## THE GENERAL ASSEMBLY OF PENNSYLVANIA

# HOUSE BILL No. 328 seme 1981 

INTRODUCED BY CALTAGIRONE, FEBRUARY 2, 1981

REFERRED TO COMMITTEE ON LIQUOR CONTROL, FEBRUARY 2, 1981

## AN ACT

Amending the act of April 12, 1951 (P.L.90, No.21), entitled "An act relating to alcoholic liquors, alcohol and malt and brewed beverages; amending, revising, consolidating and changing the laws relating thereto; regulating and restricting the manufacture, purchase, sale, possession, consumption, importation, transportation, furnishing, holding in bond, holding in storage, traffic in and use of alcoholic liquors, alcohol and malt and brewed beverages and the persons engaged or employed therein; defining the powers and duties of the Pennsylvania Liquor Control Board; providing for the establishment and operation of State liquor stores, for the payment of certain license fees to the respective municipalities and townships, for the abatement of certain nuisances and, in certain cases, for search and seizure without warrant; prescribing penalties and forfeitures; providing for local option, and repealing existing laws," providing for licensing by the Department of Revenue.

The General Assembly of the Commonwealth of Pennsylvania
hereby enacts as follows:
Section 1. The title, act of April 12, 1951 (P.L.90, No.21), known as the "Liquor Code," is amended to read:

## AN ACT

Relating to alcoholic liquors, alcohol and malt and brewed beverages; amending, revising, consolidating and changing the laws relating thereto; regulating and restricting the
manufacture, purchase, sale, possession, consumption, importation, transportation, furnishing, holding in bond, holding in storage, traffic in and use of alcoholic liquors, alcohol and malt and brewed beverages and the persons engaged or employed therein; defining the powers and duties of the Pennsylvania Liquor Control Board and the Department of Revenue; providing for the establishment and operation of State liquor stores, for the payment of certain license fees to the respective municipalities and townships, for the abatement of certain nuisances and, in certain cases, for search and seizure without warrant; prescribing penalties and forfeitures; providing for local option, and repealing existing laws.

Section 2. Section 102 of the act, amended July 10, 1957 (P.L.638, No.346), August 17, 1965 (P.L.346, No.182), December 2, 1970 (P.L.825, No.271), October 11, 1972 (P.L.906, No.215) and December 12, 1980 (No.221), is amended to read:

Section 102. Definitions.--The following words or phrases, unless the context clearly indicates otherwise, shall have the meanings ascribed to them in this section:
"Alcohol" shall mean ethyl alcohol of any degree of proof originally produced by the distillation of any fermented liquid, whether rectified or diluted with or without water, whatever may be the origin thereof, and shall include synthetic ethyl alcohol, but shall not mean or include ethyl alcohol, whether or not diluted, that has been denatured or otherwise rendered unfit for beverage purposes.
"Association" shall mean a partnership, limited partnership or any form of unincorporated enterprise owned by two or more persons.
"Board" shall mean the Pennsylvania Liquor Control Board.
"Bonded warehouse" shall mean and include all places and warehouses legally established under the provisions of the acts of Congress and the administrative provisions of the internal revenue laws of the Government of the United States of America, for the storage, concentration, distribution and holding in bond, (a) of whiskey and any other potable distilled spirits, except ethyl alcohol, when used in Article VII entitled "Distillery Bonded Warehouse Certificates" and, (b) of alcohol or liquor when otherwise used.
"Club" shall mean any reputable group of individuals associated together not for profit for legitimate purposes of mutual benefit, entertainment, fellowship or lawful convenience, having some primary interest and activity to which the sale of liquor or malt and brewed beverages shall be only secondary, which, if incorporated, has been in continuous existence and operation for at least one year, and if first licensed after June sixteenth, one thousand nine hundred thirty-seven, shall have been incorporated in this Commonwealth, and, if unincorporated, for at least ten years, immediately preceding the date of its application for a license under this act, and which regularly occupies, as owner or lessee, a clubhouse or quarters for the use of its members. Continuous existence must be proven by satisfactory evidence. The [board] department shall refuse to issue a license if it appears that the charter is not in possession of the original incorporators or their direct or legitimate successors. The club shall hold regular meetings, conduct its business through officers regularly elected, admit members by written application, investigation and ballot, and charge and collect dues from elected members, and maintain such
records as the [board] department shall from time to time prescribe, but any such club may waive or reduce in amount, or pay from its club funds, the dues of any person who was a member at the time he was inducted into the military service of the United States or was enrolled in the armed forces of the United States pursuant to any selective service act during the time of the member's actual service or enrollment.
"Container" shall mean and include any receptacle, vessel or form of package, tank, vat, cask, barrel, drum, keg, can, bottle or conduit used or capable of use for holding, storing, transferring or shipment of alcohol liquor or malt or brewed beverages.
"Corporation" shall mean a corporation or joint-stock association organized under the laws of this Commonwealth, the United States, or any other state, territory, or foreign country or dependency.
"Denatured alcohol" shall mean and include all alcohol or any compound thereof which by the admixture of such denaturing material or materials is rendered unfit for use as a beverage.
"Denaturing plant" shall mean and include the premises of a distillery used exclusively for the denaturization of alcohol, either specially or completely, by the admixture of such denaturing materials as shall render the alcohol or any compound in which it is authorized to be used unfit for use as a beverage.
"Department" shall mean the Department of Revenue.
"Distillery" shall mean and include any premises or plant wherein alcohol or liquor is manufactured, made and distilled from raw materials, blended or rectified, or any place wherein alcohol or liquor is produced by any method suitable for the
production of alcohol. The term shall not include a "winery" where alcohol is derived from by-products of wine production by distillation for the sole purpose of adding to the fermented products to fortify the same.
"Distillery Bonded Warehouse Certificate" shall mean a certificate, receipt, contract or other document given upon the storage of whiskey or any other potable distilled spirits, except ethyl alcohol, in a bonded warehouse, and evidencing the ownership of such whiskey or other potable distilled spirits.
"Distillery certificate broker" shall mean and include every person who engages directly or through an agent in selling, purchasing, exchanging, offering for sale or delivery, or entering into agreements for the purchase, sale or exchange, or soliciting subscriptions to or orders for, or undertaking to dispose of, or dealing in any manner in, distillery bonded warehouse certificates.
"Distributor" shall mean any person licensed by the [board] department to engage in the purchase only from Pennsylvania manufacturers and from importing distributors and the resale of malt or brewed beverages, except to importing distributors and distributors, in the original sealed containers as prepared for the market by the manufacturer at the place of manufacture, but not for consumption on the premises where sold, and in quantities of not less than a case of twenty-four containers, each container holding seven fluid ounces or more, or a case of twelve containers, each container holding twenty-four fluid ounces or more, except original containers containing one hundred twenty-eight ounces or more which may be sold separately.
"Eating place" shall mean a premise where food is regularly
and customarily prepared and sold, having a total area of not less than three hundred square feet available to the public in one or more rooms, other than living quarters, and equipped with tables and chairs accommodating thirty persons at one time.
"Hotel" shall mean any reputable place operated by responsible persons of good reputation where the public may, for a consideration, obtain sleeping accommodations and meals and which, in a city, has at least ten, and in any other place at least six, permanent bedrooms for the use of guests, a public dining room or rooms operated by the same management accommodating at least thirty persons at one time, and a kitchen, apart from the public dining room or rooms, in which food is regularly prepared for the public.
"Importing distributor" shall mean any person licensed by the [board] department to engage in the purchase from manufacturers and other persons located outside this Commonwealth and from persons licensed as manufacturers of malt or brewed beverages and importing distributors under this act, and the resale of malt or brewed beverages in the original sealed containers as prepared for the market by the manufacturer at the place of manufacture, but not for consumption on the premises where sold, and in quantities of not less than a case of twenty-four containers, each container holding seven fluid ounces or more, or a case of twelve containers, each container holding twentyfour fluid ounces or more, except original containers containing one hundred twenty-eight ounces or more which may be sold separately.
"Limited Winery" shall mean a winery with a maximum output of one hundred thousand $(100,000)$ gallons per year.
"Liquor" shall mean and include any alcoholic, spirituous,
vinous, fermented or other alcoholic beverage, or combination of liquors and mixed liquor a part of which is spirituous, vinous, fermented or otherwise alcoholic, including all drinks or drinkable liquids, preparations or mixtures, and reused, recovered or redistilled denatured alcohol usable or taxable for beverage purposes which contain more than one-half of one per cent of alcohol by volume, except pure ethyl alcohol and malt or brewed beverages.
"Malt or Brewed Beverages" means any beer, lager beer, ale, porter or similar fermented malt beverage containing one-half of one per centum or more of alcohol by volume, by whatever name such beverage may be called.
"Manufacture", when the term is applied to malt or brewed beverages, shall mean and include all means, methods and processes used, employed and made use of, to produce, make and manufacture for commercial purposes, malt or brewed beverages from raw materials; when applied otherwise, it shall mean and include all means, methods and processes used, employed and made use of, to produce and make alcohol or liquor from raw materials, and shall mean and include rectification and blending of alcohol and liquor, the production, recovery or reuse of alcohol in the making, developing, using in the process of manufacture, denaturing, redistilling or recovering of any alcohol or liquor in distilleries, denaturing plants and wineries.
"Manufacturer" shall mean any person, association or corporation engaged in the producing, manufacturing, distilling, rectifying or compounding of liquor, alcohol or malt or brewed beverages in this Commonwealth or elsewhere.
"Manufacturer of malt or brewed beverages" shall mean any
person holding a license issued by the [board] department to engage in the manufacture, transportation and sale of malt or brewed beverages; also, any person engaged in the legal manufacture of malt or brewed beverages within the territorial limits of the United States, outside the Commonwealth of Pennsylvania.
"Municipality" shall mean any city, borough, incorporated town, or township of this Commonwealth.
"Original container" shall mean all bottles, casks, kegs or other suitable containers that have been securely capped, sealed or corked by the manufacturer of malt or brewed beverages at the place of manufacture, with the name and address of the manufacturer of the malt or brewed beverages contained or to be contained therein permanently affixed to the bottle, cask, keg or other container, or in the case of a bottle or can, to the cap or cork used in sealing the same or to a label securely affixed to a bottle or can.
"Package" shall mean any container or containers or receptacle or receptacles used for holding liquor or alcohol as marketed by the manufacturer.
"Performing arts facilities" shall mean those halls or theaters in which live musical, concert, dance, ballet and legitimate play book-length productions are performed. Performing arts facilities shall not mean those halls or theaters in which burlesque shows or reviews are performed.
"Person" shall mean a natural person, association or corporation. Whenever used in a clause prescribing or imposing a fine or imprisonment or both, the term "person", as applied to "association", shall mean the partners or members thereof, and as applied to "corporation", shall mean the officers thereof,
except, as to incorporated clubs, the term "person" shall mean such individual or individuals who, under the by-laws of such club, shall have jurisdiction over the possession and sale of liquor therein.
"Population" shall mean the number of inhabitants as determined by the last preceding decennial census of the United States, or by any other census subsequently taken by the census bureau of the United States and so certified by it: Provided, however, That such other census shall not be a basis for the fixing of license fees as provided in article IV. sections 405 and 439.
"Potable distilled spirits" shall mean and include any distillate from grains, wine, fruits, vegetables or molasses, except ethyl alcohol, capable of being used for beverage purposes.
"Regulation" shall mean any regulation prescribed by the board or the department for carrying out the provisions of this act.
"Restaurant" shall mean a reputable place operated by responsible persons of good reputation and habitually and principally used for the purpose of providing food for the public, the place to have an area within a building of not less than four hundred square feet, equipped with tables and chairs accommodating at least thirty persons at one time.
"Retail dispenser" shall mean any person licensed to engage in the retail sale of malt or brewed beverages for consumption on the premises of such licensee, with the privilege of selling malt or brewed beverages in quantities not in excess of one hundred forty-four fluid ounces in a single sale to one person, to be carried from the premises by the purchaser thereof.
"Sale" or "Sell" shall include any transfer of liquor, alcohol or malt or brewed beverages for a consideration.
"Whiskey" shall mean and include any alcoholic distillate from a fermented mash of grain, capable of being used for beverage purposes.
"Winery" shall mean and include any premises and plants where any alcohol or liquor is produced by the process by which wine is produced, or premises and plants wherein liquid such as wine is produced; and shall include the manufacture by distillation of alcohol from the by-products of wine fermentation when the alcohol so derived is used solely to fortify the fermented products, under such regulations as are or may be promulgated by the proper agency of the United States Government, and such alcohol, for that purpose only, may be sold or exchanged between wineries holding permits in this Commonwealth, without restriction.

Section 3. Section 104 and the heading of Article II of the act are amended to read:

Section 104. Interpretation of Act.--(a) This act shall be deemed an exercise of the police power of the Commonwealth for the protection of the public welfare, health, peace and morals of the people of the Commonwealth and to prohibit forever the open saloon, and all of the provisions of this act shall be liberally construed for the accomplishment of this purpose.
(b) The provisions of this act are severable and if any of its provisions shall be held unconstitutional the decision of the court shall not affect or impair any of the remaining provisions of this act. It is hereby declared to be the legislative intent that this act would have been adopted had such unconstitutional provisions not been included herein.
(c) Except as otherwise expressly provided, the purpose of this act is to prohibit the manufacture of and transactions in liquor, alcohol and malt or brewed beverages which take place in this Commonwealth, except by and under the control of the board or the department as herein specifically provided, and every section and provision of the act shall be construed accordingly. The provisions of this act dealing with the manufacture, importation, sale and disposition of liquor, alcohol and malt or brewed beverages within the Commonwealth through the instrumentality of the board or the department and otherwise, provide the means by which such control shall be made effective. This act shall not be construed as forbidding, affecting or regulating any transaction which is not subject to the legislative authority of this Commonwealth.
(d) Any reference in this act to the provisions of law on any subject shall apply to statutes becoming effective after the effective date of this act as well as to those then in existence.
(e) Section headings shall not be taken to govern or limit the scope of the sections of this act. The singular shall include the plural and the masculine shall include the feminine and the neuter.

## ARTICLE II. <br> PENNSYLVANIA LIQUOR CONTROL BOARD AND <br> POWERS AND DUTIES OF THE DEPARTMENT OF REVENUE.

Section 4. Section 207 of the act, amended May 25, 1956
(1955 P.L.1743, No.583), January 13, 1966 (1965 P.L.1301,
No.518), June 17, 1971 (P.L.180, No.22) and July 27, 1973
(P.L.247, No.70), is amended to read:

Section 207. General Powers of Board.--Under this act, the
board shall have the power and its duty shall be:
(a) To buy, import or have in its possession for sale, and sell liquor and alcohol in the manner set forth in this act: Provided, however, That all purchases shall be made subject to the approval of the State Treasurer, or his designated deputy.
(b) To control the manufacture, possession, sale, consumption, importation, use, storage, transportation and delivery of liquor, alcohol and malt or brewed beverages in accordance with the provisions of this act, and to fix the wholesale and retail prices at which liquors and alcohol shall be sold at Pennsylvania Liquor Stores: Provided, That in fixing the sale prices, the board shall not give any preference or make any discrimination as to classes, brands or otherwise, except to the extent and for the length of time necessary to sell such classes or brands in compliance with any Federal action freezing or otherwise controlling the price of said classes or brands, or except where special sales are deemed necessary to move unsaleable merchandise, or except where the addition of a service or handling charge to the fixed sales price of any merchandise in the same comparable price bracket, regardless of class, brand or otherwise, is, in the opinion of the board, required for the efficient operation of the State store system. [The board shall require each Pennsylvania manufacturer and each nonresident manufacturer of liquors, other than wine, selling such liquors to the board, which are not manufactured in this Commonwealth, to make application for and be granted a permit by the board before such liquors not manufactured in this Commonwealth shall be purchased from such manufacturer. Each such manufacturer shall pay for such permit a fee which, in the case of a manufacturer of this Commonwealth, shall be equal to
that required to be paid, if any, by a manufacturer or wholesaler of the state, territory or country of origin of the liquors, for selling liquors manufactured in Pennsylvania, and in the case of a nonresident manufacturer, shall be equal to that required to be paid, if any, in such state, territory or country by Pennsylvania manufacturers doing business in such state, territory or country. In the event that any such manufacturer shall, in the opinion of the board, sell or attempt to sell liquors to the board through another person for the purpose of evading this provision relating to permits, the board shall require such person, before purchasing liquors from him or it, to take out a permit and pay the same fee as hereinbefore required to be paid by such manufacturer. All permit fees so collected shall be paid into the State Stores Fund.] The board shall not purchase any alcohol or liquor fermented, distilled, rectified, compounded or bottled in any state, territory or country, the laws of which result in prohibiting the importation therein of alcohol or liquor, fermented, distilled, rectified, compounded or bottled in Pennsylvania.
(c) To determine the municipalities within which Pennsylvania Liquor Stores shall be established and the locations of the stores within such municipalities.
[(d) To grant, issue, suspend and revoke all licenses and permits authorized to be issued under this act and the regulations of the board and impose fines on licensees licensed under this act.]
(e) Through the Department of [Property and Supplies] General Services as agent, to lease and furnish and equip such buildings, rooms and other accommodations as shall be required for the operation of this act.
(f) To appoint, fix the compensation and define the powers and duties of such managers, officers, inspectors, examiners, clerks and other employes as shall be required for the operation of this act, subject to the provisions of The Administrative Code of 1929 and the Civil Service Act.
(g) To determine the nature, form and capacity of all packages and original containers to be used for containing liquor, alcohol or malt or brewed beverages.
(h) Without in any way limiting or being limited by the foregoing except licensing, to do all such things and perform all such acts as are deemed necessary or advisable for the purpose of carrying into effect the provisions of this act and the regulations made thereunder.
(i) From time to time, to make such regulations not inconsistent with this act as it may deem necessary for the efficient administration of this act. The board shall cause such regulations to be published and disseminated throughout the Commonwealth in such manner as it shall deem necessary and advisable or as may be provided by law. Such regulations adopted by the board shall have the same force as if they formed a part of this act.
(j) To investigate, whenever any person complains, or when the board is aware that there is reasonable grounds to believe liquor or malt or brewed beverage is being sold on premises not licensed under the provisions of this act. If the investigation produces evidence of the unlawful sale of liquor or malt or brewed beverage or of any other violation of the provisions of this act, the board shall cause the prosecution of the person or persons believed to have been criminally liable for the unlawful acts. Any equipment or appurtenances actually used in the
commission of the unlawful acts may be confiscated upon direction of the board. The confiscation by or under the direction of the board shall not, in any manner, divest or impair the rights or interest of any bona fide lien holder in the equipment or appurtenances, who had no knowledge that the same was being used in violation of this act.

