THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

 N_0 513

Session of 2017

INTRODUCED BY BULLOCK, KINSEY, McCLINTON, MURT, J. HARRIS, V. BROWN, NEILSON AND DONATUCCI, FEBRUARY 15, 2017

REFERRED TO COMMITTEE ON LIQUOR CONTROL, FEBRUARY 15, 2017

AN ACT

Amending the act of April 12, 1951 (P.L.90, No.21), entitled, as reenacted, "An act relating to alcoholic liquors, alcohol and 2 malt and brewed beverages; amending, revising, consolidating 3 and changing the laws relating thereto; regulating and restricting the manufacture, purchase, sale, possession, 5 consumption, importation, transportation, furnishing, holding 6 in bond, holding in storage, traffic in and use of alcoholic liquors, alcohol and malt and brewed beverages and the 7 8 persons engaged or employed therein; defining the powers and 9 10 duties of the Pennsylvania Liquor Control Board; providing for the establishment and operation of State liquor stores, 11 for the payment of certain license fees to the respective 12 municipalities and townships, for the abatement of certain 13 nuisances and, in certain cases, for search and seizure 14 without warrant; prescribing penalties and forfeitures; 15 providing for local option, and repealing existing laws," in 16 preliminary provisions, further providing for definitions; in 17 Pennsylvania Liquor Control Board, further providing for 18 general powers of board; and, in licenses and regulations and 19 20 liquor, alcohol and malt and brewed beverages, further providing for applications for hotel, restaurant and club 21 liquor licenses and for issuance, transfer or extension of hotel, restaurant and club liquor licenses. 22 23 24 The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

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- 26 Section 1. Section 102 of the act of April 12, 1951 (P.L.90,
- 27 No.21), known as the Liquor Code, is amended by adding a
- 2.8 definition to read:

- 1 Section 102. Definitions. -- The following words or phrases,
- 2 unless the context clearly indicates otherwise, shall have the
- 3 meanings ascribed to them in this section:
- 4 * * *
- 5 "Elected official" shall mean an individual elected to a
- 6 State or local office and who represents an area in which an
- 7 establishment licensed under this act is located.
- 8 * * *
- 9 Section 2. Section 207 of the act is amended by adding a
- 10 subsection to read:
- 11 Section 207. General Powers of Board.--Under this act, the
- 12 board shall have the power and its duty shall be:
- 13 * * *
- 14 (o) Notwithstanding any other provision of law, to notify
- 15 each elected official by certified letter that an application
- 16 for a license in the area that the elected official represents
- 17 has been received. The notification under this subsection must
- 18 be made within fifteen days of receipt of the application for a
- 19 license.
- 20 Section 3. Section 403(q) of the act is amended to read:
- 21 Section 403. Applications for Hotel, Restaurant and Club
- 22 Liquor Licenses. -- * * *
- 23 (g) Every applicant for a new license or for the transfer of
- 24 an existing license shall post, for a period of at least thirty
- 25 days beginning with the day the application is filed with the
- 26 board, in a conspicuous place on the outside of the premises or
- 27 at the proposed new location for which the license is applied, a
- 28 notice of such application. If the applicant is seeking the
- 29 transfer of a license in which the previous license has not been
- 30 renewed, or as a result of provisions of a conditional license,

- 1 the previous licensee was required to transfer the license,
- 2 pursuant to section 404(a)(3), the applicant shall post such
- 3 notice for a period of at least forty-five days. The notice
- 4 shall indicate whether the applicant is applying for the
- 5 amusement permit required by section 493(10). The notice shall
- 6 be in such form, be of such size, and contain such provisions as
- 7 the board may require by its regulations. Proof of the posting
- 8 of such notice shall be filed with the board. The posting
- 9 requirement imposed by this subsection shall not apply to
- 10 license applications submitted for public venues.
- 11 * * *
- 12 Section 4. Section 404 of the act, amended June 8, 2016
- 13 (P.L.273, No.39), is amended to read:
- 14 Section 404. Issuance, Transfer or Extension of Hotel,
- 15 Restaurant and Club Liquor Licenses. -- (a) Upon receipt of the
- 16 application and the proper fees, and upon being satisfied of the
- 17 truth of the statements in the application that the applicant
- 18 and management company or companies, if any, are the only
- 19 persons in any manner pecuniarily interested in the business so
- 20 asked to be licensed and that no other person will be in any
- 21 manner pecuniarily interested therein during the continuance of
- 22 the license, except as hereinafter permitted, and that the
- 23 applicant is a person of good repute, that the premises applied
- 24 for meet all the requirements of this act and the regulations of
- 25 the board, that the applicant seeks a license for a hotel,
- 26 restaurant or club, as defined in this act, and that the
- 27 issuance of such license is not prohibited by any of the
- 28 provisions of this act, the board shall, in the case of a hotel
- 29 or restaurant, grant and issue to the applicant a liquor
- 30 license, and in the case of a club may, in its discretion, issue

