THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL No. 948 Session of 2021

INTRODUCED BY FONTANA, BREWSTER, SAVAL, FLYNN, COLLETT, BOSCOLA, KANE, COMITTA, KEARNEY, CAPPELLETTI AND COSTA, NOVEMBER 19, 2021

REFERRED TO LAW AND JUSTICE, NOVEMBER 19, 2021

AN ACT

1	Amending the act of April 12, 1951 (P.L.90, No.21), entitled "An
2	act relating to alcoholic liquors, alcohol and malt and
3	brewed beverages; amending, revising, consolidating and
4	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	Pennsylvania liquor stores, further providing for sales by
18	Pennsylvania liquor stores; in licenses and regulations and
19	liquor, alcohol and malt and brewed beverages, further
20	providing for sales by liquor licensees and restrictions, for
21	prepared beverages and mixed drinks for off-premises
22	consumption during disaster emergency and providing for
23	safekeeping.
24	The General Assembly of the Commonwealth of Pennsylvania
25	hereby enacts as follows:
26	Section 1. Section 305(b) of the act of April 12, 1951
27	(P.L.90, No.21), known as the Liquor Code, is amended to read:
28	Section 305. Sales by Pennsylvania Liquor Stores* * *

1

(b) The following apply to the sell of liquors:

2 (1) Every Pennsylvania Liquor Store shall sell liquors at 3 wholesale to hotels, restaurants, clubs, and railroad, pullman and steamship companies licensed under this act; and, under the 4 regulations of the board, to pharmacists duly licensed and 5 registered under the laws of the Commonwealth, and to 6 7 manufacturing pharmacists, and to reputable hospitals approved 8 by the board, or chemists. Sales to licensees shall be made at a price that includes [a discount of ten per centum from the 9 retail price; except that special] the following discounts: 10 11 (i) except as provided under paragraphs (2) and (3), for a 12 licensee that does not hold a wine expanded permit, a fifteen 13 per centum discount from the retail price for all purchases; 14 (ii) except as provided under paragraphs (2) and (3), for a restaurant licensee that holds a wine expanded permit but does 15 16 not have an interior connection to a grocery store, convenience 17 store, department store or similar business, or a hotel licensee with a wine expanded permit, regardless of any interior 18 19 connections, a fifteen per centum discount from the retail price 20 for all purchases; and 21 (iii) except as provided under paragraph (2), for a 22 restaurant licensee that holds a wine expanded permit and has an 23 interior connection to a grocery store, convenience store, 24 department store or similar business, a ten per centum discount 25 from the retail price for all purchases. 26 (2) Special order sales to licensees authorized in 27 subsection (a) shall not be subject to [the ten per centum] any 28 discount. 29 (3) The fifteen per centum discounts provided under paragraph (1)(i) and (ii) shall revert to a ten per centum 30 20210SB0948PN1238 - 2 -

discount three years after the expiration or termination of the proclamation of disaster emergency issued by the Governor on March 6, 2020, published at 50 Pa.B. 1644 (March 21, 2020), and any renewal of the proclamation of the state of disaster emergency.

(4) The board may sell to registered pharmacists only such 6 7 liquors as conform to the Pharmacopoeia of the United States, 8 the National Formulary, or the American Homeopathic Pharmacopoeia. The board may sell at special prices under the 9 regulations of the board, to United States Armed Forces 10 facilities which are located on United States Armed Forces 11 12 installations and are conducted pursuant to the authority and 13 regulations of the United States Armed Forces. All other sales 14 by such stores shall be at retail, except that incentives, such 15 as coupons or discounts on certain products, may be offered to 16 unlicensed customers of the board as provided under sections 17 207(m) and 493(24)(ii)(B). A person entitled to purchase liquor 18 at wholesale prices may purchase the liquor at any Pennsylvania 19 Liquor Store upon tendering cash, check or credit card for the 20 full amount of the purchase. For this purpose, the board shall 21 issue a discount card to each licensee identifying such licensee as a person authorized to purchase liquor at wholesale prices. 22 23 Such discount card shall be retained by the licensee. The board 24 may contract through the Commonwealth bidding process for 25 delivery to wholesale licensees at the expense of the licensee 26 receiving the delivery.

