
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1196 Session of
2015

INTRODUCED BY PETRI, MAY 13, 2015

AMENDMENTS TO SENATE AMENDMENTS, HOUSE OF REPRESENTATIVES,
OCTOBER 25, 2016

AN ACT

1 Amending the act of April 12, 1951 (P.L.90, No.21), entitled, as
2 reenacted, "An act relating to alcoholic liquors, alcohol and
3 malt and brewed beverages; amending, revising, consolidating
4 and changing the laws relating thereto; regulating and
5 restricting the manufacture, purchase, sale, possession,
6 consumption, importation, transportation, furnishing, holding
7 in bond, holding in storage, traffic in and use of alcoholic
8 liquors, alcohol and malt and brewed beverages and the
9 persons engaged or employed therein; defining the powers and
10 duties of the Pennsylvania Liquor Control Board; providing
11 for the establishment and operation of State liquor stores,
12 for the payment of certain license fees to the respective
13 municipalities and townships, for the abatement of certain
14 nuisances and, in certain cases, for search and seizure
15 without warrant; prescribing penalties and forfeitures;
16 providing for local option, and repealing existing laws," in
17 preliminary provisions, further providing for definitions; in
18 Pennsylvania Liquor Control Board, further providing for
19 general powers of board; in licenses and regulations and
20 liquor, alcohol and malt and brewed beverages, further
21 providing for sales by liquor licensees and restrictions, for
22 wine auction permits, for interlocking business prohibited,
23 for public venue license, for wine expanded permits, for malt
24 and brewed beverages manufacturers', distributors' and
25 importing distributors' licenses, for brand registration and
26 for breweries, providing for shipment of malt or brewed
27 beverages and further providing FOR LICENSES NOT ASSIGNABLE <--
28 AND TRANSFERS, for local option and for unlawful acts
29 relative to liquor, malt and brewed beverages and licensees;
30 ~~and~~, in distilleries, wineries, bonded warehouses, bailees <--
31 for hire and transporters for hire, further providing for
32 limited wineries and for distilleries-; AND, IN DISPOSITION <--

1 OF MONEYS COLLECTED UNDER PROVISIONS OF ACT, FURTHER
2 PROVIDING FOR MONEYS PAID INTO THE STATE STORES FUND FOR USE
3 OF THE COMMONWEALTH.

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

6 Section 1. The definitions of "alcoholic cider,"
7 "distributor," "eligible entity," "importing distributor," "malt
8 or brewed beverages," "mug club" and "zoo" in section 102 of the
9 act of April 12, 1951 (P.L.90, No.21), known as the Liquor Code,
10 reenacted and amended June 29, 1987 (P.L.32, No.14) and amended
11 or added May 31, 1996 (P.L.312, No.49), June 18, 1998 (P.L.664,
12 No.86), December 22, 2011 (P.L.530, No.113) and June 8, 2016
13 (P.L.273, No.39), are amended and the section is amended by
14 adding definitions to read:

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

18 * * *

19 "Alcoholic cider" shall mean a beverage which may contain
20 carbonation in an amount not to exceed [three hundred ninety-two
21 one thousandths of a gram per one hundred milliliters and
22 flavors] six and four tenths grams per liter, produced through
23 alcoholic fermentation of any fruit or fruit juice, consisting
24 of at least one-half of one per centum, but not greater than
25 eight and one-half per centum, alcohol by volume and sold or
26 offered for sale as alcoholic cider and not as a wine, a wine
27 product or as a substitute for wine, in bottles, cases, kegs,
28 cans or other suitable containers of the type used for the sale
29 of malt or brewed beverages in this Commonwealth.

30 * * *

31 "Distributor" shall mean any person licensed by the board to

1 engage in the purchase only from Pennsylvania manufacturers and
2 from importing distributors and the resale of malt or brewed
3 beverages, except to importing distributors and distributors, [,
4 in the original sealed containers as prepared for the market by
5 the manufacturer at the place of manufacture, but not for
6 consumption on the premises where sold, and in quantities of not
7 less than a case or original containers containing one hundred
8 twenty-eight ounces or more which may be sold separately.]

9 * * *

10 "Eligible entity" shall mean a city of the third class, a
11 hospital, a church, a synagogue, a volunteer fire company, a
12 volunteer ambulance company, a volunteer rescue squad, a unit of
13 a nationally chartered club which has been issued a club liquor
14 license, a club which has been issued a club liquor license and
15 which, as of December 31, 2002, has been in existence for at
16 least 100 years, a library, a nationally accredited Pennsylvania
17 nonprofit zoological institution licensed by the United States
18 Department of Agriculture, a nonprofit agricultural association
19 in existence for at least ten years, a bona fide sportsmen's
20 club in existence for at least ten years, a nationally chartered
21 veterans' organization and any affiliated lodge or subdivision
22 of such organization, a fraternal benefit society that is
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, a nonprofit corporation
26 engaged in the performing arts, an arts council, a nonprofit
27 corporation that operates an arts facility or museum, a
28 nonprofit organization as defined under section 501(c)(3) of the
29 Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. §
30 501(c)(3)) whose purpose is to protect the architectural

1 heritage of a municipality and which has been recognized as such
2 by a resolution of the municipality, a nonprofit organization as
3 defined under section 501(c)(3) of the Internal Revenue Code of
4 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3)) conducting a
5 regatta in a city of the second class with the permit to be used
6 on State park grounds or conducting a family-oriented
7 celebration as part of Welcome America in a city of the first
8 class on property leased from that city for more than fifty
9 years, a nonprofit organization as defined under section 501(c)
10 (3) of the Internal Revenue Code of 1986 (26 U.S.C. § 501(c)(3))
11 whose purpose is to raise funds for the research and treatment
12 of cystic fibrosis, 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 educate the public on
15 issues dealing with watershed conservation, a nonprofit
16 organization as defined under section 501(c)(3) of the Internal
17 Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3))
18 whose purpose is to provide equine assisted activities for
19 children and adults with special needs, a nonprofit economic
20 development agency in a city of the second class with the
21 primary function to serve as an economic generator for the
22 greater southwestern Pennsylvania region by attracting and
23 supporting film, television and related media industry projects
24 and coordinating government and business offices in support of a
25 production, a county tourist promotion agency as defined in
26 section 2 of the act of July 4, 2008 (P.L.621, No.50), known as
27 the "Tourism Promotion Act," a junior league that is a nonprofit
28 organization as defined under section 501(c)(3) of the Internal
29 Revenue Code of 1986 (26 U.S.C. § 501(c)(3)) that is comprised
30 of women whose purpose is exclusively educational and charitable

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

1 Internal Revenue Code of 1986 whose main purpose is to
2 temporarily foster stray and unwanted animals and match them to
3 suitable permanent homes or a nonprofit organization as defined
4 under section 501(c)(3) of the Internal Revenue Code of 1986 who
5 operates either a Main Street Program or Elm Street Program
6 recognized by the Commonwealth, the National Trust for Historic
7 Preservation or both, a nonprofit radio station that is a member
8 of the National Public Radio network, a nonprofit public
9 television station that is a member of the Pennsylvania Public
10 Television Network or a nonprofit organization as defined under
11 section 501(c)(3) of the Internal Revenue Code of 1986 whose
12 purpose is to promote awareness, education and research and to
13 provide a support system for patients with neutropenia and their
14 families through a national resource network, a nonprofit
15 organization as defined under section 501(c)(3) of the Internal
16 Revenue Code of 1986 whose main purpose is to stimulate
17 community development by facilitating residential and retail
18 growth in a city of the second class located in a county of the
19 second class or a nonprofit community development corporation
20 organized under section 501(c)(3) of the Internal Revenue Code
21 of 1986 that serves an adjoining borough and township in a
22 county of the second class and whose main purpose is to
23 facilitate commercial development and foster neighborhood
24 stabilization, a nonprofit organization as defined under section
25 501(c)(3) of the Internal Revenue Code of 1986 whose purpose is
26 to provide young people with a program to build character, to
27 teach the responsibilities of citizenship and to develop
28 personal fitness with a goal of creating future leaders, a
29 nonprofit as defined in section 501(c)(3) of the Internal
30 Revenue Code of 1986 whose main purpose is to assist children

1 and their families who are facing financial hardship due to the
2 death of a parent, a nonprofit as defined under section 501(c)
3 (3) of the Internal Revenue Code of 1986 whose purpose is to
4 allocate funds for research to expedite a cure achromatopsia, a
5 nonprofit organization as defined under section 501(c)(3) of the
6 Internal Revenue Code of 1986 that is located in a city of the
7 first class, was organized in 1995 as a community development
8 corporation to promote health, safety and welfare of the
9 residents, businesses and institutions of a neighborhood of a
10 city of the first class, and whose works include public
11 promotions, neighborhood improvement projects and commercial
12 corridor improvements, including a business improvement
13 district, or a nonprofit organization as defined under section
14 501(c)(3) of the Internal Revenue Code of 1986 that is
15 responsible for providing services to members of the armed
16 forces of the United States and relief to disaster victims in
17 the United States and abroad, or any neighborhood improvement
18 district management association as defined in section 3 of the
19 act of December 20, 2000 (P.L.949, No.130), known as the
20 "Neighborhood Improvement District Act," that has been
21 established as a 501(c)(3) nonprofit organization under section
22 501(c)(3) of the Internal Revenue Code of 1986, a nonprofit
23 organization as defined under section 501(c)(3) of the Internal
24 Revenue Code of 1986 located in a city of the first class whose
25 purpose is to support initiatives to enrich the lives of
26 children, teens and families especially those in need, to reach
27 their full potential as productive and responsible citizens and
28 has been in existence for at least seventy-five years[.], or a
29 nonprofit organization as defined under section 501(c)(3) of the
30 Internal Revenue Code of 1986 located in a city of the second

1 class and incorporated as a nonprofit in 1982 that offers adult
2 education and family literacy, or a nonprofit organization as
3 defined under section 501(c)(3) of the Internal Revenue Code of
4 1986 located in a city of the third class and county of the
5 sixth class, whose purpose is primary and secondary education
6 and educational ministry of the Diocese of Erie, or a nonprofit
7 organization as defined under section 501(c)(3) of the Internal
8 Revenue Code located in a county of the fourth class that had a
9 population between 142,000 and 144,000 based on the 2010
10 Decennial Census of the Bureau of the Census and provides
11 rewards for information that leads to the arrest of individuals
12 that may have committed a crime.

