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THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 48 Session of 2009

INTRODUCED BY M. O'BRIEN, JANUARY 26, 2009

SENATE AMENDMENTS TO HOUSE AMENDMENTS, JUNE 7, 2010

AN ACT

Amending the act of April 12, 1951 (P.L.90, No.21), entitled, as 1 reenacted, "An act relating to alcoholic liquors, alcohol and 2 3 malt and brewed beverages; amending, revising, consolidating and changing the laws relating thereto; regulating and 4 restricting the manufacture, purchase, sale, possession, 5 consumption, importation, transportation, furnishing, holding 6 in bond, holding in storage, traffic in and use of alcoholic 7 liquors, alcohol and malt and brewed beverages and the 8 persons engaged or employed therein; defining the powers and 9 duties of the Pennsylvania Liquor Control Board; providing 10 for the establishment and operation of State liquor stores, 11 for the payment of certain license fees to the respective 12 13 municipalities and townships, for the abatement of certain nuisances and, in certain cases, for search and seizure 14 without warrant; prescribing penalties and forfeitures; 15 providing for local option, and repealing existing laws," 16 further providing for definitions, FOR WINE MARKETING, for 17 sacramental wine licenses, fees, privileges and restrictions, 18 for interlocking businesses prohibited and, FOR NUMBER AND 19 KINDS OF LICENSES ALLOWED SAME LICENSEE, for limited number 20 of retail licenses to be issued in each county, FOR UNLAWFUL 21 ACTS RELATIVE TO LIQUOR, MALT AND BREWED BEVERAGES AND 22 LICENSEES, FOR LICENSES ISSUED AND FOR LIMITED WINERIES. 23 24 The General Assembly of the Commonwealth of Pennsylvania

25 hereby enacts as follows:

26 Section 1. The definitions of "eligible entity," "performing 27 arts facilities" and "public venue" in section 102 of the act of 28 April 12, 1951 (P.L.90, No.21), known as the Liquor Code, 1 reenacted and amended June 29, 1987 (P.L.32, No.14) and amended 2 December 20, 2000 (P.L.992, No.41), November 29, 2006 (P.L.1421, 3 No. 155) and July 16, 2007 (P.L.107, No.34), are amended to 4 read:

5 Section 102. Definitions.--The following words or phrases, 6 unless the context clearly indicates otherwise, shall have the 7 meanings ascribed to them in this section:

8 * * *

9 "Eligible entity" shall mean a city of the third class, a hospital, a church, a synagogue, a volunteer fire company, a 10 volunteer ambulance company, a volunteer rescue squad, a unit of 11 a nationally chartered club which has been issued a club liquor 12 13 license, a club in a city of the third class which has been 14 issued a club liquor license and which, as of December 31, 2002, 15 has been in existence for at least 100 years, a library, a 16 nationally accredited Pennsylvania nonprofit zoological institution licensed by the United States Department of 17 18 Agriculture, a nonprofit agricultural association in existence 19 for at least ten years, a bona fide sportsmen's club in 20 existence for at least ten years, a nationally chartered veterans' organization and any affiliated lodge or subdivision 21 of such organization, a fraternal benefit society that is 22 23 licensed to do business in this Commonwealth and any affiliated 24 lodge or subdivision of such fraternal benefit society, a museum 25 operated by a nonprofit corporation in a city of the third class 26 or township of the first class, a nonprofit corporation engaged in the performing arts in a city of the third class, borough or 27 28 in an incorporated town, an arts council, a nonprofit corporation that operates an arts facility or museum in a city 29 30 of the third class in the county of the fourth class, a