27 (5) For purposes of this subsection, the term "grocery
28 store" shall mean a retail business that primarily sells a wide
29 variety of fresh and packaged foods, beverages and other items
30 to be consumed or used off of the store premises; the term

- 3 -

1	"convenience store" shall mean a retail business that sells a
2	range of everyday items, including coffee, groceries, snack
3	foods, confectionery, soft drinks, tobacco products, over-the-
4	counter drugs, toiletries, gasoline and magazines; and the term
5	<u>"department store" shall mean a retail establishment offering a</u>
6	wide range of consumer goods in different areas of the store and
7	which may include food items.
8	Section 2. Section 406 of the act is amended by adding
9	subsections to read:
10	Section 406. Sales by Liquor Licensees; Restrictions* * *
11	(j) Notwithstanding any provision of this act, a person
12	holding and possessing a valid restaurant or hotel liquor
13	license may sell prepared beverages and mixed drinks for off-
14	premises consumption where meals prepared for pick-up or
15	curbside pick-up are also available. The following shall apply:
16	(1) Except as provided in this paragraph and paragraph (3),
17	nothing in this section shall affect the ability of a licensee
18	to operate within the scope of the licensee's current license as
19	authorized by this act, provided, however, that no sales of
20	prepared beverages and mixed drinks for off-premises consumption
21	<u>may take place after eleven o'clock postmeridian of any day</u>
22	until the licensee's permitted hours of operation under this
23	section of the next day, including Sundays if the licensee has a
24	permit authorized under subsection (a)(3).
25	(2) The following licensees are prohibited from selling
26	prepared beverages and mixed drinks for off-premises consumption
27	under this section:
28	(i) A licensee whose underlying license is subject to a
29	pending objection by the director of the Bureau of Licensing or
30	the board under section 470(a.1), until the matter is decided.
202	10SB0948PN1238 - 4 -

20210SB0948PN1238

- 4 -

1	(ii) A licensee whose underlying license has been suspended	
2	under section 1799.6-E of the act of April 9, 1929 (P.L.343,	
3	No.176), known as "The Fiscal Code."	
4	(iii) A licensee that has an interior connection to a	
5	grocery store, convenience store or department store.	
6	(3) For purposes of selling prepared beverages and mixed	
7	drinks for off-premises consumption, a licensed premises shall	
8	not be subject to section 493(14).	
9	(4) A licensee selling prepared beverages and mixed drinks	
10	for off-premises consumption shall utilize a transaction scan	
11	device to verify the age of an individual who appears to be	
12	<u>under thirty-five (35) years of age before making a sale of</u>	
13	prepared beverages and mixed drinks for off-premises	
14	consumption. A licensee may not sell or share consumers'	
15	personal data from the use of a transaction scan device,	
16	provided that the licensee may share the data with the	
17	enforcement bureau of the board as evidence that the licensee is	
18	in compliance with this paragraph.	
19	(5) A licensee selling prepared beverages or mixed drinks	
20	for off-premises consumption shall prominently post a warning	
21	sign in a manner that puts consumers on notice of the	
22	restrictions on alcoholic beverages under 75 Pa.C.S. § 3809	
23	(relating to restriction on alcoholic beverages), and that the	
24	prepared beverages and mixed drinks packaged for sale by the	
25	licensee are open containers and may only be transported by the	
26	driver of a motor vehicle in the vehicle's trunk or in some	
27	other area of the vehicle that is not occupied by the driver or	
28	passengers.	
29	(6) A prepared beverage or mixed drink for off-premise	
30	consumption must be affixed with a label identifying that the	
20210SB0948PN1238 - 5 -		

1 product contains alcohol.