13 * * *

14 "Growler" shall mean a refillable container for malt or
15 brewed beverages that can be resealed.

16 * * *

17 "Importing distributor" shall mean any person licensed by the
18 board to engage in the purchase from manufacturers and other
19 persons located outside this Commonwealth and from persons
20 licensed as manufacturers of malt or brewed beverages and
21 importing distributors under this act, and the resale of malt or
22 brewed beverages [in the original sealed containers as prepared
23 for the market by the manufacturer at the place of manufacture,
24 but not for consumption on the premises where sold, and in
25 quantities of not less than a case or original containers
26 containing one hundred twenty-eight ounces or more which may be
27 sold separately].

28 * * *

29 "Malt or Brewed Beverages" shall mean any beer, lager beer,
30 ale, porter or similar fermented malt beverage containing one-

1 half of one per centum or more of alcohol by volume, by whatever
2 name such beverage may be called, and shall mean alcoholic cider
3 and mead.

4 * * *

5 "Mead" shall mean an alcoholic beverage produced by
6 fermenting a solution of at least fifty-one per centum honey,
7 water and other agricultural products and containing not more
8 than eight and one-half per centum alcohol by volume and sold or
9 offered for sale as mead and not as a wine, a wine product or as
10 a substitute for wine, in bottles, cases, kegs, cans or other
11 suitable containers of the type used for the sale of malt or
12 brewed beverages in this Commonwealth.

13 * * *

14 "Mug club" shall mean a group organized by a retail licensee
15 or a brewery whose members are entitled to discounted malt or
16 brewed beverages. Membership shall be by written application and
17 the licensee must maintain a written list of active members as
18 part of its records. [Members shall pay] Licensees may charge an
19 annual fee as well as a renewal fee [as set by the licensee.
20 Membership shall, at a minimum, entitle the member to a mug,
21 glass or similar container and said container must be used when
22 the member is served any discounted malt or brewed
23 beverages]. No discounted malt or brewed beverages may be
24 provided between midnight and seven o' clock antemeridian.

25 * * *

26 "Zoo" shall mean an accredited member of the Association of
27 Zoos and Aquariums or the Zoological Association of America and
28 for purposes of section 412 shall have no square footage or
29 permanent seating requirements.

30 Section 2. Sections 207(m) and (n) and 305(a) and (j) of the

1 act, amended or added June 8, 2016 (P.L.273, No.39), are amended
2 to read:

3 Section 207. General Powers of Board.--Under this act, the
4 board shall have the power and its duty shall be:

5 * * *

6 (m) The following shall apply:

7 (1) Notwithstanding subsection (b), the board may
8 establish and implement a customer relations management
9 program for the purpose of offering incentives, such as
10 coupons or discounts on certain products, to unlicensed
11 customers of the board.

12 (2) The names and addresses of individual consumers who
13 participate in a customer relations management program or
14 purchase products from the board, as well as any records or
15 information that would disclose the personal purchase choices
16 of individual consumers, shall not be sold or otherwise made
17 available to the public under any circumstances, including in
18 response to a request made in accordance with the act of
19 February 14, 2008 (P.L.6, No.3), known as the "Right-to-Know
20 Law."

21 (n) Notwithstanding the act of December 20, 2015 (P.L.497,
22 No.90), known as the ~~{Taxpayer-Funded}~~ "Taxpayer funded <--
23 Advertising Transparency {Act,} ~~act,"~~ any expenditure for media <--
24 advertising made by the board shall not be subject to any
25 requirement that the media advertising include any statement
26 identifying the fund from which the expenditure was made, nor
27 any statement that the media advertising was paid for with
28 Pennsylvania taxpayer dollars.

29 Section 305. Sales by Pennsylvania Liquor Stores.--(a) The
30 board shall in its discretion determine where and what classes,

1 varieties and brands of liquor and alcohol it shall make
2 available to the public and where such liquor and alcohol will
3 be sold. Every Pennsylvania Liquor Store shall be authorized to
4 sell combination packages. If a person desires to purchase a
5 class, variety or brand of liquor or alcohol not currently
6 available from the board, he or she may place a special order
7 for such item [so long as the order is for two or more bottles].
8 A supplier of a special order may not refuse an order from a
9 customer placing an order for one bottle of the item and may
10 assess a surcharge on the order if the supplier otherwise
11 requires a minimum quantity purchase. The board may require a
12 reasonable deposit from the purchaser as a condition for
13 accepting the order. The customer shall be notified immediately
14 upon the arrival of the goods.

15 In computing the retail price of such special orders for
16 liquor or alcohol, the board shall not include the cost of
17 freight or shipping before applying a mark-up that is equal to
18 ten per centum of the cost of the product and taxes but shall
19 add the freight or shipping charges to the price after the mark-
20 up and taxes have been applied. In addition to the ten per
21 centum mark-up, the board shall impose handling fees on special
22 orders which come to rest at a store, in the same manner that it
23 imposes them on the other alcohol that it sells.

24 A licensed importer or a licensed vendor may place special
25 orders on behalf of customers and may deliver the orders to
26 customers. The orders do not need to come to rest at a store,
27 but delivery may not occur until payment for the order has been
28 forwarded to the board and the board has authorized the delivery
29 of the order. A handling fee may not be assessed by the board on
30 an order delivered directly to a customer. Liability for special

1 orders that do not come to rest at a store, shall, until the
2 order is delivered to the customer, remain with the licensed
3 importer or licensed vendor that placed the order on behalf of
4 the customer. The board shall, by January 1, 2017, implement a
5 procedure for processing special orders which do not come to
6 rest at a store. The board may continue to accept special orders
7 at its stores even after the procedure is implemented.

8 Unless the customer pays for and accepts delivery of any such
9 special order within ten days after notice of arrival, the store
10 may place it in stock for general sale and the customer's
11 deposit shall be forfeited.

12 * * *

13 (j) A Pennsylvania Liquor Store may continue to sell
14 alcoholic cider and mead within the Pennsylvania Liquor Store's
15 inventory after the effective date of this section until the
16 alcoholic cider and mead within the Pennsylvania Liquor Store's
17 current inventory is depleted. The board may not purchase
18 additional alcoholic cider and mead after the effective date of
19 this section.

20 * * *

21 Section 3. (Reserved).

22 Section 4. (Reserved).

23 Section 5. Section 406(a) (3) of the act, amended June 8,
24 2016 (P.L.273, No.39), is amended to read:

25 Section 406. Sales by Liquor Licensees; Restrictions.--(a)

26 * * *

27 (3) Hotel and restaurant liquor licensees, municipal golf
28 course restaurant liquor licensees and privately-owned public
29 golf course restaurant licensees may sell liquor and malt or
30 brewed beverages on Sunday between the hours of [eleven] nine

1 o'clock antemeridian and two o'clock antemeridian Monday upon
2 purchase of a special permit from the board at an annual fee as
3 prescribed in section 614-A of the act of April 9, 1929
4 (P.L.177, No.175), known as "The Administrative Code of 1929."
5 [Notwithstanding this provision, a licensee holding such a
6 permit may begin selling liquor and malt or brewed beverages on
7 Sunday between the hours of nine o'clock antemeridian and eleven
8 o'clock antemeridian provided that the licensee offers a meal
9 beginning at nine o'clock antemeridian.] Airport restaurant
10 liquor licensees may sell liquor and malt or brewed beverages on
11 Sunday between the hours of five o'clock antemeridian and two
12 o'clock antemeridian Monday upon purchase of a special permit
13 from the board at an annual fee as prescribed in section 614-A
14 of the act of April 9, 1929 (P.L.177, No.175), known as "The
15 Administrative Code of 1929."

16 * * *

17 Section 6. Section 408.12 of the act, amended or added July
18 1, 1994 (P.L.402, No.61) and June 8, 2016 (P.L.273, No.39), is
19 amended to read:

20 Section 408.12. Wine and Spirits Auction Permits.--(a) Upon
21 application of:

22 (1) any nonprofit hospital;

23 (2) any nonprofit public television station which is a
24 member of the Pennsylvania Public Television Network;

25 (3) any orchestra located in a county of the first, second
26 or third class which is operated by a nonprofit corporation;

27 (4) any museum located in a county of the first, second,
28 third or fourth class which is operated by a nonprofit
29 corporation;

30 (5) any nonprofit corporation located in any county of the

1 third class which trains and places dogs for people who are
2 physically handicapped;

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

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

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

15 (9) any hospice as defined under section 802.1 of the act of
16 July 19, 1979 (P.L.130, No.48), known as the "Health Care
17 Facilities Act"; [or]

18 (10) institution of higher education;

19 (11) any nationally recognized community-based health
20 organization committed to funding Type 1 Diabetes research; or

21 (12) any nationally recognized community-based voluntary
22 health organization committed to fighting cancer which has been
23 in existence for at least 20 years;

24 and upon payment of a fee of thirty dollars (\$30) per day, the
25 board shall issue a wine and spirits auction permit good for a
26 period of not more than four consecutive or nonconsecutive days
27 per calendar year.

28 (b) Subject to clause (1) of section 493 of this act, such
29 wine and spirits auction permit shall authorize the permittee to
30 sell, by auction, wine and spirits by the bottle or case to any

1 person on any day for which the permit is issued, provided,
2 however, that such permit shall only be issued in any city,
3 borough, incorporated town or township in which the sale of
4 liquor and/or malt or brewed beverages has been approved by the
5 electorate. Any wine and spirits purchased under this section
6 shall not be consumed at the place of purchase.