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

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located in a city of the third class in a county of the fourth 1 2 class or located in a township of the second class in a county 3 of the fifth class, a junior league in a third class county that is a nonprofit organization as defined under section 501(c)(3) 4 of the Internal Revenue Code of 1986 (26 U.S.C. § 501(c)(3)) 5 that is comprised of women whose purpose is exclusively 6 7 educational and charitable in promoting the volunteerism of 8 women and developing and participating in community projects and 9 that has been in existence for over seventy years [or], A -10 NONPROFIT ORGANIZATION AS DEFINED UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986 WHICH IS LOCATED IN COUNTIES OF 11 12 THE SECOND CLASS A OR OF THE THIRD CLASS AND WHOSE PURPOSE IS 13 THE EDUCATION AND PROMOTION OF AMERICAN HISTORY, a nonprofit 14 organization as defined under section [501(C)(6)] 501(C)(6) of 15 the Internal Revenue Code of 1986 which is located in a city of 16 the third class in a county of the third class and whose purpose is to support business and industry, A BREWERY WHICH HAS BEEN_ 17 4 18 ISSUED A LICENSE TO MANUFACTURE MALT OR BREWED BEVERAGES AND HAS 19 BEEN IN EXISTENCE FOR AT LEAST 100 YEARS or a club recognized by Rotary International which is located in a county of the fourth 20 class and whose purpose is to provide service to others, to 21 promote high ethical standards and to advance world 22 23 understanding, goodwill and peace through its fellowship of_ 24 business, professional and community leaders or a nonprofit 25 organization as defined under section 501(c)(3) of the Internal 26 Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3)) 27 which is located in a borough in a county of the third class and 28 whose purpose is to promote mushrooms while supporting local and_ 29 regional charities.

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1 "Performing arts facilities" shall mean those halls or 2 theaters in which live musical, concert, dance, ballet and 3 legitimate play book-length productions are performed. Performing arts facilities shall not mean those halls or 4 theaters in which burlesque shows or reviews are performed. If 5 the operator of the performing arts facility is a nonprofit 6 entity, the facility must have seating for at least [five 7 hundred (500)] two hundred fifty (250) people; otherwise, the 8 9 facility must have seating for at least twenty-five hundred 10 (2,500) people.

11 * * *

12 "Public venue" shall mean a stadium, arena, convention 13 center, museum, amphitheater or similar structure. If the public 14 venue is a cruise terminal owned or leased by a port authority 15 created under the act of June 12, 1931 (P.L.575, No.200), 16 entitled "An act providing for joint action by Pennsylvania and New Jersey in the development of the ports on the lower Delaware 17 18 River, and the improvement of the facilities for transportation 19 across the river; authorizing the Governor, for these purposes, 20 to enter into an agreement with New Jersey; creating The Delaware River Joint Commission and specifying the powers and 21 duties thereof, including the power to finance projects by the 22 23 issuance of revenue bonds; transferring to the new commission 24 all the powers of the Delaware River Bridge Joint Commission; 25 and making an appropriation," it shall have no permanent seating requirement. If the public venue is an open-air amphitheater 26 27 owned by a port authority created under the act of December 6, 28 1972 (P.L.1392, No.298), known as the "Third Class City Port Authority Act," it shall have no permanent seating requirement. 29 30 If the public venue is owned by a political subdivision, a

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municipal authority, the Commonwealth, an authority created 1 under the act of July 29, 1953 (P.L.1034, No.270), known as the 2 3 "Public Auditorium Authorities Law," an authority created under Article XXV-A of the act of July 28, 1953 (P.L.723, No.230), 4 known as the "Second Class County Code," an art museum 5 established under the authority of the act of April 6, 1791 (3 6 Sm.L.20, No.1536), entitled "An act to confer on certain 7 associations of the citizens of this commonwealth the powers and 8 immunities of corporations, or bodies politic in law," or an 9 10 authority created under Article XXIII (n) or (o) of the act of August 9, 1955 (P.L.323, No.130), known as "The County Code," it 11 shall have permanent seating for at least one thousand (1,000) 12 13 people; otherwise, it shall have permanent seating for at least two thousand (2,000) people. The term shall also mean any 14 15 regional history center, multipurpose cultural and science 16 facility, museum or convention or trade show center, regardless of owner and seating capacity, that has a floor area of at least 17 18 sixty thousand (60,000) square feet in one building. The term 19 shall also mean a convention or conference center owned by a 20 city of the third class or a university which is a member of the Pennsylvania State System of Higher Education which is operated 21 by a university foundation or alumni association, regardless of 22 23 seating capacity, that has a floor area of at least fifteen 24 thousand (15,000) square feet in one building. The term shall 25 also mean a visitor center, regardless of floor area or seating_ 26 capacity, that was established under the authority of the Gateway Visitor Center Authorization Act of 1999 (Public Law_ 27 <u>106-131, 113 Stat. 1678, 16 U.S.C. § 407m)).</u> 28 * * * 29