Section 5. The act is amended by adding a section to read: Section 207.1. Powers and Duties of the Department of Revenue.--(a) The department shall have the power and its duty shall be:
(1) To require each Pennsylvania manufacturer and each nonresident manufacturer of liquors, other than wine, selling such liquors to the board, which are not manufactured in this Commonwealth, to make application for and be granted a permit by the department before such liquors not manufactured in this Commonwealth shall be purchased from such manufacturer. Each such manufacturer shall pay for such permit a fee which, in the case of a manufacturer of this Commonwealth, shall be equal to that required to be paid, if any, by a manufacturer or wholesaler of the state, territory or country of origin of the liquors, for selling liquors manufactured in Pennsylvania, and in the case of a nonresident manufacturer, shall be equal to that required to be paid, if any, in such state, territory or country by Pennsylvania manufacturers doing business in such state, territory or country. In the event that any such manufacturer shall, in the opinion of the board or the department, sell or attempt to sell liquors to the board through another person for the purpose of evading this provision relating to permits, the board and the department shall require such person, before the board purchases liquors from him or it,
to take out a permit and pay the same fee as hereinbefore required to be paid by such manufacturer. All permit fees so collected shall be paid into the State Stores Fund.
(2) To grant, issue, suspend and revoke all licenses and permits authorized to be issued under this act and the regulations of the department and impose fines on licensees licensed under this act.
(3) To appoint, fix the compensation and define the powers and duties of such managers, officers, examiners, clerks and other employes as shall be required for the operation of this act, subject to the provisions of the act of April 9, 1929 (P.L.177, No.175), known as "The Administrative Code of 1929," and the act of August 5, 1941 (P.L.752, No.286), known as the "Civil Service Act."
(b) To do all such things and perform all such acts as are deemed necessary or advisable for the purpose of carrying into effect the provisions of this act relating to licensing and the regulations made thereunder.
(c) From time to time, to make such regulations not inconsistent with this act as it may deem necessary for the efficient administration of this act. The department shall cause such regulations to be published and disseminated throughout the Commonwealth in such manner as it shall deem necessary and advisable or as may be provided by law. Such regulations adopted by the department shall have the same force as if they formed a part of this act.

Section 6. Section 208 of the act, amended July 22, 1970 (P.L.539, No.182) and October 11, 1972 (P.L.906, No.215), is amended to read:

Section 208. Specific Subjects on Which Board or the

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Department May Adopt Regulations.--Subject to the provisions of this act and without limiting the general power conferred by the preceding section, the board or the department as may be appropriate may make regulations regarding:
(a) The equipment and management of Pennsylvania Liquor Stores and warehouses in which liquor and alcohol are kept or sold, and the books and records to be kept therein.
(b) The duties and conduct of the officers and employes of the board or the department.
(c) The purchase, as provided in this act, of liquor and alcohol, and its supply to Pennsylvania Liquor Stores.
(d) The classes, varieties and brands of liquor and alcohol to be kept and sold in Pennsylvania Liquor Stores. In making this determination the board shall meet not less than twice a year.
(e) The issuing and distribution of price lists for the various classes, varieties or brands of liquor and alcohol kept for sale by the board under this act.
(f) The labeling of liquor and alcohol sold under this act and of liquor and alcohol lawfully acquired by any person prior to January first, one thousand nine hundred thirty-four.
(g) Forms to be used for the purposes of this act.
(h) The issuance of licenses and permits and the conduct, management, sanitation and equipment of places licensed or included in permits.
(i) The place and manner of depositing the receipts of Pennsylvania Liquor Stores and the transmission of balances to the Treasury Department through the Department of Revenue.
(j) The solicitation by resident or nonresident vendors of liquor from Pennsylvania licensees and other persons of orders
for liquor to be sold through the Pennsylvania Liquor Stores and, in the case of nonresident vendors, the collection therefrom of license fees for such privilege at the same rate as provided herein for importers' licenses.

Section 7. Section 210 of the act is amended to read:
Section 210. Restrictions on Members of the Board, Officers of the Department of Revenue and Employes of the Commonwealth.-(a) A member or employe of the board or officer or employe of the department shall not be directly or indirectly interested or engaged in any other business or undertaking dealing in liquor, alcohol, or malt or brewed beverages, whether as owner, part owner, partner, member of syndicate, shareholder, agent or employe, and whether for his own benefit or in a fiduciary capacity for some other person.
(b) No member or employe of the board nor any officer or employe of the Commonwealth shall solicit or receive, directly or indirectly, any commission, remuneration or gift whatsoever, from any person having sold, selling or offering liquor or alcohol for sale to the board for use in Pennsylvania Liquor Stores.

Section 8. Section 302 of the act is amended to read:
Section 302. Selection of Personnel.--Officers and employes of the board and department performing duties under this act, except as herein otherwise provided, shall be appointed and employed subject to the provisions of the Civil Service Act.

Section 9. Sections 303, 304 and 305 of the act are repealed.
Section 10. Section 401 of the act, amended June 1, 1972 (P.L.355, No.95), is amended to read:

Section 401. Authority to Issue Liquor Licenses to Hotels, Restaurants and Clubs.--(a) Subject to the provisions of this
act and regulations promulgated under this act, the [board] department shall have authority to issue a retail liquor license for any premises kept or operated by a hotel, restaurant or club and specified in the license entitling the hotel, restaurant or club to purchase liquor from a Pennsylvania Liquor Store and to keep on the premises such liquor and, subject to the provisions of this act and the regulations made thereunder, to sell the same and also malt or brewed beverages to guests, patrons or members for consumption on the hotel, restaurant or club premises. Such licensees, other than clubs, shall be permitted to sell malt or brewed beverages for consumption off the premises where sold in quantities of not more than one hundred forty-four fluid ounces in a single sale to one person. Such licenses shall be known as hotel liquor licenses, restaurant liquor licenses and club liquor licenses, respectively. No person who holds, either by appointment or election, any public office which involves the duty to enforce any of the penal laws of the United States of America or the penal laws of the Commonwealth of Pennsylvania or any penal ordinance or resolution of any political subdivision of this Commonwealth shall be issued any hotel or restaurant liquor license, nor shall such a person have any interest, directly or indirectly, in any such license.
(b) The [board] department may issue to any club which caters to groups of non-members, either privately or for functions, a catering license, and the [board] department shall, by its rules and regulations, define what constitutes catering under this subsection except that any club which is issued a catering license shall not be prohibited from catering on Sundays during the hours which the club may lawfully serve
liquor, malt or brewed beverages.
Section 11. Section 402 of the act is amended to read:
Section 402. License Districts; License Year; Hearings.--The [board] department shall, by regulation, divide the State into convenient license districts and shall hold hearings on applications for licenses and renewals thereof, as it deems necessary, at a convenient place or places in each of said districts, at such times as it shall fix, by regulation, for the purpose of hearing testimony for and against applications for new licenses and renewals thereof. The [board] department may provide for the holding of such hearings by examiners learned in the law, to be appointed by the Governor, who shall not be subject to the "Civil Service Act." Such examiners shall make report to the [board] department in each case with their recommendations. The [board] department shall, by regulation, fix the license year for each separate district so that the expiration dates shall be uniform in each of the several districts but staggered as to the State.

Section 12. Section 403 of the act, amended November 19, 1959 (P.L.1546, No.553) and September 28, 1961 (P.L.1728, No.702), is amended to read:

Section 403. Applications for Hotel, Restaurant and Club Liquor Licenses.--(a) Every applicant for a hotel liquor license, restaurant liquor license or club liquor license or for the transfer of an existing license to another premises not then licensed shall file a written application with the [board] department in such form and containing such information as the [board] department shall from time to time prescribe, which shall be accompanied by a filing fee of twenty dollars (\$20), the prescribed license fee, and the bond hereinafter specified.
that the establishment is a restaurant, hotel or club as defined by this act. The [board] department may require that all such alterations or construction or conformity to definition be completed within six months from the time of issuance or transfer of the license. Failure to comply with these requirements shall be considered cause for revocation of the license. No such license shall be transferable between the time of issuance or transfer of the license and the approval of the completed alterations or construction by the [board] department and full compliance by the licensee with the requirements of this act, except in the case of death of the licensee prior to full compliance with all of the aforementioned requirements, in which event, the license may be transferred by the [board] department as provided in section 468 of this act for the transfer of the license in the case of death of the licensee.
(b) If the applicant is a natural person, his application must show that he is a citizen of the United States and has been a resident of this Commonwealth for at least two years immediately preceding his application.
(c) If the applicant is a corporation, the application must show that the corporation was created under the laws of Pennsylvania or holds a certificate of authority to transact business in Pennsylvania, that all officers, directors and stockholders are citizens of the United States, and that the manager of the hotel, restaurant or club is a citizen of the United States.
(d) Each application shall be signed and verified by oath or affirmation by the owner, if a natural person, or, in the case of an association, by a member or partner thereof, or, in the case of a corporation, by an executive officer thereof or any
person specifically authorized by the corporation to sign the application, to which shall be attached written evidence of his authority.
(e) If the applicant is an association, the application shall set forth the names and addresses of the persons constituting the association, and if a corporation, the names and addresses of the principal officers thereof. Every club applicant shall file with and as a part of its application a list of the names and addresses of its members, directors, officers, agents and employes, together with the dates of their admission, election or employment, and such other information with respect to its affairs as the [board] department shall require.
(f) The [board] department shall refuse to issue licenses to clubs when it appears that the operation of the licensed business would inure to the benefit of individual members, officers, agents or employes of the club, rather than to the benefit of the entire membership of the club.
(g) Every applicant for a new license or for the transfer of an existing license to another premises not then licensed shall post, for a period of a least fifteen days beginning with the day the application is filed with the [board] department, in a conspicuous place on the outside of the premises or at the proposed new location for which the license is applied, a notice of such application, in such form, of such size, and containing such provisions as the [board] department may require by its regulations. Proof of the posting of such notice shall be filed with the [board] department.
(h) If any false statement is intentionally made in any part of the application, the affiant shall be deemed guilty of a
misdemeanor and, upon conviction, shall be subject to the penalties provided by this article.

Section 13. Section 404 of the act, amended September 2, 1971 (P.L.429, No.103), is amended to read:

Section 404. Issuance of Hotel, Restaurant and Club Liquor Licenses.--Upon receipt of the application, the proper fees and bond, and upon being satisfied of the truth of the statements in the application that the applicant is the only person in any manner pecuniarily interested in the business so asked to be licensed and that no other person will be in any manner pecuniarily interested therein during the continuance of the license, except as hereinafter permitted, and that the applicant is a person of good repute, that the premises applied for meet all the requirements of this act and the regulations of the [board] department, that the applicant seeks a license for a hotel, restaurant or club, as defined in this act, and that the issuance of such license is not prohibited by any of the provisions of this act, the [board] department shall, in the case of a hotel or restaurant, grant and issue to the applicant a liquor license, and in the case of a club may, in its discretion, issue or refuse a license: Provided, however, That in the case of any new license or the transfer of any license to a new location the [board] department may, in its discretion, grant or refuse such new license or transfer if such place proposed to be licensed is within three hundred feet of any church, hospital, charitable institution, school, or public playground, or if such new license or transfer is applied for a place which is within two hundred feet of any other premises which is licensed by the [board] department, or if such new license or transfer is applied for a place where the principal
business is the sale of liquid fuels and oil: And provided further, That the [board] department shall refuse any application for a new license or the transfer of any license to a new location if, in the [board] department's opinion, such new license or transfer would be detrimental to the welfare, health, peace and morals of the inhabitants of the neighborhood within a radius of five hundred feet of the place proposed to be licensed: And provided further, That the [board] department shall not issue new licenses in any license district more than twice each license year, effective from specific dates fixed by the [board] department, and new licenses shall not be granted, except for hotels as defined in this act, unless the application therefor shall have been filed at least thirty days before the effective date of the license: And provided further, That nothing herein contained shall prohibit the [board] department from issuing a new license for the balance of any unexpired term in any license district to any applicant in such district, who shall have become eligible to hold such license as the result of legislative enactment, when such enactment shall have taken place during the license term of that district for which application is made or within the thirty days immediately preceding such term, nor shall anything herein contained prohibit the [board] department from issuing at any time a new license for an airport restaurant, or municipal golf course, as defined in section 461 of this act, for the balance of the unexpired license term in any license district: And provided further, That the [board] department shall have the discretion to refuse a license to any person or to any corporation, partnership or association if such person, or any officer or director of such corporation, or any member or partner of such
partnership or association shall have been convicted or found guilty of a felony within a period of five years immediately preceding the date of application for the said license.

Section 14. Section 405 of the act, amended July 18, 1961 (P.L.790, No.348), is amended to read:

Section 405. License Fees.--(a) License fees for hotel and restaurant liquor licenses shall be graduated according to the population of the municipality as determined by the last preceding decennial census of the United States in which the hotel or restaurant is located, as follows:

In municipalities having a population of less than fifteen hundred inhabitants, one hundred fifty dollars (\$150.00).

In municipalities, except townships, having a population of fifteen hundred and more but less than ten thousand inhabitants, and in townships having a population of fifteen hundred and more but less than twelve thousand inhabitants, two hundred dollars (\$200.00) .

In municipalities, except townships, having a population of ten thousand and more but less than fifty thousand inhabitants, and in townships having a population of twelve thousand and more but less than fifty thousand inhabitants, three hundred dollars (\$300.00) .

In those having a population of fifty thousand and more but less than one hundred thousand inhabitants, four hundred dollars (\$400.00) .

In those having a population of one hundred thousand and more but less than one hundred fifty thousand inhabitants, five hundred dollars (\$500.00).

In those having a population of one hundred fifty thousand and more inhabitants, six hundred dollars (\$600.00).
(b) Every applicant for a club liquor license shall pay to the [board] department a license fee of fifty dollars (\$50.00), except clubs to which catering licenses are issued, in which cases the license fees shall be the same as for hotels and restaurants located in the same municipality.
(c) All license fees authorized under this section shall be collected by the [board] department for the use of the municipalities in which such fees were collected.
(d) Whenever any checks issued in payment of filing and/or license fees shall be returned to the [board] department as dishonored, the [board] department shall charge a fee of five dollars (\$5.00) per hundred dollars, or fractional part thereof, plus all protest fees, to the maker of such check submitted to the [board] department. Failure to pay the face amount of the check in full and all charges thereon as herein required within ten days after demand has been made by the [board] department upon the maker of the check, the license of such person, if issued, shall immediately terminate and be cancelled without any action on the part of the [board] department.

Section 15. Section 406 of the act, subsection (a) amended December 12, 1980 (No.221) and subsection (b) reenacted and amended September 2, 1971 (P.L.429, No.103), is amended to read:

Section 406. Sales by Liquor Licensees; Restrictions.--(a) Every hotel, restaurant or club liquor licensee may sell liquor and malt or brewed beverages by the glass, open bottle or other container, and in any mixture, for consumption only in that part of the hotel or restaurant habitually used for the serving of food to guests or patrons, or in a bowling alley that is immediately adjacent to and under the same roof as a restaurant when no minors are present in the bowling alley, and in the case
of hotels, to guests, and in the case of clubs, to members, in their private rooms in the hotel or club. No club licensee nor its officers, servants, agents or employes, other than one holding a catering license, shall sell any liquor or malt or brewed beverages to any person except a member of the club. In the case of a restaurant located in a hotel which is not operated by the owner of the hotel and which is licensed to sell liquor under this act, liquor and malt or brewed beverages may be sold for consumption in that part of the restaurant habitually used for the serving of meals to patrons and also to guests in private guest rooms in the hotel. For the purpose of this paragraph, any person who is an active member of another club which is chartered by the same state or national organization shall have the same rights and privileges as members of the particular club.

Hotel and restaurant liquor licensees, airport restaurant liquor licensees and municipal golf course restaurant liquor licensees may sell liquor and malt or brewed beverages only after seven o'clock antemeridian of any day until two o'clock antemeridian of the following day, except Sunday, and except as hereinafter provided, may sell liquor and malt or brewed beverages on Sunday between the hours of twelve o'clock midnight and two o'clock antemeridian.

Hotel and restaurant liquor licensees, airport restaurant liquor licensees and municipal golf course restaurant liquor licensees whose sales of food and nonalcoholic beverages are equal to forty per centum or more of the combined gross sales of both food and alcoholic beverages may sell liquor and malt or brewed beverages on Sunday between the hours of one o'clock postmeridian and two o'clock antemeridian Monday upon purchase
of a special annual permit from the [board] department at a fee of two hundred dollars (\$200.00) per year, which shall be in addition to any other license fees.

Hotel and restaurant liquor licensees, airport restaurant liquor licensees and municipal golf course restaurant liquor licensees which do not qualify for and purchase such annual special permit, their servants, agents or employes may sell liquor and malt or brewed beverages only after seven o'clock antemeridian of any day and until two o'clock antemeridian of the following day, and shall not sell after two o'clock antemeridian on Sunday. No hotel, restaurant and public service liquor licensee shall sell liquor and malt or brewed beverages after two o'clock antemeridian on any day on which a general, municipal, special or primary election is being held until one hour after the time fixed by law for closing the polls, except, that, in the case of a special election for members of the General Assembly or members of the Congress of the United States, when such special election is held on other than a primary, municipal or general election day, licensees in those Legislative or Congressional Districts may make such sales, as though the day were not a special election day. No club licensee or its servants, agents or employes may sell liquor or malt or brewed beverages between the hours of three o'clock antemeridian and seven o'clock antemeridian on any day. No public service liquor licensee or its servants, agents, or employes may sell liquor or malt or brewed beverages between the hours of two -'clock antemeridian and seven o'clock antemeridian on any day.