7 (c) The wine and spirits auction permit shall only be valid
8 for the number of days stated in the permit.

9 (d) Wine and spirits auction permits shall only be issued
10 for use at an event which is used by the permittee as a means of
11 raising funds for its operation.

12 (e) The hours during which the holder of a wine and spirits
13 auction permit may sell wine and spirits shall be limited to the
14 hours set forth in section 406 of this act which are applicable
15 to hotel and restaurant licensees, provided, however, that wine
16 and spirits auction permittees may sell wine and spirits on
17 Sunday between the hours of seven o'clock antemeridian and until
18 two o'clock antemeridian Monday.

19 (f) Wine and spirits auction permits may be issued for sales
20 on premises which are either licensed or unlicensed under this
21 act.

22 (g) Any wine and spirits sold under this section shall be
23 purchased from a Pennsylvania Liquor Store, a Pennsylvania
24 limited winery, limited distillery or any seller authorized to
25 sell wine or spirits by the bottle or case in this Commonwealth
26 or shall be donated by a person who is neither a licensee nor a
27 permittee who has legally acquired the wine or spirits and
28 legally possesses it in this Commonwealth.

29 (h) If any wine or spirits sold under this section is
30 purchased from a seller other than a Pennsylvania Liquor Store

1 or a Pennsylvania limited winery or limited distillery, the
2 permittee shall provide thirty days' notice to the board of its
3 intent to purchase such wine or spirits. The notice shall
4 include a description of the wine or spirits to be purchased,
5 the quantity to be purchased, the name of the seller and any
6 other information which the board may require. The permittee
7 shall comply with all board regulations regarding taxes and
8 fees.

9 (i) The permittee shall be responsible for paying to the
10 board an amount equal to all taxes which would have been paid on
11 such wine or spirits if it had been purchased from a
12 Pennsylvania Liquor Store, together with a processing fee to be
13 determined by the board.

14 (j) As a condition of the permit, the permittee shall not
15 broadcast by way of radio or television or disseminate by print
16 media nor cause the broadcast by way of radio, television or
17 dissemination by the print media of the price of any wine or
18 spirits sold or to be sold under this section.

19 (k) Any person selling wine or spirits in violation of this
20 section shall, upon summary conviction, be sentenced to pay a
21 fine of two hundred fifty dollars (\$250) for the first offense
22 and a fine of five hundred dollars (\$500) for each subsequent
23 offense. This fine shall be in addition to any other penalty
24 imposed by law for the illegal sale of liquor or malt or brewed
25 beverages.

26 (l) "Auction," as used in this section, shall mean the offer
27 to sell wine and spirits by the permittee to the members of an
28 audience congregated for the purpose of making bids for the
29 purchase of the wine and spirits in an effort by the permittee
30 to advance the amount of the bids to obtain the highest or most

1 favorable offer.

2 Section 7. Section 411(e) of the act, amended June 8, 2016
3 (P.L.273, No.39), is amended to read:

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

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

21 The purpose of this section is to require a separation of the
22 financial and business interests between manufacturers and
23 holders of hotel or restaurant liquor licenses and, as herein
24 provided, of club licenses, issued under this article, and no
25 person shall, by any device whatsoever, directly or indirectly,
26 evade the provisions of the section. But in view of existing
27 economic conditions, nothing contained in this section shall be
28 construed to prohibit the ownership of property or conflicting
29 interest by a manufacturer of any place occupied by a licensee
30 under this article after the manufacturer has continuously owned

1 and had a conflicting interest in such place for a period of at
2 least five years prior to July eighteenth, one thousand nine
3 hundred thirty-five: Provided, however, That this clause shall
4 not prohibit any hotel, restaurant or club liquor licensee [from
5 owning land which is leased to, and the buildings thereon owned
6 by, a holder of a retail dispenser's license; and nothing in
7 this clause shall prevent the issuance of a retail dispenser's
8 license to a lessee of such lands who owns the buildings
9 thereon], or any officer, director or stockholder of any such
10 licensee, from owning land or buildings which are leased to a
11 holder of a retail dispenser's license, a distillery license or
12 a limited distillery license: And, provided further, That
13 nothing contained in this section shall be construed to prohibit
14 any hotel, restaurant, retail dispenser or club licensee or any
15 officer, director or stockholder, agent or employe of any such
16 licensee from having a financial or other interest, directly or
17 indirectly in the ownership or leasehold of any property or the
18 equipment of any property or any mortgage lien against same,
19 used, leased by an importer or sacramental wine licensee for the
20 exclusive purpose of maintaining commercial offices and on the
21 condition that said property is not used for the storage or sale
22 of liquor or malt or brewed beverages in any quantity: And,
23 provided further, That nothing contained in this section shall
24 prohibit an officer or member of a licensed privately owned
25 private golf course catering club from having an interest in a
26 limited winery license: And, provided further, That nothing
27 contained in this section shall be construed to prohibit a
28 member of the governing board of a public authority created
29 under subdivision (n) of Article XXIII of the act of August 9,
30 1955 (P.L.323, No.130), known as "The County Code," from having

1 an interest in a distributor or importing distributor license
2 notwithstanding the fact that the public authority has an
3 interest in one or more retail licenses or acts as a landlord
4 for one or more retail licenses: And, provided further, That,
5 nothing in this section may prohibit an employe of a hotel or
6 restaurant licensee from having an interest in any property used
7 by a limited winery licensee or in guaranteeing any loans, or
8 lending any moneys, providing credit or giving anything of value
9 to a limited winery licensee or its officers, directors and
10 shareholders, provided that the person also is not an officer of
11 or does not have any interest in or exercise any control over
12 any other licensed entity that engages in any sales to or from
13 the licensee: And, provided further, That, notwithstanding any
14 other provision of this section, an entity may acquire both a
15 manufacturer's license or a limited winery license and a hotel,
16 restaurant or retail dispenser license for use at the same
17 location and more than one location may be so licensed. And,
18 provided further, That, notwithstanding any other provision of
19 this section, an entity licensed as a limited winery may hold
20 and operate [under] a restaurant liquor license at one of its
21 additional, board-approved locations instead of at its primary
22 location where manufacturing occurs. The licenses and a person's
23 interest in the licenses or in the entity holding the licenses
24 shall not be subject to this section. Provided further, That, a
25 person who is a holder of [five per centum (5%)] ten per centum
26 (10%) or less of securities or other interests in a publicly or
27 privately held domestic or foreign corporation, partnership,
28 limited liability company or other form of legal entity owning a
29 [restaurant liquor license or retail dispenser's] retail license
30 shall not be deemed to possess a financial interest and is not

1 subject to the provisions of this section, provided that the
2 person is not an officer of, employe of or does not have any
3 interest in or exercise any control over any other licensed
4 entity that engages in any sales to or from the [restaurant
5 liquor or retail dispenser] retail licensee in which the person
6 holds the [five per centum (5%)] ten per centum (10%) or less
7 interest.

8 * * *

9 Section 8. Section 412(f) of the act, amended February 21,
10 2002 (P.L.103, No.10), December 9, 2002 (P.L.1653, No.212) and
11 December 22, 2011 (P.L.530, No.113), is amended to read:

12 Section 412. Public Venue License.--* * *

13 (f) Licenses issued under this section are to be considered
14 restaurant liquor licenses. However, the following additional
15 restrictions and privileges apply:

16 (1) Sales may only be made one hour before, during and one
17 hour after any athletic performance, performing arts event,
18 trade show, convention, banquet or any other performance at the
19 facility; however, sales may not be made from two o'clock
20 antemeridian to seven o'clock antemeridian. In addition, sales
21 may not occur prior to eleven o'clock antemeridian on Sundays or
22 seven o'clock antemeridian on Mondays. Notwithstanding this
23 section, facilities that had been licensed under former sections
24 408.9 and 408.14 may sell liquor and/or malt or brewed beverages
25 anytime except from two o'clock antemeridian to seven o'clock
26 antemeridian or prior to eleven o'clock antemeridian on Sundays
27 or seven o'clock antemeridian on Mondays, regardless of whether
28 there is a performance at the facility.

29 (2) [Sales of alcoholic beverages before, during and after
30 all professional and amateur athletic events on the premises

1 shall be limited to sales of malt or brewed beverages in
2 shatterproof containers.] Sales of alcoholic beverages before,
3 during and after professional and amateur athletic events,
4 performing arts events or other entertainment events may consist
5 of liquor or malt or brewed beverages in shatterproof
6 containers. Sales during trade shows, conventions, banquets or
7 at other events, or sales made in the club seats or at a
8 restaurant facility, may consist of liquor or malt or brewed
9 beverages in any type of container; however, any liquor or malt
10 or brewed beverages sold in the club seats or restaurant
11 facility must remain in the club seating level or restaurant
12 facility. For purposes of this section, a club seat is any
13 seating located on the designated club seating level and
14 partitioned from general seating by a wall, divider, partial
15 wall or railing. The club seating level must not be accessible
16 by the general public. Sales at zoos during private banquets and
17 other events may be at any site within zoo property and may
18 consist of any type of alcohol in any type of container. The
19 board's records shall clearly delineate where the sale of liquor
20 or malt or brewed beverages in any type of container may occur.

21 (3) Sales of malt or brewed beverages for off-premises
22 consumption are prohibited.

23 (4) Licenses issued under this section shall not be subject
24 to: (i) the proximity provisions of sections 402 and 404; (ii)
25 the quota restrictions of section 461; (iv) the provisions of
26 section 493(10) except as they relate to lewd, immoral or
27 improper entertainment; (v) the prohibition against minors
28 frequenting as described in section 493(14) and (vi) the cost
29 and total display area limitations of section 493(20) (i). In
30 addition, licenses issued under this section shall not be

1 subject to the provisions defining "restaurant" in section 102.