30 SECTION 2. SECTION 215 OF THE ACT, AMENDED DECEMBER 30, 2003

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1 (P.L.423, NO.59), IS AMENDED TO READ:

2 SECTION 215. WINE AND SPIRITS MARKETING.--

3 (E) THE BOARD IS AUTHORIZED TO PARTICIPATE IN OR SPONSOR WINE AND SPIRITS EVENTS FOR THE PURPOSE OF EDUCATING CONSUMERS 4 AS TO THE WINES AND SPIRITS AVAILABLE IN THIS COMMONWEALTH. THE 5 WINE AND SPIRITS TO BE USED FOR THE EVENT MAY BE ACQUIRED 6 THROUGH THE STATE STORE SYSTEM OR MAY BE DONATED FROM OUTSIDE 7 8 THIS COMMONWEALTH. PARTICIPATION IN THE TASTINGS MAY BE CONDITIONED ON THE PURCHASE OF A TICKET TO THE EVENT. THE EVENT 9 MAY INCLUDE EVENTS OCCURRING ON PREMISES LICENSED BY THE BOARD, 10 AND THE BOARD MAY SELL WINE AND SPIRITS FOR OFF-PREMISES 11 12 CONSUMPTION IN AN AREA DESIGNATED BY THE BOARD FOR SUCH SALE. 13 Section 2 3. Section 409 of the act, amended December 21, 1998 (P.L.1202, No.155) and December 9, 2002 (P.L.1653, No.212), 14 is amended to read: 15

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16 Section 409. Sacramental Wine Licenses; Fees; Privileges; 17 Restrictions.--(a) Subject to the provisions of this act in 18 general and more particularly to the following provisions of 19 this section, the board shall issue sacramental wine licenses to 20 qualified applicants.

21 (b) Every applicant for a sacramental wine license shall 22 file a written application with the board in such form as the 23 board shall from time to time prescribe, which shall be 24 accompanied by a filing fee and a license fee as prescribed in 25 section 614-A of the act of April 9, 1929 (P.L.177, No.175), 26 known as "The Administrative Code of [1929," and a license fee of one hundred dollars.] 1929." Every such application shall 27 28 contain a description of the premises for which the applicant 29 desires a license and shall set forth such other material 30 information as may be required by the board.

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1 If the applicant is a natural person, his application (C) must show that he is a citizen of the United States or a 2 resident alien and a resident of this Commonwealth. If the 3 applicant is an association or partnership, each and every 4 member of the association or partnership must be a citizen of 5 the United States or a resident alien and a resident of this 6 7 Commonwealth. If the applicant is a corporation, the application 8 must show that the corporation was created under the laws of Pennsylvania or holds a certificate of authority to transact 9 business in Pennsylvania, and that all officers, directors and 10 stockholders are citizens of the United States or resident 11 12 aliens.

13 (d) [Holders] Except as otherwise provided under subsection 14 (d.1), holders of such licenses may purchase from manufacturers 15 or bring or import into this Commonwealth wine to be used for 16 sacramental or religious purposes only, and bottle and sell the 17 same to priests, clergymen and rabbis for use in the cathedral, 18 church, synagogue or temple, or for sustaining members of the 19 congregation or members of the faith who attend religious 20 services, duly certified by such priests, clergymen or rabbis. 21 The sale and use of wine for sacramental or religious purposes shall be subject to and in accordance with the regulations of 22 23 the board.

(d.1) In addition to the privileges conferred under subsection (d), the holder of a sacramental wine license who owns or operates an eating place or a restaurant may sell food for consumption on or off the premises and sell for consumption on the premises only the wine that it may acquire and sell pursuant to its license. In addition, the holder of a

30 sacramental wine license may allow persons who have purchased

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but only partially consumed a bottle of wine on the premises to
 remove the bottle from the premises so long as the bottle was
 purchased in conjunction with a meal that was consumed on the
 premises and so long as the bottle is resealed.

5 (e) [Any] <u>Except as provided under subsection (d.1), any</u> 6 wine purchased under the authority of this section shall not be 7 used for any other than sacramental or religious purposes. 8 Sacramental wine may not be sold by any person except the holder 9 of a sacramental wine license.