- 1 or refuse a license: Provided, however, That [in]:
- 2 (1) In the case of any new license or the transfer of any
- 3 license to a new location or the extension of an existing
- 4 license to cover an additional area the board may, in its
- 5 discretion, grant or refuse such new license, transfer or
- 6 extension if such place proposed to be licensed is within three
- 7 hundred feet of any church, hospital, charitable institution,
- 8 school, or public playground, or if such new license, transfer
- 9 or extension is applied for a place which is within two hundred
- 10 feet of any other premises which is licensed by the board: And
- 11 provided further, That the board's authority to refuse to grant
- 12 a license because of its proximity to a church, hospital,
- 13 charitable institution, public playground or other licensed
- 14 premises shall not be applicable to license applications
- 15 submitted for public venues or performing arts facilities: And
- 16 provided further, That the board shall refuse any application
- 17 for a new license, the transfer of any license to a new location
- 18 or the extension of an existing license to cover an additional
- 19 area if, in the board's opinion, such new license, transfer or
- 20 extension would be detrimental to the welfare, health, peace and
- 21 morals of the inhabitants of the neighborhood within a radius of
- 22 five hundred feet of the place proposed to be licensed[: And
- 23 provided further, That]. The board shall refuse any application
- 24 for a new license, the transfer of any license to a new location
- 25 <u>or the extension of any license to cover an additional area</u>
- 26 where the sale of liquid fuels or oil is conducted.
- 27 (2) In the case of any new license or the transfer of any
- 28 <u>license to new ownership at the same location</u>, the board shall
- 29 have the discretion to refuse a license to any person or to any
- 30 corporation, partnership or association if such person, or any

- 1 officer or director of such corporation, or any member or
- 2 partner of such partnership or association shall have been
- 3 convicted or found guilty of a felony within a period of five
- 4 years immediately preceding the date of application for the said
- 5 license. [The board shall not license the area where liquid
- 6 fuels or oil is sold. No sales of liquid fuels or oil may be
- 7 made from a licensee's licensed premises. A licensed premises
- 8 may not have an interior connection with a location that sells
- 9 liquid fuels or oil unless it first receives permission from the
- 10 board for the interior connection. The approval shall be
- 11 required regardless of whether the licensee or another party is
- 12 the entity selling the liquid fuels or oil.]
- 13 (3) In the case of the transfer of any license both to a new
- 14 <u>location and to new ownership, the board may, in its discretion,</u>
- 15 grant or refuse such transfer pursuant to the requirements set
- 16 forth in clauses (1) and (2). If a current license has not been
- 17 <u>renewed</u>, or as a result of provisions of a conditional license
- 18 agreement, the current licensee must transfer the license, the
- 19 license may be transferred and shall be considered a transfer to
- 20 both a new location and new ownership.
- 21 (a.1) The board may enter into an agreement with the
- 22 applicant concerning additional restrictions on the license in
- 23 question. If the board and the applicant enter into such an
- 24 agreement, such agreement shall be binding on the applicant.
- 25 Failure by the applicant to adhere to the agreement will be
- 26 sufficient cause to form the basis for a citation under section
- 27 471 and for the nonrenewal of the license under section 470. If
- 28 the board enters into an agreement with an applicant concerning
- 29 additional restrictions, those restrictions shall be binding on
- 30 subsequent holders of the license until the license is

- 1 transferred to a new location or until the board enters into a
- 2 subsequent agreement removing those restrictions. If the
- 3 application in question involves a location previously licensed
- 4 by the board, then any restrictions imposed by the board on the
- 5 previous license at that location shall be binding on the
- 6 applicant unless the board enters into a new agreement
- 7 rescinding those restrictions. The board may, in its discretion,
- 8 refuse an application for an economic development license under
- 9 section 461(b.1) or an application for an intermunicipal
- 10 transfer of a license if the board receives a protest from the
- 11 governing body of the receiving municipality. The receiving
- 12 municipality of an intermunicipal transfer or an economic
- 13 development license under section 461(b.1) may file a protest
- 14 against the transfer of a license into its municipality, and the
- 15 receiving municipality shall have standing in a hearing to
- 16 present testimony in support of or against the issuance or
- 17 transfer of a license. Upon any opening in any quota, an
- 18 application for a new license shall only be filed with the board
- 19 for a period of six months following said opening.
- 20 (b) If the applicant intends to use a management company to
- 21 operate, manage or supervise all or part of the operation of the
- 22 licensed premises, the licensee must file a written application
- 23 with the board on a form or forms as the board shall from time
- 24 to time prescribe. The application shall be accompanied by a fee
- 25 in an amount determined by the board. The board shall refuse the
- 26 application if the management company or any person involved
- 27 with the management company would be precluded from holding an
- 28 interest in the underlying license.
- 29 Section 5. This act shall take effect in 60 days.