2 Section 9. Section 415(a)(2) and (9), (b) and (e)(3) and (4)
3 of the act, added June 8, 2016 (P.L.273, No.39), are amended to
4 read:

5 Section 415. Wine Expanded Permits.--(a) * * *

6 (2) Nothing in this section may affect the ability of an
7 existing licensee to operate within the scope of its current
8 license as authorized by this act, except that no sales of wine
9 for off-premises consumption may take place by a wine expanded
10 permit holder after eleven o'clock postmeridian of any day until
11 the licensee's permitted hours of operation under section 406 of
12 the next day, including Sundays if the licensee has a permit
13 authorized under [sections 406(a)(3) and 432(f)] section 406(a)
14 (3).

15 * * *

16 (9) A sale of wine by a wine expanded permit holder shall be
17 made through a register, which malt or brewed beverages and
18 restaurant foods sales are made on the licensed premises, which
19 is well designated with signage, which is staffed at all times
20 when patrons are on the licensed premises, which is staffed by a
21 sales clerk who is at least eighteen years of age and has been
22 trained under section 471.1 and which utilizes a transaction
23 scan device for the sale. The sale of wine may not occur at a
24 point of sale where the customer scans the customer's own
25 purchases.

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

28 (1) For a wine expanded permit issued to licensees, an
29 initial application fee of two thousand dollars (\$2,000).

30 (2) An annual renewal fee equal to two per centum of the

1 total cost of wine purchased from the board for off-premises
2 consumption.

3 * * *

4 (e) * * *

5 (3) A wine expanded permit holder may, when filing its
6 required returns under Article II of the Tax Reform Code of
7 1971, request a [refund] credit of any taxes paid in accordance
8 with paragraph (1) for wine sold for off-premises consumption
9 and for which taxes were remitted to the department under
10 paragraph (2). [The request for a refund shall include the
11 original receipt from a Pennsylvania Liquor Store showing the
12 amount of taxes paid under paragraph (1) for which the taxpayer
13 is requesting a refund.

14 (4) The department shall refund the amount of taxes paid to
15 a Pennsylvania Liquor Store by a wine expanded permit holder
16 under paragraph (1) for which the taxpayer remitted taxes
17 imposed under paragraph (2).] The department may promulgate
18 rules or regulations and prescribe forms as may be necessary to
19 implement the provisions of this subsection.

20 * * *

21 Section 10. Section 431(b) and (d)(2) of the act, amended
22 June 8, 2016 (P.L.273, No.39), are reenacted and amended to
23 read:

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

26 (b) The board shall issue to any reputable person who
27 applies therefor, and pays the license fee hereinafter
28 prescribed, a distributor's or importing distributor's license
29 for the place which such person desires to maintain for the sale
30 of malt or brewed beverages, not for consumption on the premises

1 where sold, and in quantities of not less than a case or
2 original containers containing one hundred twenty-eight ounces
3 or more which may be sold separately as prepared for the market
4 by the manufacturer at the place of manufacture. In addition, a
5 distributor license holder may sell malt or brewed beverages in
6 any amount to a person not licensed by the board for off-
7 premises consumption. The sales shall not be required to be in
8 the package configuration designated by the manufacturer and may
9 be sold in refillable growlers. The board shall have the
10 discretion to refuse a license to any person or to any
11 corporation, partnership or association if such person, or any
12 officer or director of such corporation, or any member or
13 partner of such partnership or association shall have been
14 convicted or found guilty of a felony within a period of five
15 years immediately preceding the date of application for the said
16 license: And provided further, That, in the case of any new
17 license or the transfer of any license to a new location, the
18 board may, in its discretion, grant or refuse such new license
19 or transfer if such place proposed to be licensed is within
20 three hundred feet of any church, hospital, charitable
21 institution, school or public playground, or if such new license
22 or transfer is applied for a place which is within two hundred
23 feet of any other premises which is licensed by the board: And
24 provided further, That the board shall refuse any application
25 for a new license or the transfer of any license to a new
26 location if, in the board's opinion, such new license or
27 transfer would be detrimental to the welfare, health, peace and
28 morals of the inhabitants of the neighborhood within a radius of
29 five hundred feet of the place proposed to be licensed. The
30 board shall not license the area where liquid fuels or oil is

1 sold. No sales of liquid fuels or oil may be made from a
2 licensee's licensed premises. A licensed premises may not have
3 an interior connection with a location that sells liquid fuels
4 or oil unless it first receives permission from the board for
5 the interior connection. The approval shall be required
6 regardless of whether the licensee or another party is the
7 entity selling the liquid fuels or oil. The board may enter into
8 an agreement with the applicant concerning additional
9 restrictions on the license in question. If the board and the
10 applicant enter into such an agreement, such agreement shall be
11 binding on the applicant. Failure by the applicant to adhere to
12 the agreement will be sufficient cause to form the basis for a
13 citation under section 471 and for the nonrenewal of the license
14 under section 470. If the board enters into an agreement with an
15 applicant concerning additional restrictions, those restrictions
16 shall be binding on subsequent holders of the license until the
17 license is transferred to a new location or until the board
18 enters into a subsequent agreement removing those restrictions.
19 If the application in question involves a location previously
20 licensed by the board, then any restrictions imposed by the
21 board on the previous license at that location shall be binding
22 on the applicant unless the board enters into a new agreement
23 rescinding those restrictions. The board shall require notice to
24 be posted on the property or premises upon which the licensee or
25 proposed licensee will engage in sales of malt or brewed
26 beverages. This notice shall be similar to the notice required
27 of hotel, restaurant and club liquor licensees.

28 Except as hereinafter provided, such license shall authorize
29 the holder thereof to sell or deliver malt or brewed beverages
30 in quantities above specified anywhere within the Commonwealth

1 of Pennsylvania, which, in the case of distributors, have been
2 purchased only from persons licensed under this act as
3 manufacturers or importing distributors, and in the case of
4 importing distributors, have been purchased from manufacturers
5 or persons outside this Commonwealth engaged in the legal sale
6 of malt or brewed beverages or from manufacturers or importing
7 distributors licensed under this article. In the case of an
8 importing distributor, the holder of such a license shall be
9 authorized to store and repackage malt or brewed beverages owned
10 by a manufacturer at a segregated portion of a warehouse or
11 other storage facility authorized by section 441(d) and operated
12 by the importing distributor within its appointed territory and
13 deliver such beverages to another importing distributor who has
14 been granted distribution rights by the manufacturer as provided
15 herein. The importing distributor shall be permitted to receive
16 a fee from the manufacturer for any related storage, repackaging
17 or delivery services. In the case of a bailee for hire hired by
18 a manufacturer, the holder of such a permit shall be authorized:
19 to receive, store and repackage malt or brewed beverages
20 produced by that manufacturer for sale by that manufacturer to
21 importing distributors to whom that manufacturer has given
22 distribution rights pursuant to this subsection or to purchasers
23 outside this Commonwealth for delivery outside this
24 Commonwealth; or to ship to that manufacturer's storage
25 facilities outside this Commonwealth. The bailee for hire shall
26 be permitted to receive a fee from the manufacturer for any
27 related storage, repackaging or delivery services. The bailee
28 for hire shall, as required in Article V of this act, keep
29 complete and accurate records of all transactions, inventory,
30 receipts and shipments and make all records and the licensed

1 areas available for inspection by the board and for the
2 Pennsylvania State Police, Bureau of Liquor Control Enforcement,
3 during normal business hours.

4 Each out of State manufacturer of malt or brewed beverages
5 whose products are sold and delivered in this Commonwealth shall
6 give distributing rights for such products in designated
7 geographical areas to specific importing distributors, and such
8 importing distributor shall not sell or deliver malt or brewed
9 beverages manufactured by the out of State manufacturer to any
10 person issued a license under the provisions of this act whose
11 licensed premises are not located within the geographical area
12 for which he has been given distributing rights by such
13 manufacturer. In addition, the holder of a distributor license
14 may not sell or deliver malt or brewed beverages to any licensee
15 whose licensed premises is located within the designated
16 geographical area granted to an importing distributor other than
17 the importing distributor that sold the malt or brewed beverages
18 to the distributor. If the licensee purchasing the malt or
19 brewed beverages from the distributor license holder holds
20 multiple licenses or operates at more than one location, then
21 the malt or brewed beverages may not be consumed or sold at
22 licensed premises located within the designated geographical
23 area granted to an importing distributor other than the
24 importing distributor that sold the malt or brewed beverages to
25 the distributor. Should a licensee accept the delivery of [such]
26 malt or brewed beverages or transfer malt or brewed beverages in
27 violation of this section, said licensee shall be subject to a
28 suspension of his license for at least thirty days: Provided,
29 That the importing distributor holding such distributing rights
30 for such product shall not sell or deliver the same to another

1 importing distributor without first having entered into a
2 written agreement with the said secondary importing distributor
3 setting forth the terms and conditions under which such products
4 are to be resold within the territory granted to the primary
5 importing distributor by the manufacturer.