(f) Every sacramental wine licensee shall maintain on the 10 licensed premises such records as the board may prescribe. No 11 12 deliveries of sacramental wine shall be made unless and until an 13 order therefor is on file at the principal place of business in Pennsylvania. All shipments into Pennsylvania of wine to be used 14 15 [for sacramental or religious purposes] as prescribed in this 16 section shall be consigned to the principal place of business maintained by the licensee. 17

(g) Any such license may be suspended or revoked by the board upon proof satisfactory to it that the licensee has violated any law of this Commonwealth or any regulation of the board relating to liquor and alcohol. The procedure in such cases shall be the same as for the revocation and suspension of hotel, restaurant and club licenses.

(h) For purposes of this section the term "sacramental wine"
 shall mean any wine that is clearly marked on the bottle by the
 manufacturer as being produced or manufactured in accordance

27 with religious law, practice or custom.

28 Section 3. Section 411(e) of the act is amended to read:
29 SECTION 4. SECTIONS 411(E) AND 438(C) OF THE ACT ARE AMENDED
30 TO READ:

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Section 411. Interlocking Business Prohibited. --* * *

(e) Except as herein provided, no hotel, restaurant, retail 2 3 dispenser or club licensee, and no officer, director or stockholder, agent or employe of any such licensee shall in any 4 wise be interested, directly or indirectly, in the ownership or 5 leasehold of any property or the equipment of any property or 6 any mortgage lien against the same, used by a distributor, 7 8 importing distributor, or by an importer or sacramental wine licensee, in the conduct of his business; nor shall any hotel, 9 10 restaurant, retail dispenser or club licensee, or any officer, director, stockholder, agent or employe of any such licensee, 11 either directly or indirectly, lend any moneys, credit, or give 12 13 anything of value or the equivalent thereof, to any distributor, 14 importing distributor, importer or sacramental wine licensee, 15 for equipping, fitting out, or maintaining and conducting, 16 either in whole or in part, an establishment used in the conduct 17 of his business.

18 The purpose of this section is to require a separation of the 19 financial and business interests between manufacturers and 20 holders of hotel or restaurant liquor licenses and, as herein provided, of club licenses, issued under this article, and no 21 person shall, by any device whatsoever, directly or indirectly, 22 23 evade the provisions of the section. But in view of existing 24 economic conditions, nothing contained in this section shall be 25 construed to prohibit the ownership of property or conflicting 26 interest by a manufacturer of any place occupied by a licensee under this article after the manufacturer has continuously owned 27 28 and had a conflicting interest in such place for a period of at 29 least five years prior to July eighteenth, one thousand nine hundred thirty-five: Provided, however, That this clause shall 30

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not prohibit any hotel, restaurant or club liquor licensee from 1 2 owning land which is leased to, and the buildings thereon owned 3 by, a holder of a retail dispenser's license; and nothing in this clause shall prevent the issuance of a retail dispenser's 4 license to a lessee of such lands who owns the buildings 5 6 thereon: And, provided further, That nothing contained in this 7 section shall be construed to prohibit any hotel, restaurant, 8 retail dispenser or club licensee or any officer, director or 9 stockholder, agent or employe of any such licensee from having a 10 financial or other interest, directly or indirectly in the 11 ownership or leasehold of any property or the equipment of any 12 property or any mortgage lien against same, used, leased by an 13 importer or sacramental wine licensee for the exclusive purpose 14 of maintaining commercial offices and on the condition that said 15 property is not used for the storage or sale of liquor or malt 16 or brewed beverages in any quantity[.]: And, provided further, 17 That nothing contained in this section shall prohibit an officer 18 or member of a licensed privately owned private golf course 19 catering club from having an interest in a limited winery_ 20 license-: AND, PROVIDED FURTHER, THAT NOTHING CONTAINED IN THIS 21 SECTION SHALL BE CONSTRUED TO PROHIBIT A MEMBER OF THE GOVERNING 22 BOARD OF A PUBLIC AUTHORITY CREATED UNDER SUBDIVISION (N) OF 23 ARTICLE XXIII OF THE ACT OF AUGUST 9, 1955 (P.L.323, NO.130), 24 KNOWN AS "THE COUNTY CODE," FROM HAVING AN INTEREST IN A DISTRIBUTOR OR IMPORTING DISTRIBUTOR LICENSE NOTWITHSTANDING THE 25 26 FACT THAT THE PUBLIC AUTHORITY HAS AN INTEREST IN ONE OR MORE RETAIL LICENSES OR ACTS AS A LANDLORD FOR ONE OR MORE RETAIL 27 LICENSES: AND, PROVIDED FURTHER, THAT NOTWITHSTANDING ANY OTHER 28 29 PROVISION OF THIS SECTION, AN ENTITY MAY ACOUIRE BOTH A MANUFACTURER'S LICENSE OR A LIMITED WINERY LICENSE AND A HOTEL, 30