Any hotel, restaurant, club or public service liquor licensee may, by giving notice to the [board] department, advance by one hour the hours herein prescribed as those during which liquor
and malt or brewed beverages may be sold during such part of the year when daylight saving time is being observed generally in the municipality in which the place of business of such licensee is located. Any licensee who elects to operate his place of business in accordance with daylight saving time shall post a conspicuous notice in his place of business that he is operating in accordance with daylight saving time.

Notwithstanding any provisions to the contrary, whenever the thirty-first day of December falls on a Sunday, every hotel or restaurant liquor licensee, their servants, agents or employes may sell liquor and malt or brewed beverages on any such day after one o'clock postmeridian and until two o'clock antemeridian of the following day.
(b) Such Sunday sales by hotel and restaurant liquor licensees which qualify for and purchase such annual special permit, their servants, agents and employes, shall be made subject to the restrictions imposed by the act on sales by hotels and restaurants for sales on week days as well as those restrictions set forth in this section.

Section 16 Section 408 of the act, subsections (a), (b) and (c) amended November 26, 1978 (P.L.1389, No.326), is amended to read:

Section 408. Public Service Liquor Licenses.--(a) Subject to the provisions of this act and regulations promulgated under this act, the [board] department, upon application, shall issue retail liquor licenses to railroad or pullman companies permitting liquor and malt or brewed beverages to be sold in dining, club or buffet cars to passengers for consumption while enroute on such railroad, and may issue retail liquor licenses to steamship companies permitting liquor or malt or brewed
beverages to be sold in the dining compartments of steamships or vessels wherever operated in the Commonwealth, except when standing or moored in stations, terminals or docks within a municipality wherein sales of liquor for consumption on the premises are prohibited, and may further issue retail liquor licenses to airline companies permitting liquor or malt or brewed beverages to be sold to passengers for consumption while enroute on such airline. Such licenses shall be known as public service liquor licenses. The [board] department may issue a master license to railroad or pullman companies to cover the maximum number of cars which the company shall estimate that it will operate within the Commonwealth on any one day. Such licensees shall file monthly reports with the [board] department showing the maximum number of cars operated in any one day during the preceding month, and if it appears that more cars have been operated than covered by its license it shall forthwith remit to the [board] department the sum of twenty dollars for each extra car so operated.
(b) For the purpose of considering an application by a steamship or airline company for a public service liquor license, the [board] department may cause an inspection of the steamship or vessel or aircraft for which a license is desired. The [board] department may, in its discretion, grant or refuse the license applied for and there shall be no appeal from its decision, except that an action of mandamus may be brought against the [board] department in the manner provided by law.
(c) Every applicant for a public service liquor license shall, before receiving such license, file with the [board] department a surety bond as hereinafter prescribed, pay to the [board] department for each of the maximum number of dining,
(P.L.1034, No. 270), known as the "Public Auditorium Authorities Law" customarily used or available for use for trade shows and conventions. Any concessionaire selected and certified by the city or its authorized agency or by the authority may apply for a license.
(b) The application for a trade show and convention license may be filed at any time and shall conform with all requirements for restaurant liquor license applications except as may be otherwise provided herein. The applicant shall submit such other information as the [board] department may require. Application shall be in writing on forms prescribed by the [board] department and shall be signed and submitted to the [board] department by the applicant. The filing fee which shall accompany the trade show and convention license application shall be twenty dollars (\$20).
(c) Upon receipt of the application in proper form and the application fee, and upon being satisfied that the applicant is of good repute and financially responsible and that the proposed place of business is proper, the [board] department shall issue a license to the applicant.
(d) The license shall be issued for the same period as provided for restaurant licenses and shall be renewed as in section 402. The license shall terminate upon revocation by the [board] department or upon termination of the contract between the concessionaire and the city or authority.
(e) The annual fee for a trade show and convention license shall be six hundred dollars (\$600), and shall accompany the application for the license. Whenever a concessionaire's contract terminates the license shall be returned to the [board] department for cancellation and a new license shall be issued to
a new applicant.
(f) The penal sum of the bond which shall be filed by an applicant for a trade show and convention license pursuant to section 465 of this article shall be two thousand dollars $(\$ 2,000)$ and in addition thereto he shall file an additional bond in a sum to assure payment of any suspension of license up to one hundred days.
(g) Sales by the holder of a trade show and convention license may be made except to those persons prohibited under clause (1) of section 493 of this act on city-owned or authority-owned, leased or operated premises customarily used or available for use for trade shows and conventions during the hours in which the convention or trade show is being held and up to one hour after the scheduled closing, and at functions which are incidental to or a part of the trade show or convention, but such sales may not be made beyond the hours expressed in the act for the sale of liquor by restaurant licensees: Provided, however, That during the hours expressed in this act for the sale of liquor by hotel licensees, sales of such liquor or malt or brewed beverages may be made by said licensee at banquets, not incidental to trade shows or conventions, at which more than two thousand persons are scheduled to attend, and at functions irrespective of attendance, which are directly related to the Philadelphia Commercial Museum or the Center for International Visitors: And provided further, That no such sale shall be made at any sporting, athletic or theatrical event.
(h) Whenever a contract is terminated prior to the expiration date provided in the contract between the city or authority and the concessionaire, the city or authority may select and certify to the [board] department a different
concessionaire which concessionaire shall apply to the [board] department for a new license. If the applicant meets the requirements of the [board] department as herein provided a new license shall thereupon be issued.
(i) If any trade show and convention license is suspended, the offer in compromise shall be accepted at the same rate as provided for existing restaurant liquor licenses not in excess of one hundred days. If any trade show and convention license is revoked, the [board] department shall issue a new license to any qualified applicant without regard to the prohibition in section 471 against the grant of license at the same premises for a period of at least one year.

Section 18. Section 408.2 of the act, added November 25, 1970 (P.L.770, No.255) and amended June 9, 1972 (P.L.379, No.108), is amended to read:

Section 408.2. City-Owned Stadia.--(a) The [board] department is authorized to issue a license in any city of the first class for the retail sale of liquor and malt or brewed beverages by the glass, open bottles or other container or in any mixture for consumption in any restaurant on city-owned premises principally utilized for competition of professional and amateur athletes and other types of entertainment where there is an available seating capacity within the premises of twelve thousand or more.
(b) The application for a city-owned stadium license may be filed at any time by a concessionaire selected and certified by the city or its authorized agency and shall conform with all requirements for restaurant-liquor licenses and applications except as may otherwise be provided herein. Applicant shall submit such other information as the [board] department may
require. Applications shall be in writing on forms prescribed by the [board] department and shall be signed and submitted to the [board] department by the applicant. The filing fee which shall accompany the license application shall be twenty dollars (\$20).
(c) Upon receipt of the application in proper form and the application fee and upon being satisfied that the applicant is of good repute and financially responsible and that the proposed place of business is proper, the [board] department shall issue a license to the applicant.
(d) The license shall be issued for the same period of time as provided for restaurant licenses and shall be renewed as provided in section 402. The license shall terminate upon revocation by the [board] department or upon termination of the contract between the concessionaire and the city.
(e) The annual fee for a stadium license shall be six hundred dollars (\$60), and shall accompany the application for the license. Whenever a concessionaire's contract terminates the license shall be returned to the [board] department for cancellation and a new license shall be issued to a new applicant.
(f) The penal sum of the bond which shall be filed by an applicant for a stadium license pursuant to section 465 of the "Liquor Code" shall be two thousand dollars $(\$ 2,000)$ and in addition thereto he shall file an additional bond in a sum to assure payment of any fine imposed by the [board] department up to one thousand dollars $(\$ 1,000)$.
(g) Sales by the holder of a stadium license may be made except to those persons prohibited under clause (1) of section 493 of this act on city-owned premises customarily used or available for use for competition of professional and amateur
athletes and other types of entertainment during the hours in which the entertainment is being held and up to one hour after the scheduled closing, and at functions which are incidental to or part of the stadium activities, but such sales may not be made beyond the hours expressed in the code for the sale of liquor by restaurant licensees: Provided, however, That such sales may be made on Sunday between the hours of twelve o'clock noon and ten o'clock postmeridian: And provided further, That during the hours expressed in this act for the sale of liquor by hotel licensees, sales of such liquor or malt or brewed beverages may be made by said licensee at banquets, not incidental to stadium activities, at which more than two thousand persons are scheduled to attend, and at functions irrespective of attendance, which are directly related to stadia purposes.
(h) Whenever a contract is terminated prior to the expiration date provided in the contract between the city and the concessionaire, the city may select and certify to the [board] department a different concessionaire which concessionaire shall apply to the [board] department for a new license. If the applicant meets the requirements of the [board] department as herein provided a new license shall thereupon be issued. If any stadium license is revoked, the [board] department shall issue a new license to any qualified applicant without regard to the prohibition in section 471 , against the grant of a license at the same premises for a period of at least one year.

Section 19. Section 408.3 of the act, added March 23, 1972 (P.L.122, No.46), is amended to read:

Section 408.3. Performing Arts Facilities.--(a) The [board]
department is authorized to issue a license to one nonprofit corporation operating a theater for the performing arts in each city of the first or second class which has seating accommodations for at least twenty-seven hundred persons except where prohibited by local option for the retail sale of liquor and malt or brewed beverages by the glass, open bottle or other container or in any mixture for consumption in any such theater for the performing arts.
(b) The application for a performing arts facility license may be filed at any time by a nonprofit corporation operating such a theater for the performing arts or by a concessionaire selected by such nonprofit corporation and shall conform with all requirements for restaurant liquor licenses and applications except as may otherwise be provided herein. Applicant shall submit such other information as the [board] department may require. Applications shall be in writing on forms prescribed by the [board] department and shall be signed and submitted to the [board] department by the applicant. The filing fee which shall accompany the license application shall be twenty dollars (\$20).
(c) Upon receipt of the application in proper form and the application fee and upon being satisfied that the applicant is of good repute and financially responsible and that the proposed place of business is proper, the [board] department shall issue a license to the applicant.
(d) The license shall be issued for the same period of time as provided for restaurant licenses and shall be renewed as provided in section 402. The license shall terminate upon revocation by the [board] department or upon termination of the contract between the concessionaire and such nonprofit corporation.
(e) The annual fee for a performing arts facility shall be six hundred dollars (\$600), and shall accompany the application for the license. Whenever and if a concessionaire's contract terminates the license shall be returned to the [board] department for cancellation and a new license shall be issued to a new applicant.
(f) The penal sum of the bond which shall be filed by an applicant for a performing arts facility pursuant to section 465 of the "Liquor Code" shall be two thousand dollars (\$2,000).
(g) Sales by the holder of a performing arts facility license may be made except to those persons prohibited under clause (1) of section 493 of this act on the premises of such a theater for the performing arts during the hours expressed in the code for the sale of liquor and malt and brewed beverages by restaurant licensees, and the license may be used for such sales on Sundays between the hours of 1:00 P.M. and 10:00 P.M., irrespective of the volume of food sales.
(h) Whenever a contract with a concessionaire is terminated prior to the expiration date provided in the contract between such nonprofit corporation and the concessionaire, such nonprofit corporation may select and certify to the [board] department a different concessionaire which concessionaire shall apply to the [board] department for a new license. If the applicant meets the requirements of the [board] department as herein provided a new license shall thereupon be issued. If any such performing arts facility license is revoked, the [board] department shall issue a new license to any qualified applicant without regard to the prohibition in section 471, against the grant of a license at the same premises for a period of at least one (1) year.
(i) Licenses issued under the provisions of this section shall not be subject to the quota restrictions of section 461 of this act.
(j) Performing arts facility licenses shall not be subject to the provisions of section 404 except in so far as they relate to the reputation of the applicant nor to the provisions of sections 461 and 463 nor to the provisions of clause (10) of section 493 of the "Liquor Code."
(k) Sales under such licenses (including food sales) may be limited by the licensee to patrons of the events scheduled in the theater of the performing arts. Provided food is offered for sale when sales are made under the license, such food may be catered from off the premises.

Section 20. Section 408.4 of the act, amended July 11, 1980 (No.117), is amended to read:

Section 408.4. Special Occasion Permits.--(a) Upon application of any hospital, church, synagogue, volunteer fire company, bona fide sportsmen's club in existence for at least ten years and upon payment of a fee of fifteen dollars (\$15) per day, the [board] department shall issue a special occasion permit good for a period of not more than three consecutive days. Special occasion permits may also be issued to a museum operated by a nonprofit corporation in a city of the third class or a nonprofit corporation engaged in the performing arts in a city of the third class for a period of not more than six nonconsecutive days at a fee of fifteen dollars (\$15) per day.
(b) In any city, borough, incorporated town or township in which the sale of liquor and/or malt or brewed beverages has been approved by the electorate, such special occasion permit shall authorize the permittee to sell liquor and/or malt or
brewed beverages as the case may be to any adult person on any day for which the permit is issued.
(c) Such special occasion permit shall only be valid for the number of days stated in the permit. Only one permit may be issued to any permittee during the year. Provided, that a museum operated by a nonprofit corporation in a city of the third class and a nonprofit corporation engaged in the performing arts in a city of the third class may be issued no more than six permits during the year, each permit being valid for only one day. The provisions of this subsection relating to the issuance of permits for Bicentennial units shall expire December 31, 1976.
(d) Such permits shall only be issued for use at a special event including, but not limited to bazaars, picnics and clambakes. The special event must be one which is used by the permittee as a means of raising funds for itself.
(e) The provisions of this section shall not be applicable to any licensee now or hereafter possessing a caterer's license, nor to any professional fund raiser.
(f) Any person selling liquor or malt or brewed beverages in violation of this section shall, upon summary conviction, be sentenced to pay a fine of two hundred fifty dollars (\$250) for the first offense and a fine of five hundred dollars (\$500) for each subsequent offense. This fine shall be in addition to any other penalty imposed by law for the illegal sale of malt or brewed beverages.

Section 21. Section 408.5 of the act, amended July 9, 1976 (P.L.527, No.125), is amended to read:

Section 408.5. Licenses for City-owned Art Museums, Cities First Class and Art Museums Maintained by Certain Non-profit Corporations in Cities of the Second Class.--(a) The [board]
department is authorized to issue a license in any city of the first class for the retail sale of liquor and malt or brewed beverages by the glass, open bottles or other container, and in any mixture, for consumption in any city-owned art museum or in any art museum maintained by a non-profit corporation in cities of the second class. For the purpose of this section "non-profit corporation" shall mean a corporation organized under the nonprofit corporation laws for the benefit of the public and not for the mutual benefit of its members, and which maintains an art museum having a floor area of not less than one hundred thousand square feet in one building.
(b) The application for a license may be filed at any time by the city, the non-profit corporation or lessee. The application may also be filed by a concessionaire selected and certified by the city or the non-profit corporation. The application shall conform with all requirements for restaurant liquor licenses and applications except as may otherwise be provided herein. Applicant shall submit such other information as the [board] department may require. The application shall be in writing on forms prescribed by the [board] department and shall be signed and submitted to the [board] department by the applicant. A filing fee of twenty dollars (\$20) shall accompany the license application.
(c) Upon receipt of the application in proper form with the application fee and upon being satisfied that the applicant is of good repute and financially responsible and that the proposed place of business is proper, the [board] department shall issue a license to the applicant.
(d) The license shall be issued for the same period of time as provided for restaurant licensees and shall be renewed as
provided in section 402. The license shall terminate upon revocation by the [board] department or upon termination of the lease or upon termination of the contract between the concessionaire and the city or the non-profit corporation.
(g) Sales by the holder of an art museum license may be made except to those persons prohibited by this act on premises used for art museum purposes, but such sales may not be made beyond the hours expressed in this act for the sale of liquor by restaurant licenses. However, sales of liquor or malt or brewed beverages may be made by an art museum licensee at banquets at which more than five hundred persons are scheduled to attend and at any other function which is directly related to art museum purposes.
(h) Whenever a lease or a concession contract is terminated prior to the expiration date provided in the lease or contract between the city or the non-profit corporation and the tenant or concessionaire, the city or the non-profit corporation may select and certify to the [board] department a different licensee or concessionaire who may then apply to the [board] department for a new license. If the applicant meets the requirements of the [board] department as herein provided a new license shall thereupon be issued.
(i) If the [board] department shall revoke any art museum license, the [board] department shall issue a new license to any qualified applicant without regard to the prohibition in section 471 against the grant of a license at the same premises for a period of at least one year.
(i.1) Any renewal of a license presently held by a cityowned art museum in a city of the first class shall be accomplished by the purchase of a license from an existing
licensee.
(i.2) An art museum maintained by a non-profit corporation or corporations in a city of the second class which obtains approval of its application for a license from the [board] department shall purchase a license from an existing licensee.
(j) The provisions of this act shall supersede or exempt any provision of the Liquor Code which would prevent the issuance of a license for the retail sale of liquor and malt or brewed beverages upon any premises owned by the city of the first class or by a non-profit corporation in a city of the second class used for art museum purposes.