2	(7) As used in this subsection, the following words and
3	phrases shall have the meanings given to them in this paragraph
4	unless the context clearly indicates otherwise:
5	"Convenience store" shall mean a retail business that sells a
6	range of everyday items, including coffee, groceries, snack
7	foods, confectionery, soft drinks, tobacco products, over-the-
8	counter drugs, toiletries, gasoline and magazines.
9	"Department store" shall mean a retail establishment offering
10	a wide range of consumer goods in different areas of the store,
11	which may include food items.
12	"Grocery store" shall mean a retail business that primarily
13	sells a wide variety of fresh and packaged foods, beverages and
14	other items to be consumed or used off of the store premises.
15	"Transaction scan device" shall mean a device capable of
16	deciphering, in an electronically readable format, the
17	information encoded on the magnetic strip, chip or bar code of
18	an identification card under section 495(a).
19	(k) Liquor and wine in the possession of a licensee at the
20	time the licensed business closes permanently may be sold to
21	another licensee qualified to sell such products. The licensee
22	shall notify the board in writing advising the board of the name
23	of the licensee and identifying any product sold to that
24	licensee, as well as the description of the liquor, including
25	brand names, sizes and numbers of containers sold to another
26	<u>licensee.</u>
27	Section 3. The heading of section 417 of the act, added May
28	21, 2020 (P.L.149, No.21), is amended and the section is amended
29	by adding subsections to read:
30	Section 417. [Prepared Beverages and Mixed Drinks for Off-
200	

20210SB0948PN1238

- 6 -

1	Premises Consumption During] <u>COVID-19</u> Disaster Emergency* * *
2	(a.1) Notwithstanding any other provision of this act, the
3	following shall apply to the temporary extension of the licensed
4	premises:
5	(1) Upon receipt of a request from a licensed club, catering
6	club, restaurant, retail dispenser, hotel, limited distillery,
7	distillery, brewery or limited winery, the board may temporarily
8	extend the licensed premises of the applicant to include any
9	outside serving area that is:
10	(i) immediately adjacent to the existing licensed areas; or
11	(ii) within one thousand feet of the main licensed building,
12	notwithstanding that the area to be temporarily licensed and the
13	main licensed building are separated by a public thoroughfare.
14	(2) The board shall grant immediate operating authority to
15	the applicant to use the outside area subject to the request
16	while the board processes the request.
17	(3) The operating authority under this subsection shall be
18	terminated if:
19	<u>(i) a valid protest is received; or</u>
20	(ii) the board determines that the proposed area does not
21	meet the requirements of this act and board regulations for the
22	licensing of the area in question.
23	(4) A filing fee may not be required from an applicant under
24	this subsection.
25	(5) The board may require the applicant to provide any
26	information that the board deems relevant.
27	(a.2) The following shall apply to the issuance of off-
28	premises catering permits:
29	(1) The board may authorize an unlimited number of off-
30	premises catered functions to entities that qualify for the
200	100000000000 7

20210SB0948PN1238

- 7 -

1 permits under this act.

	-
2	(2) An application fee may not be required from an entity
3	requesting a catering permit under this subsection.
4	(3) An application for a catering permit under this
5	subsection shall not need to be submitted prior to March 1 of
6	<u>that calendar year.</u>
7	(4) A five-hour limit on catered functions shall not apply
8	to a catering permit under this subsection.
9	(5) Each requirement under this act applicable to a catered
10	function that is not specifically waived under this subsection
11	shall apply.
12	(a.3) Subsections (a.1) and (a.2) shall expire December 31,
13	<u>2022.</u>
14	* * *
15	Section 4. The act is amended by adding a section to read:
16	Section 462.1. SafekeepingIn addition to the authority
17	under section 462 and notwithstanding any other provision of
18	this act, the board shall do the following:
19	(1) Provide an additional year of safekeeping for a club or
20	catering club license that was in safekeeping during the
21	proclamation of disaster emergency. A license under this
22	paragraph may not be subject to a renewal, validation or late
23	fee that would be due during the additional year, except that
24	the licensee must file a renewal or validation that becomes due.
25	An additional year of safekeeping under this paragraph shall
26	start on the date of a renewal or validation of the license that
27	occurs after December 31, 2021, and shall be in addition to the
28	two years authorized under section 474.
29	(2) Provide an additional year of safekeeping for a
30	restaurant, eating place retail dispenser, hotel, importing
000	100000000000000000000000000000000000000

20210SB0948PN1238

- 8 -

1 <u>distributor and distributor license that was in safekeeping</u>

2 during the proclamation of disaster emergency. A license under

3 this paragraph may not be subject to a renewal, validation, late

4 or safekeeping fee that would be due during the additional year,

- 5 except that the licensee must file a renewal or validation that
- 6 becomes due. An additional year of safekeeping under this
- 7 paragraph shall start on the date of a renewal or validation of
- 8 the license that occurs after December 31, 2021.
- 9 Section 5. This act shall take effect immediately.