RESTAURANT OR RETAIL DISPENSER LICENSE FOR USE AT THE SAME 1 2 LOCATION AND MORE THAN ONE LOCATION MAY BE SO LICENSED. THE 3 LICENSES AND A PERSON'S INTEREST IN THE LICENSES OR IN THE ENTITY HOLDING THE LICENSES SHALL NOT BE SUBJECT TO THIS 4 5 SECTION. 6 SECTION 438. NUMBER AND KINDS OF LICENSES ALLOWED SAME 7 LICENSEE.--* * * 8 (C) NO PERSON SHALL POSSESS MORE THAN ONE CLASS OF LICENSE, 9 EXCEPT THAT A HOLDER OF A RETAIL DISPENSER'S LICENSE MAY ALSO BE 10 A HOLDER OF A RETAIL LIQUOR LICENSE: PROVIDED, HOWEVER, THAT NOTHING CONTAINED IN THIS SECTION SHALL BE CONSTRUED TO PROHIBIT 11 A MEMBER OF THE GOVERNING BOARD OF A PUBLIC AUTHORITY CREATED 12 13 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 14 15 AN INTEREST IN A DISTRIBUTOR OR IMPORTING DISTRIBUTOR LICENSE NOTWITHSTANDING THE FACT THAT THE PUBLIC AUTHORITY HAS AN 16 17 INTEREST IN ONE OR MORE RETAIL LICENSES OR ACTS AS A LANDLORD 18 FOR ONE OR MORE RETAIL LICENSES: AND, PROVIDED FURTHER, THAT NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, AN ENTITY 19 20 MAY ACOUIRE BOTH A MANUFACTURER'S LICENSE OR A LIMITED WINERY 21 LICENSE AND A HOTEL, RESTAURANT OR RETAIL DISPENSER LICENSE FOR 22 USE AT THE SAME LOCATION AND MORE THAN ONE LOCATION MAY BE SO 23 LICENSED. THE LICENSES AND A PERSON'S INTEREST IN THE LICENSES 24 OR IN THE ENTITY HOLDING THE LICENSES SHALL NOT BE SUBJECT TO THIS SECTION. 25 26 SECTION 5. SECTION 443(G) OF THE ACT, AMENDED MAY 31, 1996 27 (P.L.312, NO.49), IS AMENDED TO READ: 28 SECTION 443. INTERLOCKING BUSINESS PROHIBITED. --* * * 29 (G) THE PURPOSE OF THIS SECTION IS TO REOUIRE A SEPARATION 30 OF THE FINANCIAL AND BUSINESS INTERESTS BETWEEN THE VARIOUS