Section 22. Section 408.6 of the act, added July 11, 1980 (No.117), is amended to read:

Section 408.6. Performing Arts Facilities.--(a) The [board] department is authorized to issue a restaurant liquor license to a nonprofit corporation or to a concessionaire selected by such nonprofit corporation in any city of the third class for the retail sale of liquor and malt or brewed beverages by the glass, open bottles or other container or in any mixture for consumption on any city-owned premises utilized as a nonprofit performing arts facility or any other premises utilized as a nonprofit performing arts facility where there is an available seating capacity within the premises of one thousand or more: Provided, however, That no sale or consumption of such beverages shall take place on any portions of such premises other than service areas approved by the [board] department..
(b) An application for the issuance may be filed at any time by a nonprofit corporation operating such a theater for the performing arts or by a concessionaire selected by such nonprofit corporation. Any such license granted under these
provisions need not conform to the requirements of the act relating to restaurant liquor licenses, except as provided herein. Applicant shall submit such other information as the [board] department may require. Applications shall be in writing on forms prescribed by the [board] department and shall be signed and submitted to the [board] department by the applicant. The filing fee which shall accompany the license application shall be thirty dollars (\$30).
(c) Upon receipt of the application in proper form and the application fee and upon being satisfied that the applicant is of good repute and financially responsible and that the proposed place of business is proper, the [board] department shall issue the restaurant liquor license for the performing arts facility.
(d) The license shall be issued for the same period of time as provided for restaurant licenses and shall be renewed as provided in section 402. The license shall terminate upon revocation by the [board] department or upon termination and nonrenewal of the contract between the concessionaire and such nonprofit corporation.
(e) The annual fee for a performing arts facility shall be as provided in section 405 and shall accompany the application for the license. Whenever and if a concessionaire's contract terminates and is not renewed the license shall be returned to the [board] department for cancellation but the [board] department may issue a restaurant liquor license to a subsequent applicant.
(f) The penal sum of the bond which shall be filed by an applicant for a performing arts facility pursuant to section 465 shall be two thousand dollars $(\$ 2,000)$.
(g) Sales by the holder of a performing arts facility
license may be made except to those persons prohibited under clause (1) of section 493 on [board-approved] departmentapproved service areas of the premises of such a facility for the performing arts during the hours in which the performance is being held and up to one hour before the scheduled opening and one hour after the scheduled closing, but such sales may not be made beyond the hours expressed in the code for the sale of liquor and malt or brewed beverages by restaurant licensees: Provided, however, That such sales may be made on Sunday between the hours of one o'clock postmeridian and ten o'clock postmeridian, irrespective of the volume of food sales.
(h) Whenever a contract with a concessionaire is terminated prior to the expiration date provided in the contract between such nonprofit corporation and the concessionaire and is not renewed, such nonprofit corporation may apply to the [board] department for the issuance of a restaurant liquor license or may select and certify to the [board] department a different concessionaire which concessionaire shall apply to the [board] department for the issuance of a restaurant liquor license. If the applicant meets the requirements of the [board] department as herein provided, the issuance shall thereupon occur. If any such performing arts facility license is revoked, the [board] department shall issue a new license to any qualified applicant without regard to the prohibition in section 471, against the grant of a license at the same premises for a period of at least one year.
(i) Licenses issued under the provisions of this section shall not be subject to the quota restrictions of section 461 .
(j) Performing arts licenses shall not be subject to the provisions of section 404 except insofar as they relate to the
reputation of the applicant nor to the provisions of sections 461 and 463, nor to the provisions of clause (10) of section 493.
(k) Sales under such licenses (including food sales) may be limited by the licensee to patrons of the events scheduled in the facility of the performing arts. Provided food is offered for sale when sales are made under the license, such food may be catered from off the premises.

Section 23. Section 408.7 of the act, added December 12, 1980 (No.221), is amended to read:

Section 408.7. Performing Arts Facilities.--(a) The [board] department is authorized to transfer a restaurant liquor license purchased by any person or by a concessionaire selected by such person in any city of the first or second class for the retail sale of liquor and malt or brewed beverages by the glass, open bottles or other container or in any mixture for consumption on any city-owned premises utilized as a performing arts facility or any other premise utilized as a performing arts facility where there is an available seating capacity within the premises of one thousand or more: Provided, however, That no sale or consumption of such beverages shall take place on any portions of such premises other than service areas approved by the [board] department.
(b) An application for transfer may be filed at any time by a person operating such a theater for the performing arts or by a concessionaire selected by such person. Any such license granted under these provisions need not conform to the requirements of the act relating to restaurant liquor licenses, except as provided herein. Applicant shall submit such other information as the [board] department may require. Applications
shall be in writing on forms prescribed by the [board] department and shall be signed and submitted to the [board] department by the applicant. The filing fee which shall accompany the license transfer application shall be thirty dollars (\$30).
(c) Upon receipt of the application in proper form and the application fee and upon being satisfied that the applicant is of good repute and financially responsible and that the proposed place of business is proper, the [board] department shall transfer the restaurant liquor license for the performing arts facility.
(d) The license shall be transferred for the same period of time as provided for restaurant licenses and shall be renewed as provided in section 402. The license shall terminate upon revocation by the [board] department or upon termination and nonrenewal of the contract between the concessionaire and such person.
(e) The annual fee for a performing arts facility shall be as provided in section 405 and shall accompany the application for the license. Whenever and if a concessionaire's contract terminates and is not renewed the license shall be returned to the [board] department for cancellation and the [board] department may transfer a restaurant liquor license purchased by a subsequent applicant.
(f) The penal sum of the bond which shall be filed by an applicant for a performing arts facility pursuant to section 465 shall be two thousand dollars $(\$ 2,000)$.
(g) Sales by the holder of a performing arts facility license may be made except to those persons prohibited under clause (1) of section 493 on [board-approved] department-
approved service areas of the premises of such a facility for the performing arts during the hours in which the performance is being held and up to one hour before the scheduled opening and one hour after the scheduled closing, but such sales may not be made beyond the hours expressed in the code for the sale of liquor and malt or brewed beverages by restaurant licensees: Provided, however, That such sales may be made on Sunday between the hours of one o'clock postmeridian and ten o'clock postmeridian, irrespective of the volume of food sales.
(h) Whenever a contract with a concessionaire is terminated prior to the expiration date provided in the contract between such person and the concessionaire and is not renewed, such person may apply to the [board] department for the transfer of a restaurant liquor license purchased by such person, or may select and certify to the [board] department a different concessionaire which concessionaire shall apply to the [board] department for the transfer of a restaurant liquor license purchased by such concessionaire. If the applicant meets the requirements of the [board] department as herein provided, a transfer shall thereupon occur. If any such performing arts facility license is revoked, the [board] department shall transfer a license for any qualified applicant who has purchased a restaurant liquor license without regard to the prohibition in section 471 , against the grant of a license at the same premises for a period of at least one year.
(i) Performing arts licenses shall not be subject to the provisions of section 404 except insofar as they relate to the reputation of the applicant nor to the provisions of section 463, nor to the provisions of clause (10) of section 493.
(j) Sales under such licenses (including food sales) may be
limited by the licensee to portions of the events scheduled in the facility of the performing arts. Provided food is offered for sale when sales are made under the license, such food may be catered from off the premises.

Section 24. Section 409 of the act, amended February 17, 1956 (1955 P.L.1078, No.349) and September 28, 1961 (P.L.1728, No.702), is amended to read:

Section 409. Sacramental Wine Licenses; Fees; Privileges; Restrictions.--(a) Subject to the provisions of this act in general and more particularly to the following provisions of this section, the [board] department shall issue sacramental wine licenses to qualified applicants.
(b) Every applicant for a sacramental wine license shall file a written application with the [board] department in such form as the [board] department shall from time to time prescribe, which shall be accompanied by a filing fee of twenty dollars (\$20), a license fee of one hundred dollars, and a bond as hereinafter prescribed. Every such application shall contain a description of the premises for which the applicant desires a license and shall set forth such other material information as may be required by the [board] department.
(c) If the applicant is a natural person, his application must show that he is a citizen of the United States and a resident of this Commonwealth. If the applicant is an association or partnership, each and every member of the association or partnership must be a citizen of the United States and a resident of this Commonwealth. If the applicant is a corporation, the application must show that the corporation was created under the laws of Pennsylvania or holds a certificate of authority to transact business in Pennsylvania,
and that all officers, directors and stockholders are citizens of the United States.
(d) Holders of such licenses may purchase from manufacturers or bring or import into this Commonwealth wine to be used for sacramental or religious purposes only, and bottle and sell the same to priests, clergymen and rabbis for use in the cathedral, church, synagogue or temple, or for sustaining members of the congregation or members of the faith who attend religious services, duly certified by such priests, clergymen or rabbis. The sale and use of wine for sacramental or religious purposes shall be subject to and in accordance with the regulations of the [board] department.
(e) Any wine purchased under the authority of this section shall not be used for any other than sacramental or religious purposes. Sacramental wine may not be sold by any person except the holder of a sacramental wine license.
(f) Every sacramental wine licensee shall maintain on the licensed premises such records as the [board] department may prescribe. No deliveries of sacramental wine shall be made unless and until an order therefor is on file at the principal place of business in Pennsylvania. All shipments into Pennsylvania of wine to be used for sacramental or religious purposes shall be consigned to the principal place of business maintained by the licensee.
(g) Any such license may be suspended or revoked by the [board] department upon proof satisfactory to it that the licensee has violated any law of this Commonwealth or any regulation of the [board] department relating to liquor and alcohol. The procedure in such cases shall be the same as for the revocation and suspension of hotel, restaurant and club
licenses.
Section 25. Section 410 of the act, amended September 28, 1961 (P.L.1728, No.702), is amended to read:

Section 410. Liquor Importers' Licenses; Fees; Privileges; Restrictions.--(a) Subject to the provisions of this act in general and more particularly to the following provisions of this section, the [board] department shall issue liquor importers' licenses to qualified applicants.
(b) Every applicant for an importer's license shall file a written application with the [board] department in such form as the [board] department shall from time to time prescribe, which shall be accompanied by a filing fee of twenty dollars (\$20), a license fee of one hundred dollars, and a bond as hereinafter required. Every such application shall contain a description of the principal place of business for which the applicant desires a license and shall set forth such other material information as may be required by the [board] department.
(c) The holder of an importer's license may have included in such license one warehouse wherein only his liquor may be kept and stored, located in the same municipality in which his licensed premises is situate, and not elsewhere, unless such licensee secures from the [board] department a license for each additional storage warehouse desired. The [board] department is authorized and empowered to issue to a holder of an importer's license a license for an additional storage warehouse or warehouses located in this Commonwealth, provided such licensed importer files with the [board] department a separate application for each warehouse in such form and containing such information as the [board] department may from time to time require, accompanied by a filing fee of twenty dollars (\$20), a
license fee of twenty-five dollars, and a bond of an approved surety company in the amount of ten thousand dollars. Such bond shall contain the same provisions and conditions as are required in the other license bonds under this article.
(d) If the applicant is a natural person, his application must show that he is a citizen of the United States and a resident of this Commonwealth. If the applicant is an association or partnership, each and every member of the association or partnership must be a citizen of the United States and a resident of this Commonwealth. If the applicant is a corporation, the application must show that the corporation was created under the laws of Pennsylvania or holds a certificate of authority to transact business in Pennsylvania, and that all officers, directors and stockholders are citizens of the United States.
(e) Importers' licenses shall permit the holders thereof to bring or import liquor from other states, foreign countries, or insular possessions of the United States, and purchase liquor from manufacturers located within this Commonwealth, to be sold outside of this Commonwealth or to [Pennsylvania Liquor Stores] Free Enterprise Stores within this Commonwealth, or when in original containers of ten gallons or greater capacity, to licensed manufacturers within this Commonwealth.
[All importations of liquor into Pennsylvania by the licensed importer shall be consigned to the Pennsylvania Liquor Control Board or the principal place of business or authorized place of storage maintained by the licensee.]
(f) Every importer shall maintain on the licensed premises such records as the [board] department may prescribe. Any such license may be suspended or revoked by the [board] department
upon proof satisfactory to it that the licensee has violated any law of this Commonwealth or any regulation of the [board] department relating to liquor and alcohol. The procedure in such cases shall be the same as for the revocation and suspension of hotel, restaurant and club licenses.

Section 26. Section 431 of the act, amended August 17, 1965 (P.L.346, No.182), October 9, 1967 (P.L.395, No.179), May 5, 1970 (P.L.342, No.110) and June 22, 1980 (No.73), is amended to read:

Section 431. Malt and Brewed Beverages Manufacturers', Distributors' and Importing Distributors' Licenses.--(a) The [board] department shall issue to any person a resident of this Commonwealth of good repute who applies therefor, pays the license fee hereinafter prescribed, and files the bond hereinafter required, a manufacturer's license to produce and manufacture malt or brewed beverages, and to transport, sell and deliver malt or brewed beverages at or from one or more places of manufacture or storage, only in original containers, in quantities of not less than a case of twenty-four containers, each container holding seven fluid ounces or more, or a case of twelve containers, each container holding twenty-four fluid ounces or more, except original containers containing one hundred twenty-eight ounces or more which may be sold separately anywhere within the Commonwealth. Licenses for places of storage shall be limited to those maintained by manufacturers on July eighteenth, one thousand nine hundred thirty-five, and the [board] department shall issue no licenses for places of storage in addition to those maintained on July eighteenth, one thousand nine hundred thirty-five. The application for such license shall be in such form and contain such information as the [board]
department shall require. All such licenses shall be granted for the calendar year. Every manufacturer shall keep at his or its principal place of business, within the Commonwealth daily permanent records which shall show, (1) the quantities of raw materials received and used in the manufacture of malt or brewed beverages and the quantities of malt or brewed beverages manufactured and stored, (2) the sales of malt or brewed beverages, (3) the quantities of malt or brewed beverages stored for hire or transported for hire by or for the licensee, and (4) the names and addresses of the purchasers or other recipients thereof. Every place licensed as a manufacturer shall be subject to inspection by members of the [board] department or by persons duly authorized and designated by the [board] department, at any and all times of the day or night, as they may deem necessary, for the detection of violations of this act or of the rules and regulations of the [board] department, or for the purpose of ascertaining the correctness of the records required to be kept by licensees. The books and records of such licensees shall at all times be open to inspection by members of the [board] department or by persons duly authorized and designated by the [board] department. Members of the [board] department and its duly authorized agents shall have the right, without hindrance, to enter any place which is subject to inspection hereunder or any place where such records are kept for the purpose of making such inspections and making transcripts thereof.
(b) The [board] department shall issue to any reputable person who applies therefor, pays the license fee hereinafter prescribed, and files the bond hereinafter required, a distributor's or importing distributor's license for the place which such person desires to maintain for the sale of malt or
brewed beverages, not for consumption on the premises where sold, and in quantities of not less than twenty-four containers, each container holding seven fluid ounces or more, or twelve containers, each container holding twenty-four fluid ounces or more, except original containers containing one hundred twentyeight ounces or more which may be sold separately and such containers to be the original containers as prepared for the market by the manufacturer at the place of manufacture: And provided further, That the [board] department shall have the discretion to refuse a license to any person or to any corporation, partnership or association, if such person, or any officer or director of such corporation, or any member or partner of such partnership or association shall have been convicted or found guilty of a felony within a period of five years immediately preceding the date of application for the said license.

Except as hereinafter provided, such license shall authorize the holder thereof to sell or deliver malt or brewed beverages in quantities above specified anywhere within the Commonwealth of Pennsylvania, which, in the case of distributors, have been purchased only from persons licensed under this act as manufacturers or importing distributors, and in the case of importing distributors, have been purchased from manufacturers or persons outside this Commonwealth engaged in the legal sale of malt or brewed beverages or from manufacturers or importing distributors licensed under this article.

Each out of State manufacturer of malt or brewed beverages whose products are sold and delivered in this Commonwealth shall give distributing rights for such products in designated geographical areas to specific importing distributors, and such
importing distributor shall not sell or deliver malt or brewed beverages manufactured by the out of State manufacturer to any person issued a license under the provisions of this act whose licensed premises are not located within the geographical area for which he has been given distributing rights by such manufacturer: Provided, That the importing distributor holding such distributing rights for such product shall not sell or deliver the same to another importing distributor without first having entered into a written agreement with the said secondary importing distributor setting forth the terms and conditions under which such products are to be resold within the territory granted to the primary importing distributor by the manufacturer.

When a Pennsylvania manufacturer of malt or brewed beverages licensed under this article names or constitutes a distributor or importing distributor as the primary or original supplier of his product, he shall also designate the specific geographical area for which the said distributor or importing distributor is given distributing rights, and such distributor or importing distributor shall not sell or deliver the products of such manufacturer to any person issued a license under the provisions of this act whose licensed premises are not located within the geographical area for which distributing rights have been given to the distributor and importing distributor by the said manufacturer: Provided, That the importing distributor holding such distributing rights for such product shall not sell or deliver the same to another importing distributor without first having entered into a written agreement with the said secondary importing distributor setting forth the terms and conditions under which such products are to be resold within the territory
granted to the primary importing distributor by the manufacturer. Nothing herein contained shall be construed to prevent any manufacturer from authorizing the importing distributor holding the distributing rights for a designated geographical area from selling the products of such manufacturer to another importing distributor also holding distributing rights from the same manufacturer for another geographical area, providing such authority be contained in writing and a copy thereof be given to each of the importing distributors so affected.
(c) The aforesaid licenses shall be issued only to reputable individuals, partnerships and associations who are, or whose members are, citizens of the United States and have for two years prior to the date of their applications been residents of the Commonwealth of Pennsylvania or to reputable corporations organized or duly registered under the laws of the Commonwealth of Pennsylvania. Such licenses shall be issued to corporations duly organized or registered under the laws of the Commonwealth of Pennsylvania only when it appears that all of the officers and directors of the corporation are citizens of the United States and have been residents of the Commonwealth of Pennsylvania for a period of at least two years prior to the date of application, and that at least fifty-one per centum of the capital stock of such corporation is actually owned by individuals who are citizens of the United States and have been residents of the Commonwealth of Pennsylvania for a period of at least two years prior to the date of application: Provided, That the provisions of this subsection with respect to residence requirements shall not apply to individuals, partners, officers, directors and owners of capital stock, of corporations licensed
or applying for licenses as manufacturers of malt or brewed beverages, nor shall the provisions of this subsection with respect to stockholder requirements apply to corporations licensed or applying for licenses as manufacturers of malt or brewed beverages.
(d) (1) All distributing rights as hereinabove required shall be in writing, shall be equitable in their provisions and shall be substantially similar as to terms and conditions with all other distributing rights agreements between the manufacturer giving such agreement and its other importing distributors and distributors shall not be modified, cancelled, terminated or rescinded by the manufacturer without good cause, and shall contain a provision in substance or effect as follows: "The manufacturer recognizes that the importing distributor and distributor are free to manage their business in the manner the importing distributor and distributor deem best and that this prerogative vests in the importing distributor and distributor the exclusive right to establish a selling price, to select the brands of malt or brewed beverages they wish to handle and to determine the efforts and resources which the importing distributor and distributor will exert to develop and promote the same of the manufacturer's products handled by the importing distributor and distributor. However, the manufacturer expects that the importing distributor and distributor will price competitively the products handled by them, devote reasonable effort and resources to the sale of such products and maintain a reasonable sales level." "Good cause" shall mean the failure by any party to an agreement, without reasonable excuse or justification, to comply substantially with an essential, reasonable and commercially acceptable requirement imposed by
the other party under the terms of an agreement.
(2) After January 1, 1980, no manufacturer shall enter into any agreement with more than one distributor or importing distributor for the purpose of establishing more than one agreement for designated brand or brands of malt or brewed beverages in any one territory. Each franchise territory which is granted by a manufacturer shall be geographically contiguous.
(3) Except for discontinuance of a brand or a valid termination for good cause, the purchaser of the assets of the manufacturer as defined in this act shall become obligated to all the territorial and brand designations of the agreement in effect on the date of purchase. Purchase of assets as defined for the purposes of this act shall include, but not be limited to, the sale of stock, sale of assets, merger, lease, transfer or consolidation.
(4) The court of common pleas of the county wherein the licensed premises of the importing distributor or distributor are located is hereby vested with jurisdiction and power to enjoin the modification, rescission, cancellation or termination of a franchise or agreement between a manufacturer and an importing distributor or distributor at the instance of such importing distributor or distributor who is or might be adversely affected by such modification, rescission, cancellation or termination, and in granting an injunction the court shall provide that no manufacturer shall supply the customers or territory of the importing distributor or distributor by servicing the territory or customers through other importing distributors or distributors or any other means while the injunction is in effect: Provided, however, That any injunction issued under this subsection shall require the
posting of sufficient bond against damages arising from an injunction improvidently granted and a showing that the danger of irrevocable loss or damage is immediate and that during the pendency of such injunction the importing distributor or distributor shall continue to service the accounts of the manufacturer in good faith.
(5) The provisions of this subsection shall not apply to Pennsylvania manufacturers whose principal place of business is located in Pennsylvania unless they name or constitute a distributor or importing distributor as a primary or original supplier of their products subsequent to the effective date of this act, or unless such Pennsylvania manufacturers have named or constituted a distributor or importing distributor as a primary or original supplier of their products prior to the effective date of this act, and which status is continuing when this act becomes effective.