6 When a Pennsylvania manufacturer of malt or brewed beverages
7 licensed under this article names or constitutes a distributor
8 or importing distributor as the primary or original supplier of
9 his product, he shall also designate the specific geographical
10 area for which the said distributor or importing distributor is
11 given distributing rights, and such distributor or importing
12 distributor shall not sell or deliver the products of such
13 manufacturer to any person issued a license under the provisions
14 of this act whose licensed premises are not located within the
15 geographical area for which distributing rights have been given
16 to the distributor and importing distributor by the said
17 manufacturer. In addition, the holder of a distributor license
18 may not sell or deliver malt or brewed beverages to a licensee
19 whose licensed premises is located within the designated
20 geographical area granted to an importing distributor other than
21 the importing distributor that sold the malt or brewed beverages
22 to the distributor. If the licensee purchasing the malt or
23 brewed beverages from the distributor license holder holds
24 multiple licenses or operates at more than one location, the
25 malt or brewed beverages may not be consumed or sold at licensed
26 premises located within the designated geographical area granted
27 to an importing distributor other than the importing distributor
28 that sold the malt or brewed beverages to the distributor. If a
29 licensee accepts the delivery of malt or brewed beverages or
30 transfers malt or brewed beverages in violation of this section,

1 the licensee shall be subject to suspension of his license for
2 at least thirty days: Provided, That the importing distributor
3 holding such distributing rights for such product shall not sell
4 or deliver the same to another importing distributor without
5 first having entered into a written agreement with the said
6 secondary importing distributor setting forth the terms and
7 conditions under which such products are to be resold within the
8 territory granted to the primary importing distributor by the
9 manufacturer. Nothing herein contained shall be construed to
10 prevent any manufacturer from authorizing the importing
11 distributor holding the distributing rights for a designated
12 geographical area from selling the products of such manufacturer
13 to another importing distributor also holding distributing
14 rights from the same manufacturer for another geographical area,
15 providing such authority be contained in writing and a copy
16 thereof be given to each of the importing distributors so
17 affected.

18 (d) * * *

19 (2) After January 1, 1980, no manufacturer shall enter into
20 any agreement with more than one distributor or importing
21 distributor for the purpose of establishing more than one
22 agreement for designated brand or brands of malt or brewed
23 beverages in any one territory. Each franchise territory which
24 is granted by a manufacturer shall be geographically contiguous
25 or in counties which are contiguous with one another. All
26 importing distributors shall maintain sufficient records to
27 evidence compliance of this section. With regard to any
28 territorial distribution authority granted to an importing
29 distributor by a manufacturer of malt or brewed beverages after
30 January 1, 1996, the records shall establish that each and every

1 case of a brand of malt or brewed beverages for which the
2 importing distributor is assigned was sold, resold, stored,
3 delivered or transported by the importing distributor, either
4 from a point or to a point with the assigned geographically
5 contiguous territory or in counties which are contiguous with
6 one another, to any person or persons, whether such person or
7 persons are licensed by this act or not licensed by this act.

8 * * *

9 Section 10.1. Section 445 of the act is amended by adding a
10 subsection to read:

11 Section 445. Brand Registration.--* * *

12 (c) Any person selling malt or brewed beverages at
13 wholesale, and any person selling at retail malt or brewed
14 beverages that were not sold at wholesale, shall report to the
15 Pennsylvania Liquor Control Board the volume of such packaged
16 and draft malt or brewed beverages sold. The report, in the form
17 and manner determined by the board, shall be made for each
18 calendar month no later than sixty days after the end of each
19 calendar month and shall show product volumes, broken down by
20 brewer. All volumes shall be reported in thirty-one-gallon
21 barrel equivalents, regardless of package size. The board shall,
22 within fourteen days of the receipt of the report, place the
23 reports on the Internet in a manner accessible to the general
24 public. The board shall maintain the reports on the Internet in
25 a manner accessible to the general public for a period of at
26 least two years and shall archive the reports for a period of at
27 least ten years.

28 Section 11. Section 446(a) of the act, amended June 8, 2016
29 (P.L.273, No.39), is amended to read:

30 Section 446. Breweries.--(a) Holders of a brewery license

1 may:

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

7 (2) Operate a restaurant or brewery pub on the licensed
8 premises under such conditions and regulations as the board may
9 enforce: Provided, however, That sales on Sunday may be made
10 irrespective of the volume of food sales if the licensed
11 premises are at a public venue location. The holder of a brewery
12 license may sell [at its brewery pub premises wines] wines and
13 alcoholic cider produced by the holder of a limited winery
14 license [or], malt or brewed beverages produced by a
15 manufacturer licensed by the board and liquor produced by a
16 [licensed] limited distillery or distillery licensed by the
17 board: Provided, however, That said wines, malt or brewed
18 beverages produced by another manufacturer and liquor must be
19 consumed at the licensed [brewery pub] premises. In addition,
20 the combined sales of wine, malt or brewed beverages produced by
21 another manufacturer and liquor may not, on a yearly basis,
22 exceed fifty per centum (50%) of the on-premises sales of the
23 brewery's own malt or brewed beverages for the preceding
24 calendar year: however, if a brewery did not operate for an
25 entire calendar year during the preceding year, then its
26 combined sales of wine, malt or brewed beverages produced by
27 another manufacturer and liquor may not, on a yearly basis,
28 exceed fifty per centum (50%) of the on-premises sales of the
29 brewery's own malt or brewed beverages for that year.

30 (3) Use brewery storage and distribution facilities for the

1 purpose of receiving, storing and distributing malt or brewed
2 beverages manufactured outside this Commonwealth if the
3 beverages are distributed in this Commonwealth only through
4 specific importing distributors who shall have first been given
5 distributing rights for such products in designated geographical
6 areas through the distribution system required for out-of-State
7 manufacturers under section 431(b) as well as all other
8 pertinent sections of this act. The manufacturer of the
9 beverages must comply with section 444.

10 (4) Apply for and hold a hotel liquor license, a restaurant
11 liquor license or a malt and brewed beverages retail license to
12 sell for consumption at the restaurant or brewery pub on the
13 licensed brewery premises, liquor, wine and malt or brewed
14 beverages regardless of the place of manufacture, under the same
15 conditions and regulations as any other hotel liquor license,
16 restaurant liquor license or malt and brewed beverages retail
17 license, but must brew at least two hundred fifty barrels per
18 year. Each holder of a brewery license who receives a hotel
19 liquor license, a restaurant liquor license or a malt or brewed
20 beverages retail license to operate a brew pub shall not sell
21 directly to any person licensed by this act, except if any malt
22 or brewed beverage is to be distributed in this Commonwealth it
23 shall be only through specific importing distributors who shall
24 have first been given distributing rights for such products in
25 designated geographical areas through the distribution system
26 required for out-of-State manufacturers under section 431(b) as
27 well as all other pertinent sections of this act.

28 * * *

29 Section 11.1. The act is amended by adding a section to
30 read:

1 Section 448. MONTHLY Shipment of Malt or Brewed Beverages.-- <--

2 (a) The OUT-OF-STATE shipment of malt or brewed beverages to <--
3 residents of this Commonwealth shall be governed by this
4 section.

5 (b) Notwithstanding any other provision of this act or law,
6 a person licensed by ~~the board or~~ another state or country as a <--
7 ~~manufacturer~~ WHOLESALER OR RETAILER of malt or brewed beverages <--
8 and who obtains a malt or brewed beverage shipper license as
9 provided for in this section may ship up to ~~192~~ ONE HUNDRED <--
10 NINETY-TWO ounces in a month of any malt or brewed beverage on
11 the order of any resident of this Commonwealth who is at least
12 twenty-one (21) years of age for the resident's personal use and
13 not for resale. NO MORE THAN NINETY-SIX OUNCES OF A SPECIFIC <--
14 REGISTERED OR UNREGISTERED BRAND OF MALT OR BREWED BEVERAGES MAY
15 BE SHIPPED TO ANY ONE (1) RESIDENT DURING A CALENDAR YEAR.

16 (c) Prior to issuing a direct malt or brewed beverage
17 shipper license, the board shall require an applicant to:

18 (1) File an application with the board.

19 (2) Pay a registration fee of two hundred fifty dollars
20 (\$250).

21 (3) Provide to the board a true copy of the applicant's
22 current alcoholic beverage license issued by ~~the board or~~ <--
23 another state or country.

24 (4) Provide documentation which evidences that the applicant
25 has obtained a sales tax license from the Department of Revenue.

26 (5) Provide the board with any other information that the
27 board deems necessary and appropriate.

28 (d) A direct malt or brewed shipper shall do all of the
29 following:

30 (1) Report to the board each year the total of malt or

1 brewed beverages shipped to residents of this Commonwealth in
2 the preceding calendar year.

3 (2) Permit the board, the enforcement bureau or the
4 Secretary of Revenue, or their designated representatives, to
5 perform an audit of the malt or brewed beverage shipper's
6 records upon request.

7 (3) Be deemed to have submitted to the jurisdiction of the
8 board, any other State agency and the courts of this
9 Commonwealth for purposes of enforcement of this section and any
10 related laws, rules or regulations.

11 (4) Require proof of age of the recipient, in a manner or
12 format approved by the board, before malt or brewed beverages
13 are shipped to a resident of this Commonwealth.

14 (5) Ensure that all boxes or exterior containers of malt or
15 brewed beverages shipped directly to a resident of this
16 Commonwealth are conspicuously labeled with the words "CONTAINS
17 ALCOHOL: SIGNATURE OF PERSON 21 YEARS OF AGE OR OLDER REQUIRED
18 FOR DELIVERY."

19 (6) Pay to the Department of Revenue all taxes due on sales
20 to residents of this Commonwealth. The amount of the taxes shall
21 be calculated as if the sales were in this Commonwealth at the
22 locations where delivery was made. The malt or brewed beverages
23 delivered under this subsection shall be subject to only the
24 following:

25 (i) The sales and use tax imposed by section 202 and Article
26 II-B of the act of March 4, 1971 (P.L.6, No.2), known as the
27 "Tax Reform Code of 1971."

28 (ii) The sales and use tax imposed by Article XXXI-B of the
29 act of July 28, 1953 (P.L.723, No.230), known as the "Second
30 Class County Code."

1 (iii) The sales and use tax imposed by the act of June 5,
2 1991 (P.L.9, No.6), known as the "Pennsylvania Intergovernmental
3 Cooperation Authority Act for Cities of the First Class."

4 (iv) The malt beverage tax imposed by Article XX of the "Tax
5 Reform Code of 1971."

6 (7) Annually renew its license by paying a renewal fee of
7 two hundred fifty dollars (\$250).

