THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1242

Session of 1985

INTRODUCED BY PERZEL, GANNON, GODSHALL, SEMMEL, WILSON, JOHNSON, BOOK AND J. L. WRIGHT, MAY 28, 1985

REFERRED TO COMMITTEE ON LIQUOR CONTROL, MAY 28, 1985

AN ACT

Amending the act of April 12, 1951 (P.L.90, No.21), entitled "An act relating to alcoholic liquors, alcohol and malt and 3 brewed beverages; amending, revising, consolidating and changing the laws relating thereto; regulating and 5 restricting the manufacture, purchase, sale, possession, consumption, importation, transportation, furnishing, holding in bond, holding in storage, traffic in and use of alcoholic 7 liquors, alcohol and malt and brewed beverages and the 8 9 persons engaged or employed therein; defining the powers and 10 duties of the Pennsylvania Liquor Control Board; providing for the establishment and operation of State liquor stores, 11 for the payment of certain license fees to the respective 12 municipalities and townships, for the abatement of certain 13 14 nuisances and, in certain cases, for search and seizure without warrant; prescribing penalties and forfeitures; 15 providing for local option, and repealing existing laws," 16 17 further providing for the powers and duties of the board. 18 The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows: 19 20 Section 1. The act of April 12, 1951 (P.L.90, No.21), known 21 as the Liquor Code, is amended by adding a section to read: 22 Section 207.1. Limitations on the General Powers of the Board. -- Notwithstanding any other provisions of the act, the 23 24 board shall have the power and its duty shall be as follows: 25 (a) The board shall not own, operate, maintain or control

- 1 any facilities or conveyances for the storage, transportation
- 2 and delivery of liquor, alcohol and malt or brewed beverages
- 3 <u>customarily and usually sold at wholesale or retail through</u>
- 4 Pennsylvania liquor stores.
- 5 (b) The board shall negotiate a purchase price with each
- 6 <u>Pennsylvania manufacturer and each nonresident manufacturer</u>
- 7 <u>selling such liquors</u>, <u>alcohol</u>, <u>malt or brewed beverages to the</u>
- 8 board based upon the Commonwealth's aggregate anticipated
- 9 purchases from each such manufacturer for the ensuing year.
- 10 (c) The purchase price paid by the board shall not exceed
- 11 the manufacturer's lowest price to any other purchaser anywhere
- 12 within the United States of America for a purchase of similar
- 13 <u>size or volume</u>.
- 14 (d) The board shall provide each manufacturer from whom it
- 15 makes purchases a purchase order contract for the purchase of
- 16 <u>such liquors</u>, <u>alcohol</u>, <u>malt or brewed beverages</u>.
- 17 (e) All purchase order contracts shall provide that the
- 18 manufacturers shall deliver to each retail store under the
- 19 jurisdiction of the board such quantities of liquor, alcohol,
- 20 <u>malt or brewed beverages as shall be ordered by such</u>
- 21 Pennsylvania retail store from time to time against such
- 22 purchase order contract.
- 23 (f) The board from time to time shall promulgate and publish
- 24 <u>such rules and regulations not inconsistent with the provisions</u>
- 25 of this section and which it may deem necessary to effect the
- 26 efficient administration of these provisions.
- 27 (q) The board shall establish an efficient method of
- 28 monitoring and auditing the implementation of the provisions of
- 29 this section, including, but not limited to, the establishment
- 30 of an inventory control system based upon recognized and

- 1 <u>accepted accounting practices.</u>
- 2 Section 2. The board shall within 18 months from the
- 3 effective date of this act divest itself from the ownership,
- 4 maintenance, operation or control of any warehouse or
- 5 transportation facility or contract.
- 6 Section 3. This act shall take effect in one year.