Section 27. Section 432 of the act, amended January 19, 1952 (1951 P.L.2170, No.619), June 19, 1961 (P.L.482, No.244) and October 9, 1967 (P.L. 392, No.177), is amended to read:

Section 432. Malt and Brewed Beverages Retail Licenses.--(a) Subject to the restrictions hereinafter provided in this act, and upon being satisfied of the truth of the statements in the application, that the premises and the applicant meet all the requirements of this act and the regulations of the [board] department, that the applicant seeks a license for a reputable hotel, eating place or club, as defined in this act, the [board] department shall, in the case of a hotel or eating place, grant and issue, and in the case of a club may, in its discretion, issue or refuse the applicant a retail dispenser's license.
(b) In the case of hotels and eating places, licenses shall
be issued only to reputable persons who are citizens of the United States and have for two years been residents of the Commonwealth of Pennsylvania at the date of their application, or to reputable corporations organized or duly registered under the laws of the Commonwealth of Pennsylvania, all of whose officers and directors are citizens of the United States. In the case of incorporated clubs, licenses shall be issued only to those incorporated under the laws of Pennsylvania.
(c) No retail dispenser's licenses shall be granted or renewed upon their expiration in any municipality in which the electors shall vote, as hereinafter provided, against the licensing therein of places where malt or brewed beverages may be sold for consumption on the premises where sold.
(d) The [board] department shall, in its discretion, grant or refuse any new license or the transfer of any license to a new location if such place proposed to be licensed is within three hundred feet of any church, hospital, charitable institution, school, or public playground, or if such new license or transfer is applied for a place which is within two hundred feet of any other premises which is licensed by the [board] department, or if such new license or transfer is applied for a place where the principal business conducted is the sale of liquid fuels and oil. The [board] department shall refuse any application for a new license or the transfer of any license to a new location if, in the [board's] department's opinion, such new license or transfer would be detrimental to the welfare, health, peace and morals of the inhabitants of the neighborhood within a radius of five hundred feet of the place to be licensed. The [board] department shall not issue new licenses, except as herein otherwise provided, in any license
district more than twice each license year effective from specific dates fixed by the [board] department, and new licenses shall not be granted unless the application therefor shall have been filed at least thirty days before the effective date of the license. Nothing herein contained shall prohibit the [board] department from issuing a new license for the balance of any unexpired term in any license district to any applicant in such district, who shall have become eligible to hold such license as the result of legislative enactment, when such enactment shall have taken place during the license term of that district for which application is made, or within the thirty days immediately preceding such term: And provided further, That the [board] department shall have the discretion to refuse a license to any person or to any corporation, partnership or association if such person, or any officer or director of such corporation, or any member or partner of such partnership or association shall have been convicted or found guilty of a felony within a period of five years immediately preceding the date of application for the said license.
(e) Every applicant for a new or for the transfer of an existing license to another premises not then licensed shall post, for a period of at least fifteen days beginning with the day the application is filed with the [board] department, in a conspicuous place on the outside of the premises or in a window plainly visible from the outside of the premises for which the license is applied or at the proposed new location, a notice of such application, in such form, of such size, and containing such provisions as the [board] department may require by its regulations. Proof of the posting of such notice shall be filed with the [board] department.

Section 28. Section 433 of the act is amended to read:
Section 433. Public Service Licenses.--The [board]
department may issue public service malt and brewed beverage licenses to a railroad, pullman or steamship company permitting malt or brewed beverages to be sold at retail in dining, club or buffet cars, or the dining compartments of steamships or vessels, for consumption on the trains, steamships or vessels wherever operated in the State, except when standing in stations or terminals within a municipality wherein retail sales are prohibited. Such licenses shall only be granted to reputable persons and for fit places. The [board] department may issue a master license to railroad or pullman companies to cover the maximum number of cars which the company shall estimate that it will operate within the Commonwealth on any one day. Such licensees shall file monthly reports with the [board] department showing the maximum number of cars operated at any time on any day during the preceding month, and if it appears that more cars have been operated than covered by its license it shall forthwith remit to the [board] department the sum of ten dollars for each extra car so operated. The [board] department shall have the power to suspend or revoke any such licenses for cause after granting a hearing thereon to the licensee. Any person aggrieved by the decision of the [board] department in refusing, suspending or revoking any such license may appeal to the court of [quarter sessions] common pleas of Dauphin County in the same manner as provided in this article for appeals from refusals of licenses.

Section 29. Section 433.1 of the act, amended July 10, 1961 (P.L.561, No.275), November 17, 1967 (P.L.510, No.247) and July 9, 1976 (P.L.924, No.173), is amended to read:

Section 433.1. Stadium or Arena Permits.--(a) The [board] department is hereby authorized to issue, in cities of the first, second and third class and in counties of the third class, special permits allowing the holders thereof to make retail sales of malt or brewed beverages in shatterproof containers at all events on premises principally utilized for competition of professional and amateur athletes and other types of entertainment having an available seating capacity of twelve thousand or more in cities of the first and second class and seven thousand or more and owned by the city in cities of the third class and four thousand two hundred or more and owned by counties of the third class: Provided, however, That in cities of the second class this section shall be applicable only to premises owned, leased or operated by any authority created under the act of July 29, 1953 (P.L.1034, No.270), known as the "Public Auditorium Authorities Law." Such sales may be made only to adults and only on days when the premises are so used and only during the period from one hour before the start of and ending one-half hour after the close of the event on the premises.
(b) The owner or lessee or a concessionaire of any such premises may make application for a permit. The aforesaid permits shall be issued only to reputable individuals, partnerships and associations, who are or whose members are citizens of the United States and have for two years prior to the date of their applications been residents of the Commonwealth of Pennsylvania, or to reputable corporations organized or duly registered under the laws of the Commonwealth of Pennsylvania, all of whose officers and directors are citizens of the United States. Each applicant shall furnish
proof satisfactory to the [board] department that he is of good repute and financially responsible and that the premises upon which he proposes to do business is a proper place. The applicant shall submit such other information as the [board] department may require. Applications shall be, in writing on forms prescribed by the [board] department, and signed and sworn to by the applicant. Every application shall be accompanied by an application fee of twenty-five dollars (\$25), a permit fee of one hundred dollars (\$100) and a surety bond in the amount of one thousand dollars (\$1000) conditioned the same as the license bonds required by this act for retail dispenser licenses.
(c) Upon receipt of the application in proper form, the application fee, the permit fee and bond, and upon being satisfied that the applicant is of good repute and financially responsible and that the proposed place of business is proper, the [board] department shall issue a special permit to the applicant. Only one permit issued under this section shall be in effect on any such premises at any time.
(d) No permit shall be transferable or assignable. The [board] department may by regulation fix the permit year and provide for the renewal of such permits. Whenever a permit is revoked, another may be issued for the same premises to another applicant upon compliance with the provisions of this section.
(e) The [board] department shall have the power to refuse the issuance of any permit for cause, and to revoke or suspend any permit for cause or for any violation of the liquor or malt and brewed beverage laws. Any applicant or holder of a permit aggrieved by any ruling of the [board] department or by its refusal to issue a permit, or by its suspension or revocation thereof, shall have the right to a hearing and appeal therefrom
in the same manner as provided in sections 464 and 471 of this act authorizing appeals from orders of the [board] department.

Section 30. Section 434 of the act is amended to read:
Section 434. License Year.--(a) Licenses issued under this article to distributors, importing distributors and retail dispensers shall, unless revoked in the manner provided in this act, be valid for the license year which may be established by the [board] department for the particular license district in which the license issues.
(b) Malt or brewed beverage licenses issued under this article to manufacturers and public service companies shall, unless revoked in the manner herein provided, be valid for the calendar year for which they are issued. Licenses to such manufacturers and public service companies may be issued at any time during a calendar year.

Section 31. Section 435 of the act, amended September 28, 1961 (P.L.1728, No.702), is amended to read:

Section 435. Filing of Applications for Distributors', Importing Distributors' and Retail Dispensers' Licenses; Filing Fee.--Every person intending to apply for a distributor's, importing distributor's or retail dispenser's license, as aforesaid, in any municipality of this Commonwealth, shall file with the [board] department his or its application. All such applications shall be filed at a time to be fixed by the [board] department for the particular license district as set up by the [board] department under the provisions of this act. The applicant shall, at the time of filing the application and bond, pay said [board] department the filing fee of twenty dollars (\$20), as hereinafter specified.

Section 32. Section 436 of the act, amended June 19, 1961
(P.L.482, No.244) and June 29, 1965 (P.L.151, No.101), is amended to read:

Section 436. Application for Distributors', Importing Distributors' and Retail Dispensers' Licenses.--Application for distributors', importing distributors' and retail dispensers' licenses, or for the transfer of an existing license to another premises not then licensed, shall contain or have attached thereto the following information and statements:
(a) The name and residence of the applicant and how long he has resided there, and if an association, partnership or corporation, the residences of the members, officers and directors for the period of two years next preceding the date of such application.
(b) The particular place for which the license is desired and a detailed description thereof. The description, information and plans referred to in this subsection shall show the premises or the proposed location for the construction of the premises at the time the application is made, and shall show any alterations proposed to be made thereto, or the new building proposed to be constructed after the approval by the [board] department of the application for a license, or for the transfer of an existing license to another premises not then licensed. No physical alterations, improvements or changes shall be required to be made to any hotel, eating place or club, nor shall any new building for any such purpose be required to be constructed until approval of the application for license or for the transfer of an existing license to another premises not then licensed by the [board] department. After approval of the application, the licensee shall make the physical alterations, improvements and changes to the licensed premises, or shall
construct the new building in the manner specified by the [board] department at the time of approval. The licensee shall not transact any business under the license until the [board] department has approved the completed physical alterations, improvements and changes of the licensed premises or the completed construction of the new building as conforming to the specifications required by the [board] department at the time of issuance or transfer of the license and is satisfied that the premises meet the requirements for a distributor's or importing distributor's license as set forth in this act or that the establishment is an eating place, hotel or club as defined by this act. The [board] department may require that all such alterations or construction or conformity to definition be completed within six months from the time of issuance or transfer of the license. Failure to comply with these requirements shall be considered cause for revocation of the license. No such license shall be transferable between the time of issuance or transfer of the license and the approval of the completed alterations or construction by the [board] department and full compliance by the licensee with the requirements of this act, except in the case of death of the licensee prior to full compliance with all of the aforementioned requirements, in which event the license may be transferred by the [board] department as provided in section 468 of this act for the transfer of the license in the case of death of the licensee.
(c) Place of birth of applicant, and if a naturalized citizen, where and when naturalized, and if a corporation organized or registered under the laws of the Commonwealth, when and where incorporated, with the names and addresses of each officer and director, all of whom shall be citizens of the

United States; if the application is for a distributor's or importing distributor's license and the applicant therefor is a corporation, the application shall also contain a statement of facts showing the qualifications of the corporation, as hereinbefore required, together with the names and addresses of all stockholders.
(d) Name of owner of premises and his residence.
(e) That the applicant is not, or in case of a partnership or association, that the members or partners are not, and in the case of a corporation, that the officers and directors are not, in any manner pecuniarily interested, either directly or indirectly, in the profits of any other class of business regulated under this article, except as hereinafter permitted.
(f) That applicant is the only person in any manner pecuniarily interested in the business so asked to be licensed, and that no other person shall be in any manner pecuniarily interested therein during the continuance of the license, except as hereinafter permitted.
(g) Whether applicant, or in case of a partnership or association, any member or partner thereof, or in case of a corporation, any officer or director thereof, has during the three years immediately preceding the date of said application had a license for the sale of malt or brewed beverages or spirituous and vinous liquors revoked, or has during the same period been convicted of any criminal offense, and if so, a detailed history thereof.
(h) A full description of that portion of the premises for which license is asked, and if any other business is to be conducted concurrently with the sale and distribution of malt or brewed beverages, a full history of such business, relating the
nature thereof, the length of time it has so previously been conducted by the applicant or his predecessor at such location, and such additional information as the [board] department may require.
(i) Every club applicant shall file with and as a part of its application a list of the names and addresses of its members, directors, officers, agents and employes, together with the dates of their admission, election or employment, and such other information with respect to its affairs as the [board] department shall require.
(j) The application must be verified by affidavit of applicant, and if any false statement is intentionally made in any part of the application, the affiant shall be deemed guilty of a misdemeanor and, upon conviction, shall be subject to the penalties provided by this article.

Section 33. Section 437 of the act, amended December 22, 1965 (P.L.1149, No.445), is amended to read:

Section 437. Prohibitions Against the Grant of Licenses.-(a) The [board] department shall refuse to grant any licenses unless the application therefor contains the information required by this act, and the premises meet such reasonable sanitary requirements as the [board] department, by regulation, shall prescribe.
(b) The [board] department shall refuse to grant a license to any club when it appears that the operation of such license would inure to the benefit of individual members, officers, agents or employes of the club, rather than to the benefit of the entire membership of the club.
(c) Licenses shall be granted by the [board] department only to reputable individuals, or to associations, partnerships and 19810н0328B0337 - 71 -
corporations whose members or officers and directors are reputable individuals.
(d) No person who holds, either by appointment or election, any public office which involves the duty to enforce any of the penal laws of the United States of America or any of the penal laws of this Commonwealth or any penal ordinance or resolution of any political subdivision of this Commonwealth shall be issued any manufacturer's, importing distributor's, distributor's or retail dispenser's license, nor shall such a person have any interest, directly or indirectly, in any such license.
(e) No distributor's or importing distributor's license shall be issued for any premises in any part of which there is operated any retail license for the sale of liquor or malt or brewed beverages.
(f) No new distributor's or importing distributor's license shall hereafter be granted by the [board] department in any county of the Commonwealth where the combined number of distributor and importing distributor licenses exceeds one license for each fifteen thousand inhabitants of the county in which the license is to be issued: Provided, That a combined total of five such licenses may be granted in any county of the Commonwealth.

Nothing in this subsection shall be construed as denying the right of the [board] department to renew or to transfer existing distributors' or importing distributors' licenses or to exchange a distributor's license for an importing distributor's license or to exchange an importing distributor's license for a distributor's license, upon adjustment of the applicable fee, notwithstanding that the number of such licensed places in the
county shall exceed the limitation hereinbefore prescribed: Provided, That no distributor's license or importing distributor's license shall be transferred from one county to another county so long as the quota is filled in the county to which the license is proposed to be transferred.

Section 34. Section 439 of the act, amended September 28, 1961 (P.L.1728, No.702), is amended to read:

Section 439. Malt or Brewed Beverage License Fees.--No public service license and no license to any manufacturer, distributor, importing distributor or retail dispenser shall be issued under the provisions of this subdivision (B) until the licensee shall have first paid an annual license fee, as follows:
(a) In the case of a manufacturer, the license fee shall be one thousand dollars $(\$ 1,000)$ for each place of manufacture and shall be paid to the [board] department. The fee for all such licenses when applied for and issued on or after April 1, but prior to July 1, shall be three-fourths of the annual fee; July 1, but prior to October 1, shall be one-half of the annual fee; October 1, but prior to January 1, shall be one quarter of the annual fee.
(b) In the case of a distributor, the license fee shall be four hundred dollars (\$400) and shall be paid to the [board] department.
(c) In the case of an importing distributor, the license fee shall be nine hundred dollars (\$900) and shall be paid to the [board] department.
(d) In the case of a retail dispenser, except clubs, the license fee shall be graduated according to the population of the municipality in which the place of business is located and
twenty-four containers, each container holding seven fluid ounces or more, or a case of twelve containers, each container holding twenty-four fluid ounces or more, except original containers containing one hundred twenty-eight ounces or more which may be sold separately; nor shall any manufacturer maintain or operate within the Commonwealth any place or places other than the place or places covered by his or its license where malt or brewed beverages are sold or where orders are taken.