8 (e) Any person who resells malt or brewed beverages obtained
9 under this section commits a misdemeanor of the second degree. A
10 person convicted of selling or offering to sell any malt or
11 brewed beverage in violation of this section shall, in addition
12 to any other penalty prescribed by law, be sentenced to pay a
13 fine of four dollars (\$4) per fluid ounce for each container of
14 malt or brewed beverage found on the premises where the sale was
15 made or attempted. The amount of fine per container shall be
16 based on the capacity of the container when full, whether or not
17 the container is full at the time of sale or attempted sale.
18 Each malt or brewed beverage found on the premises shall be
19 confiscated.

20 (g) The board may promulgate rules and regulations as are
21 necessary to implement and enforce the provisions of this
22 section.

23 (h) The board shall submit annual reports to the
24 Appropriations Committee and the Law and Justice Committee of
25 the Senate and to the Appropriations Committee and the Liquor
26 Control Committee of the House of Representatives summarizing
27 the number of direct shipper licenses issued by the board and
28 the quantity of malt or brewed beverages sold under this
29 section.

30 (i) Delivery shall be by a licensed transporter for hire or <--

1 ~~by the manufacturer.~~ The licensed transporter for hire shall:

2 (1) keep records as required under section 512 pertaining to
3 the direct shipment of malt or brewed beverages; and

4 (2) permit the board and the enforcement bureau, or their
5 designated representatives, to inspect the records under section
6 513.

7 (j) Malt or brewed beverages sold under this section shall
8 not be subject to:

9 (1) the provisions of section 431 that require a
10 manufacturer to grant distribution rights to an importing
11 distributor for each brand of malt or brewed beverages that it
12 sells; or

13 (2) the brand registration requirements of section 445.

14 ~~(k) Malt or brewed beverages sold and delivered under this~~ <--
15 ~~section shall not be subject to any existing or future~~
16 ~~distributing rights agreement between the manufacturer and an~~
17 ~~importing distributor or distributor.~~

18 ~~(l) Nothing under this section shall preclude a licensed~~
19 ~~manufacturer from selling and delivering malt or brewed~~
20 ~~beverages to both non licensed and licensed persons if the~~
21 ~~sales and delivery are otherwise authorized by this act and are~~
22 ~~made in conformity with the authorizing provisions of this act.~~

23 EXCEPT FOR A SHIPMENT EXPRESSLY AUTHORIZED UNDER SUBSECTION (B), <--
24 NOTHING UNDER THIS SECTION MAY BE CONSTRUED AS ALTERING ANY
25 EXISTING OR FUTURE DISTRIBUTING RIGHTS AGREEMENT BETWEEN A
26 MANUFACTURER AND AN IMPORTING DISTRIBUTOR OR DISTRIBUTOR.

27 SECTION 11.2. SECTION 468(E) OF THE ACT, ADDED DECEMBER 22, <--
28 2011 (P.L.530, NO.113), IS AMENDED TO READ:

29 SECTION 468. LICENSES NOT ASSIGNABLE; TRANSFERS.--* * *

30 (E) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, [THE]

1 DIRECTIVE OR REGULATION TO THE CONTRARY, THE FOLLOWING SHALL
2 APPLY:

3 (1) THE BOARD MAY NOT APPROVE AN INTERIOR CONNECTION
4 THAT IS GREATER THAN TEN FEET WIDE BETWEEN A LICENSED
5 BUSINESS AND ANOTHER BUSINESS.

6 (2) THE BOARD SHALL HAVE NO AUTHORITY TO REQUIRE AN
7 EXTERIOR ENTRANCE TO A LICENSED PREMISES AS A CONDITION FOR
8 APPROVING A LICENSE OR APPROVING A RENEWAL APPLICATION OF A
9 LICENSE IN INSTANCES WHEN HOURS OF OPERATION FOR THE LICENSED
10 PREMISES DO NOT EXCEED THE HOURS OF OPERATION FOR THE
11 UNLICENSED PREMISES FOR WHICH THE BOARD HAS APPROVED AN
12 INTERIOR CONNECTION.

13 (3) THIS SUBSECTION SHALL NOT PROHIBIT THE BOARD FROM
14 APPROVING A RENEWAL APPLICATION OF A LICENSE, EVEN IF THE
15 LICENSED BUSINESS HAS AN INTERIOR CONNECTION THAT IS GREATER
16 THAN TEN FEET WIDE TO AN UNLICENSED BUSINESS, IF THE BOARD
17 HAD APPROVED THE INTERIOR CONNECTION PRIOR TO THE EFFECTIVE
18 DATE OF THIS SUBSECTION.

19 Section ~~11.2~~ 11.3. Section 472(a) of the act, amended June <--
20 8, 2016 (P.L.273, No.39), is amended to read:

21 Section 472. Local Option.--(a) In any municipality or any
22 part of a municipality where such municipality is split so that
23 each part thereof is separated by another municipality, an
24 election may be held, subject to subsection (c), not oftener
25 than once in four years, to determine the will of the electors
26 with respect to the granting of liquor licenses to hotels,
27 restaurants, resort facilities and clubs, not oftener than once
28 in four years, to determine the will of the electors with
29 respect to the granting of liquor licenses to public venues, to
30 performing arts facilities, to continuing care retirement

1 communities, to hotels located on property owned by an
2 accredited college or university, to privately-owned private
3 golf courses or to privately-owned public golf courses, not
4 oftener than once in four years, to determine the will of the
5 electors with respect to the granting of licenses to retail
6 dispensers of malt and brewed beverages, not oftener than once
7 in four years, to determine the will of the electors with
8 respect to granting of licenses to wholesale distributors and
9 importing distributors, not more than once in two years, to
10 determine the will of the electors with respect to the granting
11 of club liquor licenses or club retail dispenser licenses to
12 incorporated units of national veterans' organizations, not
13 oftener than once in two years to determine the will of the
14 electors with respect to the granting of special occasion
15 permits to qualified organizations, not more than once in four
16 years, to determine the will of the electors with respect to the
17 establishment, operation and maintenance by the board of
18 Pennsylvania liquor stores, within the limits of such
19 municipality or part of a split municipality, or not more than
20 once in two years, to determine the will of the electors with
21 respect to the granting of liquor licenses to ski resort
22 facilities, under the provisions of this act: Provided, That an
23 election on the question of establishing and operating a State
24 liquor store shall be initiated only in those municipalities, or
25 that part of a split municipality that shall have voted against
26 the granting of liquor licenses; and that an election on the
27 question of granting wholesale distributor and importing
28 distributor licenses shall be initiated only in those
29 municipalities or parts of split municipalities that shall have
30 at a previous election voted against the granting of dispenser's

1 licenses. Whenever electors equal to at least twenty-five per
2 centum of the highest vote cast for any office in the
3 municipality or part of a split municipality at the last
4 preceding general election shall file a petition with the county
5 board of elections of the county for a referendum on the
6 question of granting any of said classes of licenses or the
7 establishment of Pennsylvania liquor stores, the said county
8 board of elections shall cause a question to be placed on the
9 ballots or on the voting machine board and submitted at any
10 election. Separate petitions must be filed for each question to
11 be voted on. Said proceedings shall be in the manner and subject
12 to the provisions of the election laws which relate to the
13 signing, filing and adjudication of nomination petitions,
14 insofar as such provisions are applicable.

15 When the question is in respect to the granting of liquor
16 licenses, it shall be in the following form:

17 Do you favor the granting of liquor licenses for the
18 sale of liquor in..... Yes
19 of.....? No

20 When the question is in respect to the granting of liquor
21 licenses to resort facilities in those municipalities that do
22 not already allow the retail sale of liquor, it shall be in the
23 following form:

24 Do you favor the granting of liquor licenses to resort
25 facilities for the sale of liquor in the..... Yes
26 of.....? No

27 When the question is in respect to the granting of liquor
28 licenses to ski resorts in those municipalities that do not
29 already allow the retail sale of liquor, it shall be in the
30 following form:

1 Do you favor the granting of liquor licenses to ski
2 resort facilities for the sale of liquor in the Yes
3of? No

4 When the question is in respect to the granting of restaurant
5 liquor licenses for use at public venues in those municipalities
6 that do not already allow the retail sale of liquor, it shall be
7 in the following form:

8 Do you favor the granting of liquor licenses to public
9 venues for the sale of liquor in the..... Yes
10 of.....? No

11 When the question is in respect to the granting of restaurant
12 liquor licenses for use at performing arts facilities in those
13 municipalities that do not already allow the retail sale of
14 alcohol, it shall be in the following form:

15 Do you favor the granting of liquor licenses to
16 performing arts facilities for the sale of liquor in
17 the..... Yes
18 of.....? No

19 When the question is in respect to the granting of liquor
20 licenses for hotels located on property owned by an accredited
21 college or university in those municipalities that do not
22 already allow the granting of liquor licenses, it shall be in
23 the following form:

24 Do you favor the granting of liquor licenses to hotels
25 on property owned by an accredited college or
26 university in the..... Yes
27 of.....? No

28 When the question is in respect to the granting of liquor
29 licenses, for privately-owned private golf courses, it shall be
30 in the following form:

1 Do you favor the granting of liquor licenses for
2 privately-owned private golf courses for the sale of
3 liquor in.....by..... Yes
4 of.....? No

5 When the question is in respect to the granting of liquor
6 licenses, for privately-owned public golf courses, it shall be
7 in the following form:

8 Do you favor the granting of liquor licenses for
9 privately-owned public golf courses for the sale of
10 liquor in.....by..... Yes
11 of.....? No

12 When the question is in respect to the granting of liquor
13 licenses to continuing care retirement communities in those
14 municipalities that have not already approved the granting of
15 liquor licenses, it shall be in the following form:

16 Do you favor the granting of liquor licenses for
17 continuing care retirement communities
18 in.....by..... Yes
19 of.....? No

20 When the question is in respect to the granting of licenses
21 to retail dispensers of malt and brewed beverages, it shall be
22 in the following form:

23 Do you favor the granting of malt and brewed beverage
24 retail dispenser licenses for consumption on premises
25 where sold in the..... Yes
26 of.....? No

