THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 1615 Session of 2021

INTRODUCED BY TOPPER, JUNE 11, 2021

REFERRED TO COMMITTEE ON LIQUOR CONTROL, JUNE 11, 2021

AN ACT

Amending the act of April 12, 1951 (P.L.90, No.21), entitled "An 1 act relating to alcoholic liquors, alcohol and malt and 2 brewed beverages; amending, revising, consolidating and 3 changing the laws relating thereto; regulating and 4 restricting the manufacture, purchase, sale, possession, 5 consumption, importation, transportation, furnishing, holding 6 in bond, holding in storage, traffic in and use of alcoholic liquors, alcohol and malt and brewed beverages and the 7 8 persons engaged or employed therein; defining the powers and 9 duties of the Pennsylvania Liquor Control Board; providing 10 11 for the establishment and operation of State liquor stores, 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 licenses and regulations and liquor, alcohol and malt and 17 brewed beverages, further providing for breweries and for 18 unlawful acts relative to malt or brewed beverages and 19 20 licensees. 21 The General Assembly of the Commonwealth of Pennsylvania 22 hereby enacts as follows: 23 Section 1. Sections 446(a)(1), (2) and (3) and 492(22) of 24 the act of April 12, 1951 (P.L.90, No.21), known as the Liquor

25 Code, are amended to read:

26 Section 446. Breweries.--(a) Holders of a brewery license 27 may:

1 Sell malt or brewed beverages [produced at the location (1)2 and owned by the brewery] as provided in this section under such 3 conditions and regulations as the board may enforce[, to individuals for consumption on the licensed premises in any 4 container or package of any volume and to hotel, restaurant, 5 club and public service liquor licensees]. Malt or brewed 6 7 beverages produced [for the holder of a brewery license under a 8 contract brewing agreement with an out-of-State manufacturer may be sold to a nonlicensee for on-premises or off-premises 9 10 consumption, except that sales to a licensee must be distributed 11 as provided under section 431(b).] by a brewery at the brewery 12 location or under a contract brewing agreement with an in-State 13 manufacturer may be sold by the brewery to nonlicensees for on-14 premise or off-premise consumption and to licensees who are authorized to resell malt or brewed beverages. Sales to 15 16 licensees under this paragraph shall comply with the provisions of this act. Malt or brewed beverages produced for the brewery_ 17 18 under a contract brewing agreement with an out-of-State 19 manufacturer may only be distributed as provided under paragraph 20 (3). 21 Operate a restaurant or brewery pub on the licensed (2) premises under such conditions and regulations as the board may 22 23 enforce: Provided, however, That sales on Sunday may be made 24 irrespective of the volume of food sales if the licensed 25 premises are at a public venue location. [The] In addition to

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the sales authorized under paragraph (1), the holder of a

fruit beverages produced by the holder of a limited winery

licensed by the board and liquor produced by a limited

license, malt or brewed beverages produced by a manufacturer

brewery license may sell wines, alcoholic cider and fermented

distillery or distillery licensed by the board: Provided, 1 2 however, That said wines, malt or brewed beverages produced by 3 another manufacturer and liquor must be consumed at the licensed premises. In addition, the combined sales of wine, malt or 4 brewed beverages produced by another manufacturer and liquor may 5 not, on a yearly basis, exceed fifty per centum (50%) of the on-6 premises sales of the brewery's own malt or brewed beverages for 7 8 the preceding calendar year: however, if a brewery did not operate for an entire calendar year during the preceding year, 9 10 then its combined sales of wine, malt or brewed beverages produced by another manufacturer and liquor may not, on a yearly 11 12 basis, exceed fifty per centum (50%) of the on-premises sales of 13 the brewery's own malt or brewed beverages for that year. 14 Use brewery storage and distribution facilities for the (3) 15 purpose of receiving, storing and distributing malt or brewed 16 beverages manufactured outside this Commonwealth [if], including_ malt or brewed beverages produced for the brewery under a 17 contract brewing agreement with an out-of-State manufacturer, so 18 19 long as the beverages are distributed in this Commonwealth only 20 through specific importing distributors who shall have first 21 been given distributing rights for such products in designated geographical areas through the distribution system required for 22 23 out-of-State manufacturers under section 431(b) as well as all 24 other pertinent sections of this act. The manufacturer of the

25 beverages must comply with section 444.

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Section 492. Unlawful Acts Relative to Malt or Brewed
Beverages and Licensees.--

29 It shall be unlawful--

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(22) Selling or Distributing of Malt or Brewed Beverages.
 For the holder of a brewery license to sell or distribute malt
 or brewed beverages except as provided under [section 446(a)(1)]
 <u>sections 431(b) and 446(a)</u>.

5 Section 2. This act shall take effect in 60 days.