Section 36. Section 441 of the act, amended October 23, 1959 (P.L.1360, No.471) and August 17, 1965 (P.L.346, No.182), is amended to read:

Section 441. Distributors' and Importing Distributors' Restrictions on Sales, Storage, Etc.--(a) No distributor or importing distributor shall purchase, receive or resell any malt or brewed beverages except in the original containers as prepared for the market by the manufacturer at the place of manufacture.
(b) No distributor or importing distributor shall sell any malt or brewed beverages in quantities of less than a case of twenty-four containers, each container holding seven fluid ounces or more, or a case of twelve containers, each container holding twenty-four fluid ounces or more, except original containers containing one hundred twenty-eight ounces or more which may be sold separately: Provided, That no malt or brewed beverages sold or delivered shall be consumed upon the premises of the distributor or importing distributor, or in any place provided for such purpose by such distributor or importing distributor.
(c) No distributor or importing distributor shall maintain
or operate any place where sales are made other than that for which the license is granted.
(d) No distributor or importing distributor shall maintain any place for the storage of malt or brewed beverages except in the same municipality in which the licensed premises is located and unless the same has been approved by the [board] department. In the event there is no place of cold storage in the same municipality, the [board] department may approve a place of cold storage in the nearest municipality.
(e) No distributor or importing distributor shall purchase, sell, resell, receive or deliver any malt or brewed beverages, except in strict compliance with the provisions of subsection (b) of section 431 of this act.

Section 37. Section 444 of the act, subsections (e), (f) and (i) amended December 12, 1980 (No.221), is amended to read:

Section 444. Malt or Brewed Beverages Manufactured Outside This Commonwealth.--(a) In addition to compliance with all other provisions of this act, the [board] department shall require each person desiring to sell any malt or brewed beverages manufactured outside this Commonwealth to Pennsylvania licensees, and shall require each Pennsylvania licensee who desires to purchase and resell any such malt or brewed beverages, to pay to the [board] department the same fees as are required to be paid by Pennsylvania licensees or by persons or licenses in any state, territory or country outside of Pennsylvania who desires to sell malt or brewed beverages manufactured in Pennsylvania to licensees in such other state, territory or country of origin of such malt or brewed beverages not manufactured in Pennsylvania, and to observe and comply with the same regulations, prohibitions and restrictions as are
required of or enforced against Pennsylvania licensees or persons who desire to purchase and resell malt or brewed beverages manufactured in Pennsylvania in such other state, territory or country of origin.
(b) In all cases where the [board] department shall have issued any reciprocal regulations or orders concerning malt or brewed beverages manufactured in any state, territory or country other than Pennsylvania, no Pennsylvania licensee shall purchase any such malt or brewed beverages if their importation has been prohibited, or if not entirely prohibited, unless such regulations or orders have been observed and complied with by the Pennsylvania licensee and by the person from or through whom the Pennsylvania licensee desires to purchase.
(c) Any malt or brewed beverages manufactured outside of Pennsylvania which are sold, transported or possessed in Pennsylvania contrary to any such regulations or orders of the [board] department, or without the payment of the fees herein required, shall be considered contraband and shall be confiscated by the [board] department and disposed of in the same manner as any other illegal liquor or malt or brewed beverages.
(d) Upon learning of the commission by a manufacturer of malt or brewed beverages whose principal place of business is outside this Commonwealth, or by any servant, agent, employe or representative of such manufacturer, within or partly within and partly outside this Commonwealth, of any violation of this act or any laws of this Commonwealth relating to liquor, alcohol or malt or brewed beverages, or of any regulation of the [board] department adopted pursuant thereto, or of any violation of any laws of this Commonwealth or of the United States of America
relating to the tax payment of liquor or malt or brewed beverages, the [board] department shall cite such manufacturer to appear before it or its examiner not less than ten nor more than fifteen days from the date of mailing such manufacturer at his principal place of business, wherever located, by registered mail, a notice to show cause why the further importation into this Commonwealth of malt or brewed beverages manufactured by him should not be prohibited.
(e) Upon such hearing, whether or not an appearance was made by such outside manufacturer, if satisfied that any such violation has occurred, the [board] department is specifically empowered and directed to issue an order imposing a fine upon such outside manufacturer of not less than five hundred dollars $(\$ 500)$ or more than ten thousand dollars $(\$ 10,000)$, or prohibiting the importation of malt or brewed beverages manufactured by such outside manufacturer into this Commonwealth for a period not exceeding three years, or both. Such fine or prohibition shall not go into effect until twenty days have elapsed from the date of notice of issuance of the board's order, during which time such manufacturer may take an appeal as provided for in this act. The aforesaid appeal shall act as a supersedeas unless upon sufficient cause shown the court shall determine otherwise.
(f) If, after hearing, the [board] department prohibits the importation of malt or brewed beverages manufactured by such outside manufacturer into this Commonwealth, notice of such [board] department action shall be given immediately to such manufacturer and to all persons licensed to import malt or brewed beverages within this Commonwealth by mailing a copy of such order to such manufacturer at its principal place of
business, wherever located, and to such licensees at their licensed premises. Thereafter, it shall be unlawful for any person licensed to import malt or brewed beverages within this Commonwealth to purchase any malt or brewed beverages manufactured by such outside manufacturer during the term of such prohibition.
(g) Any violation of such prohibitory order shall be a misdemeanor and shall be punished in the same manner as herein provided for any other violation of this act, and shall also constitute grounds for revocation or suspension of a license to import malt or brewed beverages.
(h) In all such cases, the [board] department shall file of record at least a brief statement in the form of an opinion of the reasons for the ruling or order.
(i) Any outside manufacturer aggrieved by the action of the board may appeal to the Commonwealth Court in the same manner as herein provided for appeals from refusals to grant licenses. Upon appeal, the court shall in the exercise of its discretion, sustain, reject, alter or modify the findings, conclusions and penalties of the [board] department, based on the findings of fact and conclusions of law as found by the court.

Section 38. Section 461 of the act, amended June 19, 1961 (P.L.484, No.245), September 2, 1971 (P.L.429, No.103) and December 12, 1980 (No.221), is amended to read:

Section 461. Limiting Number of Retail Licenses To Be Issued In Each Municipality.--(a) No licenses shall hereafter be granted by the [board] department for the retail sale of malt or brewed beverages or the retail sale of liquor and malt or brewed beverages in excess of one of such licenses of any class for each two thousand inhabitants in any municipality, exclusive of
licenses granted to airport restaurants, municipal golf courses and hotels, as defined in this section, and clubs; but at least one such license may be granted in each municipality and in each part of a municipality where such municipality is split so that each part thereof is separated by another municipality, except in municipalities where the electors have voted against the granting of any retail licenses and except in that part of a split municipality where the electors have voted against the granting of any retail licenses. Nothing contained in this section shall be construed as denying the right to the [board] department to renew or to transfer existing retail licenses of any class notwithstanding that the number of such licensed places in a municipality shall exceed the limitation hereinbefore prescribed; but where such number exceeds the limitation prescribed by this section, no new license, except for hotels, municipal golf courses, and airport restaurants, as defined in this section, shall be granted so long as said limitation is exceeded.
(b) The [board] department shall have the power to increase the number of licenses in any such municipality which in the opinion of the [board] department is located within a resort area.
(c) The word "hotel" as used in this section shall mean any reputable place operated by a responsible person of good reputation where the public may, for a consideration, obtain sleeping accommodations, and which shall have the following number of bedrooms and requirements in each case--at least onehalf of the required number of bedrooms shall be regularly available to transient guests seven days weekly, except in resort areas; at least one-third of such bedrooms shall be
any application made and pending prior to said date, nor to any renewal or transfer thereof, or hotels under construction or for which a bona fide contract had been entered into for construction prior to said date. In such cases, the provisions of section one of the act, approved the twenty-fourth day of June, one thousand nine hundred thirty-nine (Pamphlet Laws 806), shall continue to apply.
(d) "Airport restaurant," as used in this section, shall mean restaurant facilities at any airport for public accommodation, which are owned or operated directly or through lessees by the Commonwealth of Pennsylvania, by any municipal authority, county or city, either severally or jointly, with any other municipal authority, county or city, but shall not include any such restaurant facilities at any airport situated in a municipality where by vote of the electors the retail sale of liquor and malt or brewed beverages is not permitted.
(e) "Municipal golf course" as used in this section shall mean the restaurant facilities at any municipal golf course open for public accommodation, which are owned or operated directly or through lessees by a county, municipality or a municipal authority, severally or jointly with any other county, municipality or municipal authority, including any such restaurant facilities at any municipal golf course situate in a municipality where by vote of the electors the retail sale of liquor and malt and brewed beverages is not permitted.

Section 39. Section 461.1 of the act, added December 12, 1980 (No.221), is amended to read:

Section 461.1. Incorporated Units of National Veterans' Organizations.--(a) The [board] department shall have the authority to issue new licenses to incorporated units of
national veterans' organizations, as defined herein, in municipalities where the number of licenses exceeds the limitation prescribed by section 461.
(b) The term "national veterans' organization" shall mean any veterans' organization having a national charter.

The term "incorporated unit of a national veterans' organization" shall mean any incorporated post, branch, camp, detachment, lodge or other subordinate unit of a national veterans' organization having one hundred or more paid up members and organized for a period of at least three years prior to filing the application for a license.
(c) When the charter of an incorporated unit of a national veterans' organization is suspended or revoked, the retail license of the organization shall also be suspended or revoked. The retail license of an incorporated unit of a national veterans' organization is not transferable to any other organization or person.

Section 40. Section 462 of the act is amended to read:
Section 462. Licensed Places May Be Closed During Period of Emergency.--The [board] department may, with the approval of the Governor,
(a) Temporarily close all licensed places within any municipality during any period of emergency proclaimed to be such by the Governor.
(b) Advance by one hour the hours prescribed in this act as the hours during which liquor and malt or brewed beverages may be sold in any municipality during such part of the year when daylight saving time may be observed generally in such municipality.

Section 41. Section 463 of the act, amended November 17,

1967 (P.L.510, No.247) March 23, 1972 (P.L.122, No.46) and December 12, 1980 (No.221), is amended to read:

Section 463. Places of Amusement Not To Be Licensed; Penalty.--(a) No license for the sale of liquor or malt or brewed beverages in any quantity shall be granted to the proprietors, lessees, keepers or managers of any theater, circus, museum or other place of amusement, nor shall any house be licensed for the sale of liquor or malt or brewed beverages which has passage or communication to or with any theater, circus, museum or other place of amusement, and any license granted contrary to this act shall be null and void. Nothing contained in this section shall be construed as denying to the [board] department the right to grant a restaurant liquor license regardless of quota restrictions to the owner or operator of a restaurant in a building on a plot of ground owned or possessed under lease by a corporation incorporated under the laws of this Commonwealth and used principally by such corporation for holding outdoor sport events wherein such events are held under a license issued as provided by law to such corporation by a department, board or commission of the Commonwealth of Pennsylvania. The restaurant liquor license aforementioned shall be subject to all the conditions and restrictions herein applicable to restaurant liquor licenses, except the above prohibition against any passageway or communication between such licensed premises and the place of amusement.

Nothing contained in this act shall be construed as denying to the [board] department the right to grant a new restaurant liquor license, regardless of quota restrictions, at any time, to the owner or operator of a restaurant in a building or plot
of ground having a seating capacity in excess of twenty-five thousand, used principally for holding automobile races.
(a.1) Nothing contained in subsection (a) of this section or in section 102 of this act shall be construed as denying to the [board] department the right to grant a club or restaurant liquor or malt and brewed beverage license to a club incorporated in this Commonwealth which has been in existence less than one year prior to making application under this section or to a restaurant either of which has a clubhouse or restaurant located in a stadium or arena having an available seating capacity of twelve thousand or more and owned and operated by or pursuant to an agreement with any city of the first class or created and operated under and in compliance with the act of July 29, 1953 (P.L.1034, No.270), known as the "Public Auditorium Authorities Law," and used principally for events at which athletes compete or other types of performers entertain. The club or restaurant liquor or malt and brewed beverage license aforementioned shall be subject to all the conditions and restrictions applicable to such licenses and licenses for places of amusement, except the above prohibition against any passageway or communication between such licensed premises and the place of amusement.
(a.2) Nothing contained in this act shall be construed to prevent the holder of restaurant liquor or malt and brewed beverage license from selling liquor and malt or brewed beverages in a bowling alley when no minors are present where the restaurant and bowling alley are immediately adjacent and under the same roof. The restaurant liquor or malt and brewed beverage licensee aforementioned shall be subject to all the conditions and restrictions applicable to such restaurant
licenses except the above prohibition against any passageway or communication between a licensed premise and a place of amusement.
(b) Any proprietor, lessee, keeper or manager of any theater, circus, museum or other place of amusement, or any other person who shall violate the provisions of this section, shall be guilty of a misdemeanor and, upon conviction thereof, shall be sentenced to pay a fine of one hundred dollars and to undergo an imprisonment of not less than thirty days.

Section 42. Sections 464, 465 and 466 of the act are amended to read:

Section 464. Hearings Upon Refusal of Licenses, Renewals or Transfers; Appeals.--The [board] department may of its own motion, and shall upon the written request of any applicant for club, hotel or restaurant liquor license, or any applicant for any malt or brewed beverage license other than a public service license, or for renewal or transfer thereof, whose application for such license, renewal or transfer has been refused, fix a time and place for hearing of such application for license or for renewal or transfer thereof, notice of which hearing shall be mailed to the applicant at the address given in his application. Such hearing shall be before the [board] department, a member thereof, or an examiner designated by the [board] department. At such hearing, the [board] department shall present its reasons for its refusal or withholding of license, renewal or transfer thereof. The applicant may appear in person or by counsel, may cross-examine the witnesses for the [board] department and may present evidence which shall likewise be subject to cross-examination by the [board] department. Such hearing shall be stenographically recorded. The examiner shall
thereafter report to the [board] department upon such hearing. The [board] department shall thereupon grant or refuse the license, renewal or transfer thereof. In considering the renewal of a license, the [board] department shall not refuse any such renewal on the basis of the propriety of the original issuance or any prior renewal of such license. If the [board] department shall refuse such license, renewal or transfer following such hearing, notice in writing of such refusal shall be mailed to the applicant at the address given in his application. In all such cases, the [board] department shall file of record at least a brief statement in the form of an opinion of the reasons for the ruling or order and furnish a copy thereof to the applicant. Any applicant who has appeared before the [board] department or any agent thereof at any hearing, as above provided, who is aggrieved by the refusal of the [board] department to issue any such license or to renew or transfer any such license may appeal, or any church, hospital, charitable institution, school or public playground located within three hundred feet of the premises applied for, aggrieved by the action of the [board] department in granting the issuance of any such license or the transfer of any such license, may take an appeal limited to the question of such grievance, within twenty days from date of refusal or grant, to the court of [quarter sessions] common pleas of the county in which the premises applied for is located or the county court of Allegheny County. Such appeal shall be upon petition of the aggrieved party, who shall serve a copy thereof upon the [board] department, whereupon a hearing shall be held upon the petition by the court upon ten days' notice to the [board] department, which shall be represented in the proceeding by the Department of Justice. The said appeal shall
proceedings are pending against such license. All cash or securities received by the [board] department in lieu of other surety shall be turned over by the [board] department to the State Treasurer and held by him. The State Treasurer shall repay or return money or securities deposited with him to the respective depositors only on the order of the [board] department.
(c) No such bond shall be accepted until approved by the [board] department. All such bonds shall be conditioned for the faithful observance of all the laws of this Commonwealth relating to liquor, alcohol and malt or brewed beverages and the regulations of the [board] department. All bonds shall be retained by the [board] department.
(d) The penal sum of the respective bonds filed under the provisions of this section shall be as follows:
(1) Manufacturers of malt or brewed beverages, ten thousand dollars (\$10,000.00) for each place at which the licensee is authorized to manufacture.
(2) Liquor importers, ten thousand dollars (\$10,000.00) for each license.
(3) Sacramental wine licensees, ten thousand dollars (\$10,000.00) .
(4) Importing distributors of malt or brewed beverages, two thousand dollars (\$2,000.00).
(5) Hotel, restaurant, club and public service liquor licensees, two thousand dollars $(\$ 2,000.00)$, but in the case of a railroad or pullman company, such penal sum shall cover every dining, club or buffet car of such company operated under such license.
(6) Distributors of malt or brewed beverages, one thousand
dollars (\$1,000.00).
(7) Retail dispensers and public service malt or brewed beverage licensees, one thousand dollars (\$1,000.00) for each place at which the licensee is authorized to sell malt or brewed beverages, except that in the case of railroad or pullman companies, said penal sum shall be one thousand dollars (\$1,000.00), irrespective of the number of licensed cars operated by the company.
(e) Every such bond may be forfeited when a license is revoked and shall be turned over to the Attorney General for collection if and when the licensee's license shall have been revoked and his bond forfeited as provided in this act.

Section 466. Disposition of Cash and Securities Upon Forfeiture of Bond.--After notice from the [board] department that any of the aforesaid bonds have been forfeited, the State Treasurer shall immediately pay into the State Stores Fund all cash deposited as collateral with such bond, and when securities have been deposited with such bond, the State Treasurer shall sell, at private sale, at not less than the prevailing market price, any such securities so deposited as collateral with such forfeited bond. The State Treasurer shall thereafter deposit in the State Stores Fund the net amount realized from the sale of such securities, except that if the amount so realized, after deducting proper costs and expenses, is in excess of the penal amount of the bond, such excess shall be paid over by him to the obligor on such forfeited bond.

