

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,"
17 providing for special permits for breweries.

18 The General Assembly of the Commonwealth of Pennsylvania
19 hereby enacts as follows:

20 Section 1. Section 446 of the act of April 12, 1951 (P.L.90,
21 No.21), known as the Liquor Code, reenacted and amended June 29,
22 1987 (P.L.32, No.14), and amended December 22, 2011 (P.L.530,
23 No.113) and July 5, 2012 (P.L.1007, No.116), is amended to read:

24 Section 446. Breweries.--(a) Holders of a brewery license
25 may:

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

6 (2) Operate a restaurant or brewery pub on the licensed
7 premises under such conditions and regulations as the board may
8 enforce: Provided, however, That sales on Sunday may be made
9 irrespective of the volume of food sales if the licensed
10 premises are at a public venue location. The holder of a brewery
11 license may sell at its brewery pub premises Pennsylvania wines
12 it has purchased from either the holder of a Pennsylvania
13 limited winery license or from the board: Provided, however,
14 That said wines must be consumed at the licensed brewery pub
15 premises.

16 (3) Use brewery storage and distribution facilities for the
17 purpose of receiving, storing and distributing malt or brewed
18 beverages manufactured outside this Commonwealth if the
19 beverages are distributed in this Commonwealth only through
20 specific importing distributors who shall have first been given
21 distributing rights for such products in designated geographical
22 areas through the distribution system required for out-of-State
23 manufacturers under section 431(b) as well as all other
24 pertinent sections of this act. The manufacturer of the
25 beverages must comply with section 444.

26 (4) Apply for and hold a hotel liquor license, a restaurant
27 liquor license or a malt and brewed beverages retail license to
28 sell for consumption at the restaurant or brewery pub on the
29 licensed brewery premises, liquor, wine and malt or brewed
30 beverages regardless of the place of manufacture, under the same

1 conditions and regulations as any other hotel liquor license,
2 restaurant liquor license or malt and brewed beverages retail
3 license, but must brew at least two hundred fifty barrels per
4 year. Each holder of a brewery license who receives a hotel
5 liquor license, a restaurant liquor license or a malt or brewed
6 beverages retail license to operate a brew pub shall not sell
7 directly to any person licensed by this act, except if any malt
8 or brewed beverage is to be distributed in this Commonwealth it
9 shall be only through specific importing distributors who shall
10 have first been given distributing rights for such products in
11 designated geographical areas through the distribution system
12 required for out-of-State manufacturers under section 431(b) as
13 well as all other pertinent sections of this act.

14 (b) The holder of a brew pub license may obtain an off-
15 premises catering permit subject to section 493(33) to hold a
16 catered function off the licensed premises and on otherwise
17 unlicensed premises where the licensee may sell wine produced by
18 a licensed limited winery and malt or brewed beverages produced
19 by the brewery by the glass, open bottle or other container
20 together with food, and in any mixture, for consumption on those
21 premises. Functions conducted under the authority of the permit
22 shall be subject to the following:

23 (1) alcohol may be provided only during the days and hours
24 that the license holder may otherwise sell alcohol;

25 (2) all servers at the off premises catered function shall
26 be in compliance with the responsible alcohol management
27 provisions under section 471.1;

28 (3) each catered function shall last no longer than one day
29 and not more than fifty catered functions may be held each
30 calendar year by each license holder for use with a particular

1 license;

2 (4) a catered function shall not be held at a location that
3 is already subject to the applicant's or another licensee's
4 license;

5 (5) a permit shall not be issued to an applicant whose
6 license is in safekeeping;

7 (6) a permit shall not be issued to a location that is
8 subject to a pending objection by the director of the Bureau of
9 Licensing or the board under section 470(a.1);

10 (7) a permit shall not be issued to a location that is
11 subject to a pending license suspension under section 471 or the
12 one-year prohibition on the issuance or transfer of a license
13 under section 471(b);

14 (8) no alcohol may be taken from the permitted location by
15 any patron, but the applicant may transport alcohol to and from
16 its licensed premises to the proposed premises;

17 (9) written notice of the catered function as enumerated in
18 paragraph (10) shall be provided to the local police and the
19 enforcement bureau at least seven days in advance of the event;

20 (10) written notice shall be provided to the board at least
21 thirty days prior to a catered function. Written notice must
22 include the location of the function, time of the function, host
23 of the function, general information regarding the guests
24 expected at the function as well as any information the board
25 shall from time to time prescribe. The board may, in its
26 discretion, waive the thirty-day notice period for a catered
27 function if:

28 (i) the applicant has previously conducted functions that
29 meet the requirements of this act;

30 (ii) the applicant is a licensee in good standing with the

1 board;

2 (iii) notification was received at least fourteen days prior
3 to the catered function; and

4 (iv) the applicant pays a late fee of one hundred dollars
5 (\$100);

6 (11) the board shall, in its discretion, approve or
7 disapprove a catered function if the applicant fails to provide
8 timely notice of the catered function, does not intend to
9 conduct a function that meets the requirements of this act or
10 has previously conducted a function that did not meet the
11 requirements of this act;