27 When the question is in respect to the granting of licenses
28 to wholesale distributors of malt or brewed beverages and
29 importing distributors, it shall be in the following form:

30 Do you favor the granting of malt and brewed beverage

1 wholesale distributor's and importing distributor's
2 licenses not for consumption on premises where sold in
3 the..... Yes
4 of.....? No

5 When the question is in respect to the granting of club
6 liquor licenses to incorporated units of national veterans'
7 organizations, it shall be in the following form:

8 Do you favor the granting of club liquor licenses to
9 incorporated units of national veterans' organizations
10 in the..... Yes
11 of.....? No

12 When the question is in respect to the granting of club
13 retail dispenser licenses to incorporated units of national
14 veterans' organizations, it shall be in the following form:

15 Do you favor the granting of club retail dispenser
16 licenses to incorporated units of national veterans'
17 organizations in the..... Yes
18 of.....? No

19 When the question is in respect to the granting of special
20 occasion permits allowing the sale of liquor by qualified
21 organizations in municipalities that do not already allow the
22 retail sale of liquor, it shall be in the following form:

23 Do you favor the granting of special occasion permits
24 to allow the sale of liquor by qualified organizations
25 in the..... Yes
26 of.....? No

27 When the question is in respect to the granting of special
28 occasion permits allowing the sale of malt or brewed beverages
29 only by qualified organizations in municipalities that do not
30 already allow the retail sale of malt or brewed beverages, it

1 shall be in the following form:

2 Do you favor the granting of special occasion permits
3 to allow the sale of malt or brewed beverages only by
4 qualified organizations in the..... Yes
5 of.....? No

6 When the question is in respect to the establishment,
7 operation and maintenance of Pennsylvania liquor stores it shall
8 be in the following form:

9 Do you favor the establishment, operation and
10 maintenance of Pennsylvania liquor stores in
11 the..... Yes
12 of.....? No

13 When the question is in respect to the granting of liquor
14 licenses to an airport authority in those municipalities that do
15 not already allow the retail sale of liquor, it shall be in the
16 following form:

17 Do you favor the granting of liquor licenses to an
18 airport authority for the sale of liquor in
19 the..... Yes
20 of.....? No

21 In case of a tie vote, the status quo shall obtain. If a
22 majority of the voting electors on any such question vote "yes,"
23 then liquor licenses shall be granted by the board to hotels,
24 restaurants, ski resorts, resort facilities and clubs, or liquor
25 licenses shall be granted by the board to public venues, to
26 performing arts facilities, to continuing care retirement
27 communities, to hotels located on property owned by an
28 accredited college or university, to privately-owned private
29 golf courses or to privately-owned public golf courses, or malt
30 and brewed beverage retail dispenser licenses or wholesale

1 distributor's and importing distributor's license for the sale
2 of malt or brewed beverages shall be granted by the board, or
3 club liquor licenses or club retail dispenser licenses shall be
4 granted by the board to incorporated units of national veterans'
5 organizations, or special occasion permits may be issued to
6 qualified organizations, or the board may establish, operate and
7 maintain Pennsylvania liquor stores, as the case may be, in such
8 municipality or part of a split municipality, as provided by
9 this act; but if a majority of the electors voting on any such
10 question vote "no," then the board shall have no power to grant
11 or to renew upon their expiration any licenses of the class so
12 voted upon in such municipality or part of a split municipality;
13 or if the negative vote is on the question in respect to the
14 establishment, operation and maintenance of Pennsylvania liquor
15 stores, the board shall not open and operate a Pennsylvania
16 liquor store in such municipality or part of a split
17 municipality, nor continue to operate a then existing
18 Pennsylvania liquor store in the municipality or part of a split
19 municipality for more than two years thereafter or after the
20 expiration of the term of the lease on the premises occupied by
21 such store, whichever period is less, unless and until at a
22 later election a majority of the voting electors vote "yes" on
23 such question.

24 * * *

25 Section 12. (Reserved).

26 Section 13. Section 493(6) of the act is reenacted and
27 amended to read:

28 Section 493. Unlawful Acts Relative to Liquor, Malt and
29 Brewed Beverages and Licensees.--The term "licensee," when used
30 in this section, shall mean those persons licensed under the

1 provisions of Article IV, unless the context clearly indicates
2 otherwise.

3 It shall be unlawful--

4 * * *

5 (6) Brand or Trade Name on Spigot. For any licensee, his
6 agents, servants or employes, to furnish or serve any malt or
7 brewed beverages from any faucet, spigot or other dispensing
8 apparatus, unless the trade name or brand of the product served
9 shall appear in full sight of the customer [and in legible
10 lettering upon such faucet, spigot or dispensing apparatus].

11 * * *

12 Section 14. Section 505.2 of the act, amended December 8,
13 2004 (P.L.1810, No.239), July 16, 2007 (P.L.107, No.34), June
14 25, 2010 (P.L.217, No.35), June 28, 2011 (P.L.55, No.11),
15 December 22, 2011 (P.L.530, No.113) and June 8, 2016 (P.L.273,
16 No.39), is amended to read:

17 Section 505.2. Limited Wineries.--(a) In the interest of
18 promoting tourism and recreational development in Pennsylvania,
19 holders of a limited winery license may:

20 (1) Produce alcoholic ciders, mead, wines and wine coolers,
21 subject to the exceptions provided under this section, only from
22 an agricultural commodity grown in Pennsylvania.

23 (2) Sell alcoholic cider, mead, wine and wine coolers
24 produced by the limited winery or purchased in bulk in bond from
25 another Pennsylvania limited winery on the licensed premises,
26 under such conditions and regulations as the board may enforce,
27 to the board, to individuals and to brewery, importing
28 distributor, distributor, hotel, restaurant, club and public
29 service liquor licensees, and to Pennsylvania winery licensees:
30 Provided, That a limited winery shall not, in any calendar year,

1 purchase alcoholic cider, mead or wine produced by other limited
2 wineries in an amount in excess of fifty per centum of the
3 alcoholic cider, mead or wine produced by the purchasing limited
4 winery in the preceding calendar year. In addition, the holder
5 of a limited winery license may purchase wine in bottles from
6 another Pennsylvania limited winery if these wines undergo a
7 second fermentation process. Such wine may be sold in bottles
8 bearing the purchasing limited winery's label or the producing
9 limited winery's label. Such wines, if sold by the board, may be
10 sold by the producing limited winery to the purchasing limited
11 winery at a price lower than the price charged by the board.

12 (2.1) Notwithstanding any other provision of this act or law
13 to the contrary, only ship wine in accordance with the
14 provisions of section 488.

15 (3) Separately or in conjunction with other limited
16 wineries, sell alcoholic cider, mead, wine and wine coolers
17 produced by the limited winery on no more than five (5) board-
18 approved locations other than the licensed premises, with no
19 bottling or production requirement at those additional board-
20 approved locations and under such conditions and regulations as
21 the board may enforce, to the board, to individuals and to
22 brewery, hotel, restaurant, club and public service liquor
23 licensees. If two or more limited wineries apply to operate an
24 additional board-approved location in conjunction with each
25 other, the wineries need only have one board-approved manager
26 for the location, need only pay one application fee and need not
27 designate specific or distinct areas for each winery's licensed
28 area. Each limited winery must file an application for such an
29 additional board-approved location, and such location shall
30 count as one of the five permitted for each limited winery. Each

1 limited winery is responsible for keeping only its own complete
2 records. A limited winery may be cited for a violation of the
3 recordkeeping requirements of sections 512 and 513 pertaining to
4 its own records only.

5 (4) At the discretion of the board, obtain a special permit
6 to participate in alcoholic cider, mead, wine and food
7 expositions off the licensed premises. A special permit shall be
8 issued upon proper application and payment of a fee of thirty
9 dollars (\$30) per day for each day of permitted use, not to
10 exceed thirty (30) consecutive days. The total number of days
11 for all the special permits may not exceed one hundred (100)
12 days in any calendar year. A special permit shall entitle the
13 holder to engage in the sale by the glass, by the bottle or in
14 case lots of alcoholic cider, mead or wine produced by the
15 permittee under the authority of a limited winery license.
16 Holders of special permits may provide tasting samples of wines
17 in individual portions not to exceed one fluid ounce. Samples at
18 alcoholic cider, mead, wine and food expositions may be sold or
19 offered free of charge. Except as provided herein, limited
20 wineries utilizing special permits shall be governed by all
21 applicable provisions of this act as well as by all applicable
22 regulations or conditions adopted by the board.

23 For the purposes of this clause, "alcoholic cider, mead, wine
24 and food expositions" are defined as affairs held indoors or
25 outdoors with the intent of promoting Pennsylvania products by
26 educating those in attendance of the availability, nature and
27 quality of Pennsylvania-produced alcoholic ciders, mead and
28 wines in conjunction with suitable food displays, demonstrations
29 and sales. Alcoholic cider, mead, wine and food expositions may
30 also include activities other than alcoholic cider, mead, wine

1 and food displays, including arts and crafts, musical
2 activities, cultural exhibits, agricultural exhibits and farmers
3 markets.

4 (4.1) At the discretion of the board, obtain a farmers
5 market permit. The permit shall entitle the holder to
6 participate in more than one farmers market at any given time
7 and an unlimited number throughout the year and sell alcoholic
8 cider, mead or wine produced under the authority of the
9 underlying limited winery license by the bottle or in case lots.
10 Samples not to exceed one fluid ounce per brand of mead or wine
11 may be offered free of charge. A farmers market permit shall be
12 issued upon proper application and payment of an annual fee of
13 two hundred fifty dollars (\$250). A permit holder may
14 participate in more than one farmers market at any given time.
15 Sales by permit holders shall take place during the standard
16 hours of operation of the farmers market. Written notice of the
17 date, times and location the permit is to be used shall be
18 provided by the permit holder to the enforcement bureau at least
19 two (2) weeks prior to the event. Except as provided in this
20 subsection, limited wineries utilizing farmers market permits
21 shall be governed by all applicable provisions of this act as
22 well as by all applicable regulations adopted by the board.

