
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1420 Session of
2015

INTRODUCED BY SCHWEYER, MUSTIO, P. COSTA, ROZZI, MILLARD,
YOUNGBLOOD, THOMAS, GROVE, SCHLOSSBERG, SCHREIBER, BARBIN,
COHEN AND GIBBONS, JUNE 28, 2015

REFERRED TO COMMITTEE ON LIQUOR CONTROL, JUNE 28, 2015

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;
18 and, in distilleries, wineries, bonded warehouses, bailees
19 for hire and transporters for hire, further providing for
20 limited wineries.

21 The General Assembly of the Commonwealth of Pennsylvania
22 hereby enacts as follows:

23 Section 1. The definition of "malt or brewed beverages" in
24 section 102 of the act of April 12, 1951 (P.L.90, No.21), known
25 as the Liquor Code, reenacted and amended June 29, 1987 (P.L.32,
26 No.14) and amended June 18, 1998 (P.L.664, No.86), is amended

1 and the section is amended by adding a definition to read:

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

5 * * *

6 "Malt or Brewed Beverages" shall mean any beer, lager beer,
7 ale, porter or similar fermented malt beverage containing one-
8 half of one per centum or more of alcohol by volume, by whatever
9 name such beverage may be called, and shall mean alcoholic cider
10 and mead.

11 * * *

12 "Mead" shall mean an alcoholic beverage produced by
13 fermenting a solution of at least fifty-one per centum honey,
14 water and other agricultural products and containing not more
15 than eighteen per centum alcohol by volume and sold or offered
16 for sale as mead and not as a wine, a wine product or as a
17 substitute for wine, in bottles, cases, kegs, cans or other
18 suitable containers of the type used for the sale of malt or
19 brewed beverages in this Commonwealth.

20 Section 2. Section 505.2 of the act, amended December 8,
21 2004 (P.L.1810, No.239), July 16, 2007 (P.L.107, No.34), June
22 25, 2010 (P.L.217, No.35), June 28, 2011 (P.L.55, No.11) and
23 December 22, 2011 (P.L.530, No.113), is amended to read:

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

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

30 (2) Sell alcoholic cider, mead, wine and wine coolers

1 produced by the limited winery or purchased in bulk in bond from
2 another Pennsylvania limited winery on the licensed premises,
3 under such conditions and regulations as the board may enforce,
4 to the board, to individuals and to brewery, importing
5 distributor, distributor, hotel, restaurant, club and public
6 service liquor licensees, and to Pennsylvania winery licensees:
7 Provided, That a limited winery shall not, in any calendar year,
8 purchase alcoholic cider, mead or wine produced by other limited
9 wineries in an amount in excess of fifty per centum of the
10 alcoholic cider, mead or wine produced by the purchasing limited
11 winery in the preceding calendar year. In addition, the holder
12 of a limited winery license may purchase wine in bottles from
13 another Pennsylvania limited winery if these wines undergo a
14 second fermentation process. Such wine may be sold in bottles
15 bearing the purchasing limited winery's label or the producing
16 limited winery's label. Such wines, if sold by the board, may be
17 sold by the producing limited winery to the purchasing limited
18 winery at a price lower than the price charged by the board.

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

1 designate specific or distinct areas for each winery's licensed
2 area. Each limited winery must file an application for such an
3 additional board-approved location, and such location shall
4 count as one of the five permitted for each limited winery. Each
5 limited winery is responsible for keeping only its own complete
6 records. A limited winery may be cited for a violation of the
7 recordkeeping requirements of sections 512 and 513 pertaining to
8 its own records only.

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

27 For the purposes of this clause, "alcoholic cider, mead, wine
28 and food expositions" are defined as affairs held indoors or
29 outdoors with the intent of promoting Pennsylvania products by
30 educating those in attendance of the availability, nature and

1 quality of Pennsylvania-produced alcoholic ciders, mead and
2 wines in conjunction with suitable food displays, demonstrations
3 and sales. Alcoholic cider, mead, wine and food expositions may
4 also include activities other than alcoholic cider, mead, wine
5 and food displays, including arts and crafts, musical
6 activities, cultural exhibits, agricultural exhibits and farmers
7 markets.

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

28 (5) Apply for and hold a hotel liquor license, a restaurant
29 liquor license or a malt and brewed beverages retail license to
30 sell for consumption at the restaurant or limited winery on the

1 licensed winery premises, liquor, wine and malt or brewed
2 beverages regardless of the place of manufacture under the same
3 conditions and regulations as any other hotel liquor license,
4 restaurant liquor license or malt and brewed beverages retail
5 license.

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, only
28 wine, mead and alcoholic ciders that may otherwise be sold by
29 the bottle.

30 (6.2) Sell wine- or liquor-scented candles acquired or

1 produced by the limited winery.

2 (6.3) Sell alcoholic cider, mead, wine and wine coolers only
3 between the hours of nine o'clock antemeridian and eleven
4 o'clock postmeridian. A limited winery also may request approval
5 from the board to extend sales hours in individual locations at
6 other times during the year or beyond the limits set forth in
7 this clause. The request shall be made in writing to the board's
8 Office of the Chief Counsel and shall detail the exact locations
9 where sales hours are proposed to be extended, the proposed
10 hours and dates of extended operation and the reason for the
11 proposed extended hours.

12 (6.4) Store alcoholic cider, mead, wine and wine coolers
13 produced by the limited winery at no more than two (2) board-
14 approved locations other than the licensed premises and those
15 premises referenced in clause (3) pertaining to the five (5)
16 board-approved locations for the sale of wine, with no bottling
17 or production requirement at those additional locations and
18 under such conditions and regulations as the board may enforce.
19 If two (2) or more businesses will operate out of the same
20 storage facility, the limited winery must designate specific and
21 distinct areas for its storage. The limited winery's designated
22 storage area must be secured and no one other than the licensee
23 and his employees may be allowed access to the storage area. No
24 board-approved manager will be necessary for the storage
25 facility. The limited winery must fill out an application for
26 such an additional board-approved storage location, and such
27 location shall count as one of the two permitted for each
28 limited winery. The limited winery is responsible for keeping
29 only its own complete records. A limited winery may be cited for
30 a violation of the recordkeeping requirements of sections 512

1 and 513 pertaining to its own records only.

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

5 (c) As used in this section:

6 "Agricultural commodity" shall include any of the following:
7 agricultural, apicultural, horticultural, silvicultural and
8 viticultural commodities.

9 "Farmers market" shall include any building, structure or
10 other place:

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

13 (2) used or intended to be used by two or more farmers or an
14 association of farmers, who are certified by the Department of
15 Agriculture of the Commonwealth to participate in the Farmers'
16 Market Nutrition Program subject to 7 CFR Pt. 249 (relating to
17 Senior Farmers' Market Nutrition Program (SFMNP)), for the
18 purpose of selling agricultural commodities produced in this
19 Commonwealth directly to consumers;

20 (3) which is physically located within this Commonwealth;
21 and

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

24 Section 3. This act shall take effect in 60 days.