12 (12) if a catered function is scheduled to occur on private
13 property, the owner of that property is deemed to have submitted
14 to the jurisdiction of the enforcement bureau, and the warrant
15 required by section 211(a)(2) of this act shall not be necessary
16 for the enforcement bureau to enter and search the premises
17 during the function or any activities related to the function;

18 (13) no catered function may be held for more than five
19 hours per day and must end by midnight;

20 (14) neither the owner of the property nor the applicant may
21 sell tickets to a catered function unless one of the following
22 conditions is met:

23 (i) the applicant has contracted with an eligible entity for
24 the function, and the function is being used to raise money for
25 the eligible entity's organization;

26 (ii) the applicant has contracted with a nonprofit
27 organization as defined under section 501(c)(3) of the Internal
28 Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3)),
29 for an event which has the sole purpose of raising funds for
30 that nonprofit organization; or

1 (iii) the applicant has contracted with an organization that
2 holds tax exempt status under section 527 of the Internal
3 Revenue Code of 1986;

4 (15) the catered function location shall be subject to
5 section 493(34) of this act;

6 (16) catered functions may not be held in locations that are
7 subject to a pending, protested transfer application;

8 (17) a permit may not be issued to a license holder whose
9 license is subject to a pending objection by the director of the
10 Bureau of Licensing or the board under section 470(a.1);

11 (18) a permit shall not be issued to a licensee for use in
12 any location that is mobile; and

13 (19) a permit shall not be issued for use on any location
14 used for parking at a sports event or concert event.

15 (c) (1) Holders of a brewery license may obtain a special
16 permit to participate in malt or brewed beverages and food
17 expositions off the licensed premises. A special permit shall be
18 issued upon proper application and payment of a fee of thirty
19 dollars (\$30.00) per day for each day of permitted use, not to
20 exceed thirty consecutive days. The total number of days for all
21 the special permits may not exceed one hundred days in any
22 calendar year. A special permit shall entitle the holder to
23 engage in the sale by the glass, bottle or package not to exceed
24 one hundred forty-four fluid ounces of malt or brewed beverages
25 produced by the permittee under the authority of its brewery
26 license. Holders of special permits may provide tasting samples
27 of malt or brewed beverages in individual portions not to exceed
28 four fluid ounces. Samples at malt or brewed beverages and food
29 expositions may be sold or offered free of charge. Except as
30 provided herein, breweries utilizing special permits shall be

1 governed by all applicable provisions of this act as well as by
2 all applicable regulations or conditions adopted by the board.
3 For purposes of this clause, "malt or brewed beverages and food
4 expositions" are defined as affairs held indoors or outdoors
5 with the intent of educating those in attendance of the
6 availability, nature and quality of malt or brewed beverages in
7 conjunction with suitable food displays, demonstrations and
8 sales. Malt or brewed beverages and food expositions may also
9 include activities other than malt or brewed beverages and food
10 displays, including arts and crafts, musical activities,
11 cultural exhibits, agricultural exhibits and farmers markets.

12 (2) At the discretion of the board, obtain a farmers market
13 permit. The permit shall entitle the holder to participate in
14 more than one farmers market at any given time and an unlimited
15 number throughout the year and sell malt or brewed beverages
16 produced under the authority of the underlying brewery license
17 by the bottle or package not to exceed one hundred forty-four
18 ounces. Samples not to exceed four fluid ounces per brand of
19 malt or brewed beverages may be offered free of charge. A
20 farmers market permit shall be issued upon proper application
21 and payment of an annual fee of two hundred fifty dollars
22 (\$250.00). A permit holder may participate in more than one
23 farmers market at any given time. Sales by permit holders shall
24 take place during the standard hours of operation of the farmers
25 market. Written notice of the date, times and location the
26 permit is to be used at shall be provided by the permit holder
27 to the enforcement bureau at least two (2) weeks prior to the
28 event. Except as provided in this subsection, breweries
29 utilizing farmers market permits shall be governed by all
30 applicable provisions of this act as well as by all applicable

1 regulations adopted by the board.

2 The term "farmers market" as used in this section shall
3 include any building, structure or other place:

4 (i) owned, leased or otherwise in the possession of a
5 person, municipal corporation or public or private organization;

6 (ii) used or intended to be used by two or more farmers or
7 an association of farmers, who are certified by the Department
8 of Agriculture to participate in the Farmers Market Nutrition
9 Program subject to 7 CFR Pt. 249 (relating to Senior Farmers'
10 Market Nutrition Program (SFMNP)), for the purpose of selling
11 agricultural commodities produced in this Commonwealth directly
12 to consumers;

13 (iii) which is physically located within this Commonwealth;
14 and

15 (iv) which is not open for business more than twelve hours
16 each day.

17 (3) The special permit, as well as the farmers market permit
18 authorized by this section, are only available to breweries who
19 qualify as a manufacturer as authorized under section 431(a) and
20 who has not named or constituted a distributor or importing
21 distributor as a primary or original supplier of the product
22 under section 431(b). Only malt or brewed beverages for which
23 the brewery is responsible for paying the malt beverage tax
24 shall be considered in calculating the total number of barrels
25 produced each year. All brands of malt or brewed beverages sold
26 or provided under the authority of the special permit as well as
27 the farmers market permit must be registered as set forth by
28 this act.

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