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CLASSES OF BUSINESS REGULATED BY SUBDIVISION (B) OF THIS 1 ARTICLE, AND NO PERSON OR CORPORATION SHALL, BY ANY DEVICE 2 3 WHATSOEVER, DIRECTLY OR INDIRECTLY, EVADE THE PROVISIONS OF THIS SECTION. BUT IN VIEW OF EXISTING ECONOMIC CONDITIONS, NOTHING 4 5 CONTAINED IN THIS SECTION SHALL BE CONSTRUED TO PROHIBIT THE 6 OWNERSHIP OF PROPERTY OR CONFLICTING INTEREST BY A MALT OR 7 BREWED BEVERAGE MANUFACTURER OF ANY PLACE OCCUPIED BY A 8 DISTRIBUTOR, IMPORTING DISTRIBUTOR OR RETAIL DISPENSER AFTER THE 9 MANUFACTURER HAS CONTINUOUSLY OWNED AND HAD A CONFLICTING 10 INTEREST IN SUCH PLACE FOR A PERIOD OF AT LEAST FIVE YEARS PRIOR TO THE EIGHTEENTH DAY OF JULY, ONE THOUSAND NINE HUNDRED THIRTY-11 FIVE: PROVIDED, HOWEVER, THAT A HOLDER OF A MANUFACTURER'S 12 13 LICENSE UNDER SECTION 431(A) WHO IS ELIGIBLE TO OPERATE A 14 BREWERY PUB UNDER SECTION 446(2) OR A LIMITED WINERY AS PROVIDED 15 FOR UNDER SECTION 505.2 MAY ALSO HOLD AND OPERATE UNDER A HOTEL LIOUOR LICENSE, A RESTAURANT LIOUOR LICENSE OR A MALT AND BREWED 16 17 BEVERAGES RETAIL LICENSE ON THE MANUFACTURER'S OR LIMITED 18 WINERY'S LICENSED PREMISES. THE HOTEL LIQUOR LICENSE OR 19 RESTAURANT LIQUOR LICENSE OR THE MALT AND BREWED BEVERAGES 20 RETAIL LICENSE SHALL BE ACQUIRED BY THE MANUFACTURER OR LIMITED 21 WINERY SUBJECT TO SECTION 461 AND SHALL SATISFY ALL REQUIREMENTS 22 FOR EACH RESPECTIVE LICENSE: AND, PROVIDED FURTHER, THAT NOTHING 23 CONTAINED IN THIS SECTION SHALL BE CONSTRUED TO PROHIBIT A 24 MEMBER OF THE GOVERNING BOARD OF A PUBLIC AUTHORITY CREATED 25 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 26 27 AN INTEREST IN A DISTRIBUTOR OR IMPORTING DISTRIBUTOR LICENSE 28 NOTWITHSTANDING THE FACT THAT THE PUBLIC AUTHORITY HAS AN 29 INTEREST IN ONE OR MORE RETAIL LICENSES OR ACTS AS A LANDLORD 30 FOR ONE OR MORE RETAIL LICENSES.

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1 THE TERM "MANUFACTURER" AS USED IN THIS SECTION SHALL INCLUDE 2 MANUFACTURERS OF MALT OR BREWED BEVERAGES AS DEFINED IN THIS ACT 3 AND ANY PERSON MANUFACTURING ANY MALT OR BREWED BEVERAGES 4 OUTSIDE OF THIS COMMONWEALTH.

5 Section 4 6. Section 461(c)(9) of the act, amended July 16,
6 2007 (P.L.107, No.34), is amended to read:

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7 Section 461. Limiting Number of Retail Licenses To Be Issued 8 In Each County.--* * *

9 The word "hotel" as used in this section shall mean any (C) 10 reputable place operated by a responsible person of good 11 reputation where the public may, for a consideration, obtain 12 sleeping accommodations, and which shall have the following 13 number of bedrooms and requirements in each case--at least one-14 half of the required number of bedrooms shall be regularly 15 available to transient quests seven days weekly, except in 16 resort areas; at least one-third of such bedrooms shall be equipped with hot and cold water, a lavatory, commode, bathtub 17 18 or shower and a clothes closet; and an additional one-third of 19 the total of such required rooms shall be equipped with lavatory 20 and commode:

21 * * *

(9) Upon application to and subject to inspection by the 22 board, hotel licensees under clause (8) of this subsection shall 23 24 no longer be required to maintain bedrooms for public 25 accommodation. [However, areas required and designated as 26 bedrooms for public accommodation prior to the effective date of 27 this clause may not subsequently be used as licensed serving 28 area.] Such area may be used as licensed storage area or serving 29 area consistent with this act and existing regulations.

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SECTION 7. SECTION 505 OF THE ACT, AMENDED DECEMBER 21, 1998
 (P.L.1202, NO.155), IS AMENDED TO READ:

3 SECTION 505. LICENSES ISSUED.--UPON RECEIPT OF THE APPLICATION IN THE FORM HEREIN PROVIDED AND THE PROPER FEES, THE 4 5 BOARD MAY GRANT TO SUCH APPLICANT A LICENSE TO ENGAGE IN, (A) THE OPERATION OF A LIMITED WINERY OR A WINERY; OR, (B) THE 6 MANUFACTURING, PRODUCING, DISTILLING, DEVELOPING, OR USING IN 7 THE PROCESS OF MANUFACTURING, DENATURING, REDISTILLING, 8 9 RECOVERING, RECTIFYING, BLENDING AND REUSING OF ALCOHOL AND 10 LIQUOR; OR, (C) THE HOLDING IN BOND OF ALCOHOL AND LIQUOR; OR, (D) THE HOLDING IN STORAGE, AS BAILEE FOR HIRE, OF ALCOHOL, 11 12 LIQUOR AND MALT OR BREWED BEVERAGES; OR, (E) THE TRANSPORTING 13 FOR HIRE OF ALCOHOL, LIQUOR AND MALT OR BREWED BEVERAGES. SUCH 14 LICENSES MAY BE TRANSFERRED FROM ONE PERSON TO ANOTHER OR FROM ONE LOCATION TO ANOTHER, OR BOTH. EVERY APPLICANT FOR A TRANSFER 15 OF SUCH LICENSES SHALL FILE A WRITTEN APPLICATION WITH THE 16 17 BOARD, TOGETHER WITH A FILING FEE OF FIVE HUNDRED FIFTY DOLLARS 18 (\$550) IF THE TRANSFER IS TO A NEW LOCATION, SIX HUNDRED FIFTY 19 DOLLARS (\$650) IF THE TRANSFER IS TO A NEW PERSON, OR SEVEN HUNDRED DOLLARS (\$700) IF THE TRANSFER IS TO A NEW PERSON FOR 20 21 USE AT A NEW LOCATION. WHENEVER SUCH A LICENSE IS TRANSFERRED, 22 NO LICENSE OR OTHER FEES SHALL BE REQUIRED FROM THE PERSONS TO 23 WHOM SUCH TRANSFER IS MADE FOR THE PORTION OF THE LICENSE PERIOD 24 FOR WHICH THE LICENSE FEE HAS BEEN PAID BY THE TRANSFEROR. 25 SECTION 8. SECTION 505.2(A) OF THE ACT IS AMENDED BY ADDING 26 A CLAUSE TO READ: 27 SECTION 505.2. LIMITED WINERIES.--(A) IN THE INTEREST OF

28 PROMOTING TOURISM AND RECREATIONAL DEVELOPMENT IN PENNSYLVANIA,29 HOLDERS OF A LIMITED WINERY LICENSE MAY:

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1	(6.4) STORE ALCOHOLIC CIDER, WINE AND WINE COOLERS PRODUCED
2	BY THE LIMITED WINERY AT NO MORE THAN TWO (2) BOARD-APPROVED
3	LOCATIONS OTHER THAN THE LICENSED PREMISES AND THOSE PREMISES
4	REFERENCED IN CLAUSE (3) PERTAINING TO THE FIVE (5) BOARD-
5	APPROVED LOCATIONS FOR THE SALE OF WINE, WITH NO BOTTLING OR
6	PRODUCTION REQUIREMENT AT THOSE ADDITIONAL LOCATIONS AND UNDER
7	SUCH CONDITIONS AND REGULATIONS AS THE BOARD MAY ENFORCE. IF TWO
8	(2) OR MORE BUSINESSES WILL OPERATE OUT OF THE SAME STORAGE
9	FACILITY, THE LIMITED WINERY MUST DESIGNATE SPECIFIC AND
10	DISTINCT AREAS FOR ITS STORAGE. THE LIMITED WINERY'S DESIGNATED
11	STORAGE AREA MUST BE SECURED AND NO ONE OTHER THAN THE LICENSEE
12	AND HIS EMPLOYEES MAY BE ALLOWED ACCESS TO THE STORAGE AREA. NO
13	BOARD-APPROVED MANAGER WILL BE NECESSARY FOR THE STORAGE
14	FACILITY. THE LIMITED WINERY MUST FILL OUT AN APPLICATION FOR
15	SUCH AN ADDITIONAL BOARD-APPROVED STORAGE LOCATION, AND SUCH
16	LOCATION SHALL COUNT AS ONE OF THE TWO PERMITTED FOR EACH
17	LIMITED WINERY. THE LIMITED WINERY IS RESPONSIBLE FOR KEEPING
18	ONLY ITS OWN COMPLETE RECORDS. A LIMITED WINERY MAY BE CITED FOR
19	A VIOLATION OF THE RECORDKEEPING REQUIREMENTS OF SECTIONS 512
20	AND 513 PERTAINING TO ITS OWN RECORDS ONLY.
21	* * *
22	Section 5 9. This act shall take effect $\frac{1}{100} \frac{1}{100} \frac{1}$

23 IMMEDIATELY.

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