Section 43. Section 468 of the act, amended June 17, 1971 (P.L.166, No.13) and November 26, 1978 (P.L.1389, No.326), is amended to read:

Section 468. Licenses Not Assignable; Transfers.--(a)

Licenses issued under this article may not be assigned. The [board] department, upon payment of the transfer filing fee and the execution of a new bond, is hereby authorized to transfer any license issued by it under the provisions of this article from one person to another or from one place to another, or both, within the same municipality, as the [board] department may determine. The [board] department, in its discretion, may transfer an existing restaurant retail dispenser or club license from one municipality to another in the same county regardless of the quota limitations provided for in this act, if sales of liquor or malt and brewed beverages are legal in such other municipality and if the restaurant retail dispenser or club lost the use of the building in which it was located due to governmental exercise of the right of eminent domain and no other suitable building can be found in the first municipality. In the case of distributor and importing distributor licenses, the [board] department may transfer any such license from its place in a municipality to a place in any other municipality within the same county, or from one place to another place within the same municipality, or exchange a distributor license for an importing distributor license or an importing distributor license for a distributor license, if the building for which the license is to be issued has, in the case of an importing distributor license, an area under one roof of two thousand five hundred square feet and, in the case of a distributor license, an area under one roof of one thousand square feet: And provided, That, in the case of all transfers of distributor or importing distributor licenses, whether from a place within the same municipality to another place within the same municipality or from a place in a municipality to a place in any other
municipality within the same county, and, in the case of an exchange of a distributor license for an importing distributor license or an importing distributor license for a distributor license, the premises to be affected by the transfer or exchange shall contain an office separate and apart from the remainder of the premises to be licensed for the purpose of keeping records, required by the [board] department, adequate toilet facilities for employes of the licensee and an entrance on a public thoroughfare: Provided, however, That in the event that the majority of the voting electors of a municipality, at an election held under the provisions of any law so empowering them to do, shall vote against the issuance of distributor or importing distributor licenses in such municipality, the [board] department is hereby authorized to transfer any such distributor or importing distributor license from its place in such municipality to a place in any other municipality within the same county, upon application prior to the expiration of any such license and upon payment of the transfer filing fee and the execution of a new bond; but no transfer shall be made to a person who would not have been eligible to receive the license originally nor for the transaction of business at a place for which the license could not lawfully have been issued originally, nor, except as herein provided, to a place as to which a license has been revoked. No license shall be transferred to any place or property upon which is located as a business the sale of liquid fuels and oil. Except in cases of emergency such as death, serious illness, or circumstances beyond the control of the licensee, as the [board] department may determine such circumstances to justify its action, transfers of licenses may be made only at times fixed by the
[board] department. In the case of the death of a licensee, the [board] department may transfer the license to the surviving spouse or personal representative or to a person designated by him. From any refusal to grant a transfer or upon the grant of any transfer, the party aggrieved shall have the right of appeal to the proper court in the manner hereinbefore provided.
(b.1) In the event that any person to whom a license shall have been issued under the provisions of this article shall become insolvent, make an assignment for the benefit of creditors, become bankrupt by either voluntary or involuntary action, the license of such person shall be immediately placed in safekeeping with the [board] department for the balance of the term of the license and for an additional period of one year upon application to the [board] department by the trustee, receiver, or assignee. The trustee, receiver, or assignee shall have, during said period of safekeeping, the same rights, benefits and obligations as to the license as the person to whom the license had been issued, including the right to transfer the license subject to the approval of the [board] department. The license shall continue as a personal privilege granted by the [board] department and nothing herein shall constitute the license as property.

Section 44. Section 469 of the act, amended September 28, 1961 (P.L.1728, No.702), is amended to read:

Section 469. Applications for Transfers; Fees.--Every applicant for a transfer of a license under the provisions of this article shall file a written application with the [board] department, together with a filing fee of thirty dollars (\$30) if the license to be transferred is a liquor license, and twenty dollars (\$20) if the license is a malt or brewed beverage
license. Such application shall be in such form and shall be filed at such times as the [board] department shall in its regulations prescribe. Each such applicant shall also file an approved bond as required on original applications for such licenses.

Whenever any license is transferred, no license or other fees shall be required from the persons to whom such transfer is made for the balance of the then current license year, except the filing fee as herein provided.

Section 45. Section 470 of the act, amended August 1, 1969 (P.L.219, No.87), is amended to read:

Section 470. Renewal of Licenses; Temporary Provisions for Licensees in Armed Service.--(a) All applications for renewal of licenses under the provisions of this article shall be filed with a new bond, requisite license and filing fees at least sixty days before the expiration date of same: Provided, however, That the [board] department, in its discretion, may accept a renewal application filed less than sixty days before the expiration date of the license with the required bond and fees, upon reasonable cause shown and the payment of an additional filing fee of one hundred dollars (\$100.00) for late filing: And provided further, That except where the failure to file a renewal application or before the expiration date has created a license quota vacancy after said expiration date which has been filled by the issuance of a new license, after such expiration date, but before the [board] department has received a renewal application within the time prescribed herein the [board] department, in its discretion, may, after hearing, accept a renewal application filed within ten months after the expiration date of the license with the required bond and fees
upon the payment of an additional filing fee of two hundred fifty dollars (\$250.00) for late filing. Where any such renewal application is filed less than sixty days before the expiration date, or subsequent to the expiration date, no license shall issue upon the filing of the renewal application until the matter is finally determined by the [board] department and if an appeal is taken from the [board's] department's action the courts shall not order the issuance of the renewal license until final determination of the matter by the courts. A renewal application will not be considered filed unless accompanied by a new bond and the requisite filing and license fees and any additional filing fee required by this section. Unless the [board] department shall have given ten days' previous notice to the applicant of objections to the renewal of his license, based upon violation by the licensee or his servants, agents or employes of any of the laws of the Commonwealth or regulations of the [board] department relating to the manufacture, transportation, use, storage, importation, possession or sale of liquors, alcohol or malt or brewed beverages, or the conduct of a licensed establishment, or unless the applicant has by his own act become a person of ill repute, or unless the premises do not meet the requirements of this act or the regulations of the [board] department, the license of a licensee shall be renewed.
(b) In cases where a licensee or his servants, agents or employes are arrested, charged with violating any of the laws of this Commonwealth relating to liquor, alcohol or malt or brewed beverages, and where the [board] department has on file in such cases reports of its enforcement officers or investigators or from other sources that a licensee or his servants, agents or employes have violated any of the aforementioned laws and a
proceeding to revoke such licensee's license is or is about to be instituted, and such arrest occurs or report of violations is received or revocation proceeding instituted or about to be instituted during the time a renewal application of such license is pending before the [board] department, the [board] department may, in its discretion, renew the license, notwithstanding such alleged violations, but such renewal license may be revoked if and when the licensee or any of his servants, agents or employes are convicted of or plead guilty to violations under the previous license, as aforesaid, or if and when such previous license is for any reason revoked.

In the event such renewal license is revoked by the [board] department, neither the license fee paid for such license nor any part thereof shall be returned to the licensee, but the license bond filed with the application for such renewal of license shall not be forfeited.
(c) Notwithstanding anything to the contrary in this section, any individual who holds a restaurant or hotel liquor license or a retail dispenser (hotel or eating place) malt or brewed beverage license in effect at the time such individual enters the armed forces of the United States of America, may surrender to the [board] department for safekeeping the said license and, if surrendered, shall furnish the [board] department with documentary evidence as to his entering such armed forces. Upon surrender of the license, the [board] department shall, without the filing of an application for renewal or surety bond, the payment of filing and license fees, renew the said license from year to year and hold the same in its possession for the benefit of such licensee. A license so renewed by the [board] department shall to all intents and
purposes be considered as in full force and effect, notwithstanding the licensee is not exercising the privileges thereunder, and shall be returned to the said licensee at any time within one year from the date of his honorable discharge from the armed forces of the United States upon the filing of an application therefor, surety bond, and payment of the filing and license fees as hereinafter provided. The said application for return of license shall be on a form prescribed by the [board] department, accompanied by a filing fee in the sum of ten dollars (\$10.00) and the prescribed license fee, except that when such application is filed after a portion of the then current license term has elapsed, the license fee shall be prorated on a monthly basis for the balance of the license year: Provided, however, That the said license shall not be returned if the electors of the municipality in which the licensed establishment is situate have voted against the granting of retail liquor licenses or against the granting of retail dispenser licenses, as the case may be, under the local option provision of this act. In the event the premises originally covered by the license are not available for occupancy by the licensee at the time he files his application for return of license, as hereinbefore provided, he shall be permitted to file an application for transfer of the license to other premises in the same municipality. Such transfer of the license shall be subject to all of the provisions of this act pertaining to the transfer of such licenses.

This subsection (c) was enacted due to conditions caused by the present war and shall remain in effect only until the termination of said war and one year thereafter.

Section 46. Section 471 of the act, amended January 13, 1966
(1965 P.L.1301, No.518), is amended to read:
Section 471. Revocation and Suspension of Licenses; Fines.-Upon learning of any violation of this act or any laws of this Commonwealth relating to liquor, alcohol or malt or brewed beverages, or of any regulations of the [board] department adopted pursuant to such laws, of any violation of any laws of this Commonwealth or of the United States of America relating to the tax-payment of liquor or malt or brewed beverages by any licensee within the scope of this article, his officers, servants, agents or employes, or upon any other sufficient cause shown, the [board] department may, within one year from the date of such violation or cause appearing, cite such licensee to appear before it or its examiner, not less than ten nor more than sixty days from the date of sending such licensee, by registered mail, a notice addressed to him at his licensed premises, to show cause why such license should not be suspended or revoked or a fine imposed. Hearings on such citations shall be held in the same manner as provided herein for hearings on applications for license. Upon such hearing, if satisfied that any such violation has occurred or for other sufficient cause, the [board] department shall immediately suspend or revoke the license, or impose a fine of not less than fifty dollars (\$50) nor more than one thousand dollars (\$1,000), notifying the licensee by registered letter addressed to his licensed premises. In the event the fine is not paid within twenty days of the order the [board] department shall suspend or revoke the license, notifying the licensee by registered mail addressed to his licensed premises. Suspensions and revocations shall not go into effect until twenty days have elapsed from the date of notice of issuance of the [board's] department's order, during
which time the licensee may take an appeal as provided for in this act. When a license is revoked, the licensee's bond may be forfeited by the [board] department. Any licensee whose license is revoked shall be ineligible to have a license under this act until the expiration of three years from the date such license was revoked. In the event the [board] department shall revoke a license, no license shall be granted for the premises or transferred to the premises in which the said license was conducted for a period of at least one year after the date of the revocation of the license conducted in the said premises, except in cases where the licensee or a member of his immediate family is not the owner of the premises, in which case the [board] department may, in its discretion, issue or transfer a license within the said year. In all such cases, the [board] department shall file of record at least a brief statement in the form of an opinion of the reasons for the ruling or order. In the event the person who was fined or whose license was suspended or revoked by the [board] department shall feel aggrieved by the action of the [board] department, he shall have the right to appeal to the court of [quarter sessions] common pleas or the county court of Allegheny County in the same manner as herein provided for appeals from refusals to grant licenses. Upon appeal, the court so appealed to shall, in the exercise of its discretion, sustain, reject, alter or modify the findings, conclusions and penalties of the [board] department, based on the findings of fact and conclusions of law as found by the court. The aforesaid appeal shall act as a supersedeas unless upon sufficient cause shown the court shall determine otherwise. No penalty provided by this section shall be imposed by the [board] department or any court for any violations provided for
in this act unless the enforcement officer or the [board] department notifies the licensee of its nature and of the date of the alleged violation within ten days of the completion of the investigation which in no event shall exceed ninety days.

If the violation in question is a third or subsequent violation of this act or [the act of June 24, 1939 (P.L.872), known as "The Penal Code,"] Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes occurring within a period of four years the [board] department shall impose a suspension or revocation.

The jurisdiction of the county court of Allegheny County conferred hereby shall be exclusive within the territorial limits of its jurisdiction.

Section 47. Section 472 of the act, amended July 11, 1980 (No.117), is amended to read:

Section 472. Local Option.--In any municipality or any part of a municipality where such municipality is split so that each part thereof is separated by another municipality, an election may be held on the date of the primary election immediately preceding any municipal election, but not oftener than once in four years, to determine the will of the electors with respect to the granting of liquor licenses to hotels, restaurants and clubs, not oftener than once in four years, with respect to the granting of licenses to retail dispensers of malt and brewed beverages, not oftener than once in four years with respect to granting of licenses to wholesale distributors and importing distributors, or not more than once in four years with respect to the establishment, operation and maintenance by the board of Pennsylvania liquor stores, within the limits of such municipality or part of a split municipality, under the
provisions of this act: Provided, however, Where an election shall have been held at the primary preceding a municipal election in any year, another election may be held under the provisions of this act at the primary occurring the fourth year after such prior election: And provided further, That an election on the question of establishing and operating a State liquor store shall be initiated only in those municipalities, or that part of a split municipality that shall have voted against the granting of liquor licenses; and that an election on the question of granting wholesale distributor and importing distributor licenses shall be initiated only in those municipalities or parts of split municipalities that shall have at a previous election voted against the granting of dispenser's licenses. Whenever electors equal to at least twenty-five per centum of the highest vote cast for any office in the municipality or part of a split municipality at the last preceding general election shall file a petition with the county board of elections of the county for a referendum on the question of granting any of said classes of licenses or the establishment of Pennsylvania liquor stores, the said county board of elections shall cause a question to be placed on the ballots or on the voting machine board and submitted at the primary immediately preceding the municipal election. Separate petitions must be filed for each question to be voted on. Said proceedings shall be in the manner and subject to the provisions of the election laws which relate to the signing, filing and adjudication of nomination petitions, insofar as such provisions are applicable.

When the question is in respect to the granting of liquor licenses, it shall be in the following form:

Do you favor the granting of liquor licenses
for the sale of liquor in........................... Yes
of. ? No

When the question is in respect to the granting of licenses to retail dispensers of malt and brewed beverages, it shall be
in the following form:
Do you favor the granting of malt and brewed
beverage retail dispenser licenses for
consumption on premises where sold in the....... Yes
of..................................................? No
When the question is in respect to the granting of licenses to wholesale distributors of malt or brewed beverages and importing distributors, it shall be in the following form:

Do you favor the granting of malt and brewed beverage wholesale distributor's and importing
distributor's licenses not for consumption on
premises where sold in the Yes
of..................................................... ? No
When the question is in respect to the establishment, operation and maintenance of Pennsylvania liquor stores it shall be in the following form:

Do you favor the establishment, operation
and maintenance of Pennsylvania liquor
stores in the Yes
of.................................................... ? No
In case of a tie vote, the status quo shall obtain. If a majority of the voting electors on any such question vote "yes," then liquor licenses shall be granted by the [board] department to hotels, restaurants and clubs, or malt and brewed beverage retail dispenser licenses or wholesale distributor's and
importing distributor's license for the sale of malt or brewed beverages shall be granted by the [board] department, or the [board] department may establish, operate and maintain Pennsylvania liquor stores, as the case may be, in such municipality or part of a split municipality, as provided by this act; but if a majority of the electors voting on any such question vote "no," then the [board] department shall have no power to grant or to renew upon their expiration any licenses of the class so voted upon in such municipality or part of a split municipality; or if the negative vote is on the question in respect to the establishment, operation and maintenance of Pennsylvania liquor stores, the [board] department shall not open and operate a Pennsylvania liquor store in such municipality or part of a split municipality, nor continue to operate a then existing Pennsylvania liquor store in the municipality or part of a split municipality for more than two years thereafter or after the expiration of the term of the lease on the premises occupied by such store, whichever period is less, unless and until at a later election a majority of the voting electors vote "yes" on such question.

Section 48. Section 472.1 of the act, added September 15, 1961 (P.L.1337, No.590), is amended to read:

Section 472.1. Clubs.--Whenever any club in existence at least five years prior to the time of application for license owns a contiguous plot of land in more than two municipalities in one or more but less than all of which the granting of liquor licenses has not been prohibited and at least one acre of the plot of land owned by the club is situated in each municipality in which the granting of liquor licenses has not been prohibited, the club may be issued a club liquor license or a
catering license by the [board] department if the [board] department finds that the license will not be detrimental to any residential neighborhood. This section shall not be construed to prohibit the issuance of club liquor licenses or catering licenses which may otherwise be issued under the provisions of this act.

Section 49. Section 472.2 of the act, added November 18, 1969 (P.L.296, No.124), is amended to read:

Section 472.2. Granting of Liquor Licenses in Certain Municipalities.--(a) In any municipality which has, prior to January 1, 1967, by referendum approved the granting of malt and brewed beverage retail dispensers' licenses and has also thereafter, in a separate and subsequent referendum approved the granting of liquor licenses prior to the effective date of this amendment, the [board] department may issue to an applicant holding a malt and brewed beverage retail dispenser's license, a liquor license: Provided, That the applicant surrenders for cancellation the malt and brewed beverage retail dispenser's license. The [board] department shall not issue such a liquor license in excess of one for each one thousand five hundred residents in said municipality and any application for said license shall be filed within two years from the effective date of this amendment.
(b) Nothing in this section shall otherwise affect any existing malt and brewed beverage retail dispenser's license.
(c) The [board] department may not accept, act upon, or grant an application for a liquor license under this section, when such application, if granted, would cause an excess in the aforesaid quota of one liquor license for each one thousand five hundred residents in said municipality. Nor shall an applicant
under this section be required to surrender his malt and brewed beverage retail dispenser's license until and unless the [board] department has granted his application for a liquor license.

Section 50. Section 472.3 of the act, added July 3, 1980 (No.88), is amended to read:

Section 472.3. Exchange of Certain Licenses.--(a) In any municipality wherein restaurant liquor license issue, the [board] department may issue to a club as defined in this act, a club liquor license in exchange for a club retail dispenser license.
(b) An applicant under this section shall surrender his club retail dispenser license for cancellation prior to the issuance of the new club liquor license.
(c) The applicant for such exchange of license shall file an application for a club liquor license and shall post a notice of such application in the manner provided in section 403. In determining whether the exchange shall be granted the [board] department shall have the same discretion as provided in section 404 in the case of any new license.
(d) The provisions of section 461 pertaining to quota shall not pertain to this section for exchange purposes.

Section 51. Section 473 of the act, added January 13, 1966 (1965 P.L. 1301, No.518), is amended to read:

Section 473. Public Record.--(a) Any person having a pecuniary interest in the conduct of business on licensed premises whether that interest is direct or indirect, legal or equitable, individual, corporate, or mutual shall file his name and address with the [board] department on forms provided by the [board] department. In the case of corporate ownership, the secretary of the corporation shall file with the [board]
department the names and addresses of all persons having such a corporate pecuniary interest.
(b) The names and addresses required by this section shall be recorded by the [board] department and made available to the public as a public record.

Section 52. Section 474 of the act, added July 20, 1968 (P.L.429, No.201), is amended to read:

Section 474. Surrender of Club Licenses for Benefit of Licensees.--Whenever a club license has been returned to the [board] department for the benefit of the licensee due to the licensed establishment not having been in operation for any reason whatsoever for a period of time not exceeding fifteen days, the license shall be held by the [board] department for the benefit of the licensee for a period of time not exceeding one year, or, upon proper application to the [board] department, for an additional year, and the license shall be revoked at the termination of the period, and transfer of the license shall not be permitted after the termination of the period.

