER REASONABLE EXPENSES INCURRED IN CONNECTION WITH THE PERFORMANCE OF THE MEMBER'S DUTIES AS A MEMBER OF THE COMMISSION.

(8) THE GENERAL ASSEMBLY SHALL PROVIDE ADMINISTRATIVE SUPPORT, MEETING SPACE AND ANY OTHER ASSISTANCE REQUIRED BY THE COMMISSION TO CARRY OUT ITS DUTIES UNDER THIS SECTION IN COOPERATION WITH THE BOARD. THE BOARD AND THE DEPARTMENT OF REVENUE SHALL PROVIDE THE COMMISSION WITH DATA, RESEARCH AND
OTHER INFORMATION UPON REQUEST BY THE COMMISSION. THE
COMMISSION MAY ENTER INTO CONTRACTS FOR PROFESSIONAL SERVICES
AS MAY BE NEEDED TO FULFILL THE COMMISSION'S DUTIES.

(9) THE BOARD SHALL PAY FOR ALL REASONABLE EXPENSES OF
THE COMMISSION FROM FUNDS MADE AVAILABLE FROM THE STATE
STORES FUND.

(10) THE COMMISSION SHALL:

(I) ANALYZE THE CURRENT WHOLESALE SYSTEM'S ABILITY
TO MEET THE DEMAND FROM RETAILERS.

(II) EVALUATE THE IMPACT OF PUBLIC SECTOR JOB LOSSES
THROUGH THE TRANSFER OF THE WHOLESALE SYSTEM TO PRIVATE
OPERATORS.

(III) CONSIDER BEST PRACTICES IN OTHER STATES
RELATED TO THE OPERATION OF A WINE AND SPIRITS WHOLESALE
OPERATION.

(IV) DETERMINE WHAT IMPACT A TRANSITION OF THE
WHOLESALE SYSTEM TO PRIVATE OPERATORS WOULD HAVE ON THE
ANNUAL FISCAL STABILITY OF THE COMMONWEALTH.

(V) DETERMINE THE EFFECTIVENESS OF THE PROVISIONS
CONTAINED IN THIS ACT AND PROVIDE RECOMMENDATIONS TO
IMPROVE THE REFORMS CONTAINED IN THIS ACT.

(VI) PROVIDE A VALUATION OF THE WINE AND SPIRITS
WHOLESALE AND RETAIL SYSTEMS.

(VII) DETERMINE THE IMPACT OF WHOLESALE AND RETAIL
PRIVATIZATION ON THE COST OF LIQUOR TO THE CONSUMER.

(VIII) DETERMINE WHETHER THE CURRENT QUOTA SYSTEM IN
EACH INDIVIDUAL COUNTY IS MEETING CONSUMER DEMAND.

(IX) ANALYZE OTHER FACTORS RELATED TO WINE AND
SPIRITS WHOLESALE AND RETAIL PRIVATIZATION.

(11) THE COMMISSION SHALL HAVE ALL OF THE FOLLOWING
POWERS AND DUTIES:

(I) REVIEW AND MAKE FINDINGS AND RECOMMENDATIONS RELATED TO WINE AND SPIRITS WHOLESALE AND RETAIL IN THIS COMMONWEALTH.

(II) CONSULT WITH AND UTILIZE EXPERTS TO ASSIST THE COMMISSION IN CARRYING OUT THE DUTIES UNDER THIS SECTION.

(III) DRAFT PROPOSED REGULATIONS AND PROPOSED LEGISLATION BASED ON THE COMMISSION'S FINDINGS.


SECTION 29. THIS ACT SHALL TAKE EFFECT IN 60 DAYS.