23 (5) Do either of the following:

24 (i) Apply for and hold a hotel liquor license, a restaurant
25 liquor license or a malt and brewed beverages retail license to
26 sell for consumption at the restaurant or limited winery on the
27 licensed winery premises, liquor, wine and malt or brewed
28 beverages regardless of the place of manufacture under the same
29 conditions and regulations as any other hotel liquor license,
30 restaurant liquor license or malt and brewed beverages retail

1 license.

2 (ii) Apply for and hold a restaurant liquor license for use
3 at one of the additional board-approved locations referenced
4 under clause (3), as long as such location does not serve as an
5 additional board-approved location for any other manufacturer.

6 (6) (i) Secure a permit from the board to allow the holder
7 of a limited winery license to use up to twenty-five per centum
8 permitted fruit, not wine, in the current year's production.
9 Each permit is valid only for the calendar year in which it is
10 issued.

11 (ii) The fee for a permit to import and use permitted fruit
12 shall be in an amount to be determined by the board.

13 (iii) The purpose of this section is to increase the
14 productivity of limited wineries while at the same time
15 protecting the integrity and unique characteristics of wine
16 produced from fruit primarily grown in this Commonwealth.
17 Prevailing climatic conditions have a significant impact on the
18 character of the fruit. Accordingly, "permitted fruit" shall
19 mean fruit grown or juice derived from fruit grown within three
20 hundred fifty (350) miles of the winery.

21 (iv) The department is authorized to promulgate regulations
22 requiring the filing of periodic reports by limited wineries to
23 ensure compliance with the provisions of this section.

24 (6.1) Sell food for consumption on or off the licensed
25 premises and at the limited winery's additional board-approved
26 locations and sell by the glass, at the licensed premises and at
27 the limited winery's additional board-approved locations, wine,
28 mead and alcoholic ciders that may otherwise be sold by the
29 bottle. In addition, the holder of a limited winery license may
30 sell for consumption on the licensed premises and at the limited

1 winery's additional board-approved locations, liquor produced by
2 a licensed distillery or limited distillery, wine and alcoholic
3 cider produced by another limited winery and malt or brewed
4 beverages produced by a licensed brewery. The combined sales of
5 wine and alcoholic cider produced by another limited winery,
6 malt or brewed beverages and liquor may not, on a yearly basis,
7 exceed fifty per centum of the on-premises sales of the limited
8 winery's own sales of wine and alcoholic cider for the preceding
9 calendar year: however, if a limited winery did not operate for
10 an entire calendar year during the preceding year, then its
11 combined sales of wine and alcohol produced by another limited
12 winery, malt or brewed beverages and liquor may not, on a yearly
13 basis, exceed fifty per centum of the on-premises sales of the
14 limited winery's own wine and alcoholic cider for that year.

15 (6.2) Sell wine- or liquor-scented candles acquired or
16 produced by the limited winery.

17 (6.3) Sell alcoholic cider, mead, wine and wine coolers only
18 between the hours of nine o'clock antemeridian and eleven
19 o'clock postmeridian. A limited winery also may request approval
20 from the board to extend sales hours in individual locations at
21 other times during the year or beyond the limits set forth in
22 this clause. The request shall be made in writing to the board's
23 Office of the Chief Counsel and shall detail the exact locations
24 where sales hours are proposed to be extended, the proposed
25 hours and dates of extended operation and the reason for the
26 proposed extended hours.

27 (6.4) Store alcoholic cider, mead, wine and wine coolers
28 produced by the limited winery at no more than two (2) board-
29 approved locations other than the licensed premises and those
30 premises referenced in clause (3) pertaining to the five (5)

1 board-approved locations for the sale of wine, with no bottling
2 or production requirement at those additional locations and
3 under such conditions and regulations as the board may enforce.
4 If two (2) or more businesses will operate out of the same
5 storage facility, the limited winery must designate specific and
6 distinct areas for its storage. The limited winery's designated
7 storage area must be secured and no one other than the licensee
8 and his employees may be allowed access to the storage area. No
9 board-approved manager will be necessary for the storage
10 facility. The limited winery must fill out an application for
11 such an additional board-approved storage location, and such
12 location shall count as one of the two permitted for each
13 limited winery. The limited winery is responsible for keeping
14 only its own complete records. A limited winery may be cited for
15 a violation of the recordkeeping requirements of sections 512
16 and 513 pertaining to its own records only.

17 (b) The total production of alcoholic ciders, mead, wine and
18 wine coolers by a limited winery may not exceed two hundred
19 thousand (200,000) gallons per year.

20 (c) As used in this section:

21 "Agricultural commodity" shall include any of the following:
22 agricultural, apicultural, horticultural, silvicultural and
23 viticultural commodities.

24 "Farmers market" shall include any building, structure or
25 other place:

26 (1) owned, leased or otherwise in the possession of a
27 person, municipal corporation or public or private organization;

28 (2) used or intended to be used by two or more farmers or an
29 association of farmers, who are certified by the Department of
30 Agriculture of the Commonwealth to participate in the Farmers'

1 Market Nutrition Program subject to 7 CFR Pt. 249 (relating to
2 Senior Farmers' Market Nutrition Program (SFMNP)), for the
3 purpose of selling agricultural commodities produced in this
4 Commonwealth directly to consumers;

5 (3) which is physically located within this Commonwealth;
6 and

7 (4) which is not open for business more than twelve hours
8 each day.

9 Section 15. Section 505.4(b)(1) and (c) of the act, amended
10 June 8, 2016 (P.L.273, No.39), are amended to read:

11 Section 505.4. Distilleries.--* * *

12 (b) (1) The board may issue a limited distillery license
13 that will allow the holder thereof to operate a distillery that
14 shall not exceed production of one hundred thousand (100,000)
15 gallons of distilled liquor per year. The holder of the license
16 may manufacture and sell bottled liquors produced on the
17 licensed premises to the board, to entities licensed by the
18 board and to the public between the hours of nine o'clock
19 antemeridian and eleven o'clock postmeridian so long as a
20 specific code of distilled liquor which is listed for sale as a
21 stock item by the board in State liquor stores may not be
22 offered for sale at a licensed limited distillery location at a
23 price which is lower than that charged by the board and under
24 such conditions and regulations as the board may enforce. The
25 holder of a limited distillery license may not sell a product or
26 a substantially similar product which is listed for sale as a
27 stock item by the board in State Liquor Stores to a licensee at
28 a price which is lower than that charged by the board and under
29 such conditions and regulations as the board may enforce. The
30 holder of a limited distillery license may also sell [wines]

1 wine and alcoholic cider produced by a licensed limited winery
2 [or], liquor produced by a licensed distillery or limited
3 distillery and malt or brewed beverages produced by a licensed
4 brewery for on-premises consumption. The combined sales of wine,
5 malt or brewed beverages and liquor produced by another licensed
6 distillery or limited distillery may not, on a yearly basis,
7 exceed fifty per centum of the on-premises sales of the limited
8 distillery's own sales of liquor for the preceding calendar
9 year: however, if a limited distillery did not operate for an
10 entire calendar year during the preceding year, then its
11 combined sales of wine, malt or brewed beverages and liquor
12 produced by another licensed distillery or limited distillery
13 may not, on a yearly basis, exceed fifty per centum of the on-
14 premises sales of the limited distillery's own liquor for that
15 year.

16 * * *

17 (c) (1) The holder of a distillery license as issued under
18 section 505 may sell bottled liquors produced on the licensed
19 premises to the board, to entities licensed by the board and to
20 the public between the hours of nine o'clock antemeridian and
21 eleven o'clock postmeridian so long as a specific code of
22 distilled liquor which is listed for sale as a stock item by the
23 board in State liquor stores may not be offered for sale at a
24 licensed distillery location at a price which is lower than that
25 charged by the board and under such conditions and regulations
26 as the board may enforce. The holder of a distillery license may
27 not sell a product or a substantially similar product which is
28 listed for sale as a stock item by the board in State Liquor
29 Stores to a licensee at a price which is lower than that charged
30 by the board and under such conditions and regulations as the

1 board may enforce. The holder of a distillery license may also
2 sell [wines] its liquor, wine and alcoholic cider produced by a
3 licensed limited winery [or], liquor produced by a licensed
4 distillery or limited distillery and malt or brewed beverages
5 produced by a licensed brewery for on-premises consumption. The
6 combined sales of wine, malt or brewed beverages and liquor
7 produced by another licensed distillery or limited distillery
8 may not, on a yearly basis, exceed fifty per centum of the on-
9 premises sales of the distillery's own sales of liquor for the
10 preceding calendar year: however, if a distillery did not
11 operate for an entire calendar year during the preceding year,
12 then its combined sales of wine, malt or brewed beverages and
13 liquor produced by another licensed distillery or limited
14 distillery may not, on a yearly basis, exceed fifty per centum
15 of the on-premises sales of the distillery's own liquor for that
16 year.

17 (2) The holder of a distillery license as issued under
18 section 505 may provide tasting samples of liquor that in total
19 do not exceed one and one-half (1.5) fluid ounces. Samples may
20 be sold or provided free of charge between the hours of nine
21 o'clock antemeridian and eleven o'clock postmeridian.

22 SECTION 16. SECTION 802 OF THE ACT IS AMENDED BY ADDING A <--
23 SUBSECTION TO READ:

24 SECTION 802. MONEYS PAID INTO THE STATE STORES FUND FOR USE
25 OF THE COMMONWEALTH.--* * *

26 (H) ALL MONEYS COLLECTED UNDER SECTIONS 416, 432(H) AND
27 470.3 OF THIS ACT SHALL BE TRANSFERRED FROM THE STATE STORES
28 FUND TO THE GENERAL FUND ON A QUARTERLY BASIS.

29 Section ~~16~~ 17. This act shall take effect in 60 days. <--