THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2360 Session of 2012

INTRODUCED BY AUMENT, BEAR, BOYD, CALTAGIRONE, CREIGHTON, CUTLER, EVANKOVICH, EVERETT, GEIST, GINGRICH, GROVE, MULLERY, PAYTON AND STURLA, MAY 14, 2012

REFERRED TO COMMITTEE ON LIQUOR CONTROL, MAY 14, 2012

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 2 malt and brewed beverages; amending, revising, consolidating 3 and changing the laws relating thereto; regulating and restricting the manufacture, purchase, sale, possession, 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 10 duties of the Pennsylvania Liquor Control Board; providing for the establishment and operation of State liquor stores, 11 for the payment of certain license fees to the respective 12 municipalities and townships, for the abatement of certain 13 nuisances and, in certain cases, for search and seizure 14 15 without warrant; prescribing penalties and forfeitures; providing for local option, and repealing existing laws," providing for nano-brewery licenses. 16 17 18 The General Assembly of the Commonwealth of Pennsylvania 19 hereby enacts as follows: 20 Section 1. The act of April 12, 1951 (P.L.90, No.21), known 21 as the Liquor Code, reenacted and amended June 29, 1987 (P.L.32, 22 No.14), is amended by adding a section to read: 23 Section 431.2. Nano-brewery license. -- (a) The board shall
- 25 good repute who applies therefor, and pays the license fee

issue to any person who is a resident of this Commonwealth in

24

- 1 hereinafter prescribed, a nano-brewery license to produce and
- 2 <u>manufacture no more than one hundred fifty barrels of malt or</u>
- 3 <u>brewed beverages and to transport, sell and deliver malt or</u>
- 4 brewed beverages from the place of manufacture only in original
- 5 containers, in quantities of not less than a case or original
- 6 <u>containers containing one hundred twenty-eight ounces or more</u>
- 7 which may be sold separately anywhere in this Commonwealth. The
- 8 application for such license shall be in such form and contain
- 9 such information as the board shall require. All such licenses
- 10 shall be granted for a license period to be determined by the
- 11 board. Every manufacturer shall keep at his or its principal
- 12 place of business, within this Commonwealth, daily permanent
- 13 <u>records which shall show:</u>
- 14 (1) the quantities of raw materials received and used in the
- 15 manufacture of malt or brewed beverages and the quantities of
- 16 <u>malt or brewed beverages manufactured and stored;</u>
- 17 (2) the sales of malt or brewed beverage;
- 18 (3) the quantities of malt or brewed beverages stored for
- 19 hire or transported for hire by or for the licensee; and
- 20 (4) the names and addresses of the purchases or other
- 21 recipients thereof.
- 22 Every place licensed as a manufacturer shall be subject to
- 23 inspection by members of the board or by persons duly authorized
- 24 and designated by the board, at any and all times of the day or
- 25 <u>night, as they may deem necessary, for the detection of</u>
- 26 violations of this act or of the rules and regulations of the
- 27 board or for the purpose of ascertaining the correctness of the
- 28 records required to be kept by licensees. The books and records
- 29 of such licensees shall, at all times, be open to be inspected
- 30 by members of the board or by persons duly authorized and

- 1 <u>designated by the board. Members of the board and its duly</u>
- 2 <u>authorized agents shall have the right, without hindrance, to</u>
- 3 enter any place which is subject to inspection hereunder or any
- 4 place where such records are kept for the purpose of making such
- 5 <u>inspections and for making transcriptions thereof. Whenever any</u>
- 6 <u>checks issued in payment of filing or license fees shall be</u>
- 7 returned to the board as dishonored, the board shall charge a
- 8 fee of five dollars (\$5.00) per one hundred dollars (\$100.00) or
- 9 <u>fractional part thereof</u>, plus all protest fees, to the maker of
- 10 such check submitted to the board. Failure to make full payment
- 11 or pay the face amount of the check in full and all charges
- 12 thereon as herein required within ten days after demand has been
- 13 made by the board upon the maker of the check or upon
- 14 <u>notification to the board by the Department of Revenue or the</u>
- 15 Department of Labor and Industry of its objection, the license
- 16 of such person shall immediately become invalid and shall remain
- 17 invalid until payment of all charges are received by the board.
- 18 (b) The holder of a nano-brewery license shall have all the
- 19 rights and be subject to the same conditions and qualifications
- 20 as those imposed on holders of a malt or brewed beverage
- 21 manufacturer's license.
- 22 (c) Holders of a nano-brewery may:
- 23 (1) Sell malt or brewed beverages produced and owned by the
- 24 brewery under such conditions and regulations as the board may
- 25 enforce, to individuals for consumption on or off the licensed
- 26 premises in any container or package of any volume and to hotel,
- 27 <u>restaurant, club and public service liquor licensees.</u>
- 28 (2) Operate a restaurant or brewery pub on the licensed
- 29 premises under such conditions and regulations as the board may
- 30 enforce, provided, however, that sales on Sunday may be made

- 1 <u>irrespective of the volume of food sales if the licensed</u>
- 2 premises are at a public venue location. The holder of a brewery
- 3 <u>license may sell at its brewery pub premises Pennsylvania wines</u>
- 4 <u>it has purchased from either the holder of a Pennsylvania</u>
- 5 <u>limited winery license or from the board, provided, however,</u>
- 6 that said wines must be consumed at the licensed brewery pub
- 7 premises.
- 8 (3) Apply for and hold a hotel liquor license, a restaurant
- 9 <u>liquor license or a malt and brewed beverages retail license to</u>
- 10 sell for consumption at the restaurant or brewery pub on the
- 11 <u>licensed brewery premises</u>, <u>liquor</u>, <u>wine and malt or brewed</u>
- 12 <u>beverages regardless of the place of manufacture</u>, under the same
- 13 conditions and regulations as any other hotel liquor license,
- 14 <u>restaurant liquor license or malt or brewed beverages retail</u>
- 15 <u>license</u>, but must brew at least two hundred fifty barrels per
- 16 year. Each holder of a brewery license who receives a hotel
- 17 liquor license, a restaurant liquor license or a malt or brewed
- 18 beverages retail license to operate a brew pub shall not sell
- 19 directly to any person licensed by this act, except if any malt
- 20 or brewed beverage is to be distributed in this Commonwealth, it
- 21 shall be only through specific importing distributors who shall
- 22 have first been given distributing rights for such products in
- 23 designated geographical areas through the distribution system
- 24 required for out-of-State manufacturers under section 431(b) as
- 25 well as all other pertinent sections of this act.
- 26 (d) The fee for the nano-brewery license shall be in an
- 27 <u>amount to be determined by the board but shall not exceed five</u>
- 28 hundred dollars (\$500.00).
- 29 Section 2. This act shall take effect in 60 days.