Section 53. Section 491 of the act, amended July 18, 1961 (P.L.789, No.347), May 5, 1970 (P.L.342, No.110), October 11, 1972 (P.L.906, No.215), October 2, 1974 (P.L.665, No.220), October 10, 1974 (P.L.692, No.231) and December 12, 1980 (No.221), is amended to read:

Section 491. Unlawful Acts Relative to Liquor, Alcohol and Liquor Licensees.--

It shall be unlawful--
(1) Sales of Liquor. For any person, by himself or by an employe or agent, to expose or keep for sale, or directly or indirectly, or upon any pretense or upon any device, to sell or offer to sell any liquor within this Commonwealth, except in
accordance with the provisions of this act and the regulations of the [board] department. This clause shall not be construed to prohibit hospitals, physicians, dentists or veterinarians who are licensed and registered under the laws of this Commonwealth from administering liquor in the regular course of their professional work and taking into account the cost of the liquor so administered in making charges for their professional service, or a pharmacist duly licensed and registered under the laws of this Commonwealth from dispensing liquor on a prescription of a duly licensed physician, dentist or veterinarian, or selling medical preparations containing alcohol, or using liquor in compounding prescriptions or medicines and making a charge for the liquor used in such medicines, or a manufacturing pharmacist or chemist from using liquor in manufacturing preparations unfit for beverage purposes and making a charge for the liquor so used. All such liquor so administered or sold by hospitals, physicians, dentists, veterinarians, pharmacists or chemists shall conform to the Pharmacopoeia of the United States, the National Formulary, or the American Homeopathic Pharmacopoeia.
(2) Possession or Transportation of Liquor or Alcohol. For any person, except a manufacturer or the [board] department or the holder of a sacramental wine license or of an importer's license, to possess or transport any liquor or alcohol within this Commonwealth which was not lawfully acquired prior to January first, one thousand nine hundred and thirty-four, or has not been purchased from a Pennsylvania Liquor Store or a licensed limited winery in Pennsylvania, except miniatures totalling less than one gallon purchased by a collector of the same in another state or foreign country, or in accordance with
the [board's] department's regulations. The burden shall be upon the person possessing or transporting such liquor or alcohol to prove that it was so acquired. But nothing herein contained shall prohibit the manufacture or possession of wine by any person in his home for consumption of himself, his family and guests and not for sale, not exceeding, during any one calendar year, two hundred gallons, any other law to the contrary notwithstanding. Such wine shall not be manufactured, possessed, offered for sale or sold on any licensed premises.

None of the provisions herein contained shall prohibit nor shall it be unlawful for any person to import into Pennsylvania, transport or have in his possession, an amount of liquor not exceeding one gallon in volume upon which a State tax has not been paid, if it can be shown to the satisfaction of the [board] department that such person purchased the liquor in a foreign country or United States territory and was allowed to bring it into the United States. Neither shall the provisions contained herein prohibit nor make it unlawful for (i) any member of the armed forces on active duty, or (ii) any retired member of the armed forces, or (iii) any totally disabled veteran, or (iv) the spouse of any person included in the foregoing classes of persons to import into Pennsylvania, transport or have in his possession an amount of liquor not exceeding one gallon per month in volume upon which the State tax has not been paid, so long as such liquor has been lawfully purchased from a package store established and maintained under the authority of the United States and is in containers identified in accordance with regulations issued by the Department of Defense. Such liquor shall not be possessed, offered for sale or sold on any licensed premises.

None of the provisions herein contained shall prohibit nor shall it be unlawful for any consul general, consul or other diplomatic officer of a foreign government to import into Pennsylvania, transport or have in his possession liquor upon which a State tax has not been paid, if it can be shown to the satisfaction of the [board] department that such person acquired the liquor in a foreign country and was allowed to bring it into the United States. Such liquor shall not be possessed, offered for sale or sold on any licensed premises.

Any person violating the provisions of this clause for a first offense involving the possession or transportation in Pennsylvania of any liquor in a package (bottle or other receptacle) or wine not purchased from a Pennsylvania Liquor Store or from a licensed limited winery in Pennsylvania, with respect to which satisfactory proof is produced that the required Federal tax has been paid and which was purchased, procured or acquired legally outside of Pennsylvania shall upon conviction thereof in a summary proceeding be sentenced to pay a fine of twenty-five dollars (\$25) for each such package, plus costs of prosecution, or undergo imprisonment for a term not exceeding ninety (90) days. Each full quart or major fraction thereof shall be considered a separate package (bottle or other receptacle) for the purposes of this clause. Such packages of liquor shall be forfeited to the Commonwealth in the manner prescribed in Article VI of this act but the vehicle, boat, vessel, animal or aircraft used in the illegal transportation of such packages shall not be subject to forfeiture: Provided, however, That if it is a second or subsequent offense or if it is established that the illegal possession or transportation was in connection with a commercial transaction, then the other
provisions of this act providing for prosecution as a misdemeanor and for the forfeiture of the vehicle, boat, vessel, animal or aircraft shall apply.
(3) Purchase of Liquor or Alcohol. For any person within this Commonwealth, by himself or by an employe or agent, to attempt to purchase, or directly or indirectly, or upon any pretense or device whatsoever, to purchase any liquor or alcohol from any person or source other than a Pennsylvania Liquor Store, except in accordance with the provisions of this act or the regulations of the [board] department.
(4) Possession and Use of Decanters. For any person to use decanters of alcoholic beverages except that the use of decanters or other similar receptacles by licensees shall be permitted in the case of wines and then only in accordance with the regulations of the [board] department, but nothing herein contained shall prohibit the manufacture and possession of wine as provided in clause (2) of this section.
(5) Failure to Break Empty Liquor Containers. For any restaurant, hotel or club licensee, his servants, agents or employes, to fail to break any package in which liquors were contained, except those decanter packages that the [board] department determines to be decorative, within twenty-four hours after the original contents were removed therefrom.
(6) Sales by Restaurant and Hotel Liquor Licensees. For any restaurant or hotel licensee, his servants, agents or employes, to sell any liquor or malt or brewed beverages for consumption on the licensed premises except in a room or rooms or place on the licensed premises at all times accessible to the use and accommodation of the general public, but this section shall not be interpreted to prohibit a hotel licensee, or a restaurant
licensee when the restaurant is located in a hotel, from seling liquor or malt or brewed beverages in any room of such hotel occupied by a bona fide guest or to prohibit a restaurant licensee from selling liquor or malt or brewed beverages in a bowling alley when no minors are present where the restaurant and bowling alley are immediately adjacent and under the same roof.
(7) Sales of Liquor by Manufacturers and Licensed Importers. For any manufacturer or licensed importer of liquor in this Commonwealth, his agents, servants or employes, to sell or offer to sell any liquor in this Commonwealth except to the [board] department for use in Pennsylvania Liquor Stores, and in the case of a manufacturer, to the holder of a sacramental wine license or an importer's license, but a manufacturer or licensed importer may sell or offer to sell liquor to persons outside of this Commonwealth.
(8) Importation and Sales of Alcohol. For any person, to import alcohol into this Commonwealth, or to sell alcohol to any person, except in accordance with the regulations of the [board] department.
(9) Possession of Alcohol. For any person, to have alcohol in his possession, except in accordance with the provisions of this act and the regulations of the [board] department.
(10) Fortifying, Adulterating or Contaminating Liquor. For any licensee or any employe or agent of a licensee or of the [board] department, to fortify, adulterate or contaminate any liquor, except as permitted by the regulations of the [board] department, or to refill wholly or in part, with any liquid or substance whatsoever, any liquor bottle or other liquor container.
(11) Importation of Liquor. For any person, other than the [board] department or the holder of a sacramental wine license or of an importer's license, to import any liquor whatsoever into this Commonwealth, but this section shall not be constructed to prohibit railroad and pullman companies from selling liquors purchased outside the Commonwealth in their dining, club and buffet cars which are covered by public service liquor licenses and which are operated in this Commonwealth.
(12) Delivery of Liquor by Certain Licensees. For a liquor licensee permitted to deliver liquor, to make any deliveries except in his own vehicles bearing his name, address and license number on each side in letters not smaller than four inches in height, or in the vehicle of another person duly authorized to transport liquor within this Commonwealth.
(13) Violation of Certain Rules and Regulations of [Board] Department. For any person, to violate any rules and regulations adopted by the [board] department to insure the equitable wholesale and retail sale and distribution of liquor and alcohol through the Pennsylvania Liquor Stores.
(14) Offering Commission or Gift to Members of [Board] Department or State Employe. For any person selling or offering to sell liquor or alcohol to, or purchasing at wholesale liquor or alcohol from, the [board] department, either directly or indirectly, to pay or offer to pay any commission, profit or remuneration, or to make or offer to make any gift to any member or employe of the [board] department or other employe of the Commonwealth or to anyone on behalf of such member or employe.

Section 54. Section 492 of the act, amended July 3, 1957 (P.L.475, No. 268), March 5, 1973 (P.L.1, No.1), June 16, 1975 (P.L.14, No.5) and June 22, 1980 (No.73), is amended to read:

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

It shall be unlawful--
(1) Manufacturing Without License. For any person, to manufacture malt or brewed beverages, unless such person holds a valid manufacturer's license for such purpose issued by the [board] department.
(2) Sales of Malt or Brewed Beverages for Consumption on the Premises. For any person, to sell to another for consumption upon the premises where sold or to permit another to consume upon the premises where sold, any malt or brewed beverages, unless such person holds a valid retail dispenser license or a valid liquor license issued by the [board] department authorizing the sale of malt or brewed beverages for consumption upon such premises.
(3) Sales of Malt or Brewed Beverages Not for Consumption on the Premises. For any person, to sell to another any malt or brewed beverages not for consumption upon the premises where sold, unless such person holds a valid license permitting such sale.
(4) Sunday Sales of Malt or Brewed Beverages by Manufacturers, Importing Distributors or Distributors. For any manufacturer of malt or brewed beverages, importing distributor or distributor, or the servants, agents or employes of the same, to sell, trade or barter in malt or brewed beverages between the hours of twelve o'clock midnight of any Saturday and two o'clock in the forenoon of the following Monday.
(5) Sales of Malt or Brewed Beverages by Hotels, Eating Places or Public Service Licensees During Prohibited Hours.--For any hotel or eating place holding a retail dispenser's license,
or the servants, agents or employes of such licensees, to sell, trade or barter in malt or brewed beverages between the hours of two o'clock antemeridian Sunday and seven o'clock in the forenoon of the following Monday, or between the hours of two o'clock antemeridian and seven o'clock antemeridian of any week day: Provided, That notwithstanding any provision to the contrary, whenever the thirty-first day of December falls on a Sunday such sales of malt or brewed beverages may be made on such day after one o'clock postmeridian and until two o'clock antemeridian of the following day: And provided further, That any hotel or eating place holding a retail dispenser's license which has sales of food and nonalcoholic beverages equal to forty per cent or more of the combined gross sales of both food and malt or brewed beverages may sell malt or brewed beverages between the hours of one o'clock postmeridian on Sunday and two o'clock antemeridian on Monday upon purchase of a special annual permit from the [board] department at a fee of one hundred dollars (\$100.00) per year, which shall be in addition to any other license fees. For any public service licensee authorized to sell malt or brewed beverages or the servants, agents or employes of such licensees to sell, trade or barter in malt or brewed beverages between the hours of two o'clock antemeridian and seven o'clock antemeridian on any day.

Any licensee holding a retail dispenser license or a malt or brewed beverage public service license may, by giving notice to the [board] department, advance by one hour the hours herein prescribed as those during which malt or brewed beverages may be sold during such part of the year when daylight saving time is being observed generally in the municipality in which the place of business is located. Any licensee who elects to operate his
place of business in accordance with daylight saving time shall post a conspicuous notice in his place of business that he is operating in accordance with daylight saving time.
(6) Sales of Malt or Brewed Beverages on Election Day by Hotels, Eating Places or Public Service Licensees. For any hotel or eating place holding a retail dispenser's license, or any malt or brewed beverage public service licensee, or his servants, agents or employes, to sell, furnish or give any malt or brewed beverages to any person after two o'clock antemeridian, or until one hour after the time fixed by law for the closing of polling places on days on which a general, municipal, special or primary election is being held except as permitted by subsection (a) of section 406 .
(7) Clubs Selling Between Three O'Clock Antemeridian and Seven O'Clock Antemeridian. For any club retail dispenser, or its servants, agents or employes, to sell malt or brewed beverages between the hours of three o'clock antemeridian and seven o'clock antemeridian on any day.
(8) Transportation of Malt or Brewed Beverages. For any person, to transport malt or brewed beverages except in the original containers, or to transport malt or brewed beverages for another who is engaged in selling either liquor or malt or brewed beverages, unless such person shall hold (a) a license to transport for hire, alcohol, liquor and malt or brewed beverages as hereinafter provided in this act, or (b) shall hold a permit issued by the [board] department and shall have paid to the [board] department such permit fee, not exceeding one hundred dollars (\$100), and shall have filed with the [board] department a bond in the penal sum of not more than two thousand dollars (\$2000), as may be fixed by the rules and regulations of the
[board] department, any other law to the contrary notwithstanding.
(9) Transportation of Malt or Brewed Beverages by Licensee. For a malt or brewed beverage licensee, to deliver or transport any malt or brewed beverages, excepting in vehicles bearing the name and address and license number of such licensee painted or affixed on each side of such vehicle in letters no smaller than four inches in height.
[(10) Importing or Transporting Malt or Brewed Beverages Without Tax Stamps. For any person, to transport within or import any malt or brewed beverages into this Commonwealth, except in accordance with the rules and regulations of the board, or for any person to transport malt or brewed beverages into or within this Commonwealth, unless there shall be affixed to the original containers in which such malt or brewed beverages are transported, stamps or crowns evidencing the payment of the malt liquor tax to the Commonwealth: Provided, however, That this clause shall not be construed to prohibit transportation of malt or brewed beverages through this Commonwealth and not for delivery therein, if such transporting is done in accordance with the rules and regulations of the board.]
(11) Delivery of Malt or Brewed Beverages With Other Commodities. For any manufacturer, importing distributor or distributor, or his servants, agents or employes, except with [board] department approval, to deliver or transport any malt or brewed beverages in any vehicle in which any other commodity is being transported.
(12) Distributors and Importing Distributors Engaging in Other Business. For any distributor or importing distributor, or
his servants, agents or employes, without the approval of the [board] department, and then only in accordance with [board] department regulations, to engage in any other business whatsoever, except the business of distributing malt or brewed beverages.
(13) Possession or Storage of Liquor or Alcohol by Certain Licensees. For any distributor, importing distributor or retail dispenser, or his servants, agents or employes, to have in his possession, or to permit the storage of on the licensed premises or in any place contiguous or adjacent thereto accessible to the public or used in connection with the operation of the licensed premises, any alcohol or liquor.
(14) Malt or Brewed Beverage Licensees Dealing in Liquor or Alcohol. For any malt or brewed beverage licensee, other than a manufacturer, or the servants, agents or employes thereof, to manufacture, import, sell, transport, store, trade or barter in any liquor or alcohol.
(15) Selling to Persons Doing Illegal Business. For any malt or brewed beverage licensee, or his servants, agents or employes, to knowingly sell any malt or brewed beverages to any person engaged in the business of illegally selling liquor or malt or brewed beverages.
(16) Distributors and Importing Distributors Failing to Keep Records. For any importing distributor or distributor engaged in the sale of products, other than malt or brewed beverages, to fail to keep such complete separate records covering in every respect his transactions in malt or brewed beverages as the [board] department shall by regulation require.
(17) Fortifying, Adulterating or Contaminating Malt or Brewed Beverages. For any person, to fortify, adulterate,
contaminate, or in any wise to change the character or purity of, the malt or brewed beverages from that as originally marketed by the manufacturer at the place of manufacture.
(18) Coercing Distributors and Importing Distributors. For any manufacturer or any officer, agent or representative of any manufacturer to coerce or persuade or attempt to coerce or persuade any person licensed to sell or distribute malt or brewed beverages at wholesale or retail to establish selling prices for its products or to enter into any contracts or agreements, whether written or oral, or take any action which will violate or tend to violate any provisions of this act or any of the rules or regulations promulgated by the [board] department pursuant thereto.
(19) Modifying or Terminating Distributing Rights Agreement. For any manufacturer or any officer, agent or representative of any manufacturer to modify, cancel, terminate, rescind or not renew, without good cause, any distributing rights agreement, and in no event shall any modification, cancellation, termination, rescission or nonrenewal of any distributing rights agreement become effective for at least ninety (90) days after written notice of such modification, cancellation, termination, rescission or intention not to renew has been served on the affected party and board by certified mail, return receipt requested, except by written consent of the parties to the agreement. The notice shall state all the reasons for the intended modification, termination, cancellation, rescission or nonrenewal. The distributor or importing distributor holding such agreement shall have ninety (90) days in which to rectify any claimed deficiency, or challenge the alleged cause.

If the deficiency shall be rectified within ninety (90) days 19810н0328B0337 - 118 -
of notice, then the proposed modification, termination, cancellation, rescission or nonrenewal shall be null and void and without legal effect.

If the notice states as one of the reasons for the intended modification, cancellation, termination, rescission or renewal that the importing distributor or distributor's equipment or warehouse requires major changes or additions, then if the distributor or importing distributor shall have taken some positive action to comply with the required changes or additions, the distributor or importing distributor shall have deemed to have complied with the deficiency as set forth in the notice. The notice provisions of this section shall not apply if the reason for termination, cancellation or nonrenewal is insolvency, assignment for the benefit of creditors, bankruptcy, liquidation, fraudulent conduct in its dealings with the manufacturer, revocation or suspension for more than a thirty (30) day period of the importing distributor or distributor license.
(20) Interference with Transfer of License, Business or Franchise. (i) For any manufacturer to interfere with or prevent any distributor or importing distributor from selling or transferring his license, business or franchise, whether before or after notice of modification, cancellation, termination, rescission or nonrenewal has been given, provided the proposed purchaser of the business of the distributor or importing distributor meets the material qualifications and standards required of the manufacturers other distributors or importing distributors; (ii) if the proposed transfer of the distributor or importing distributor's business is to a surviving spouse or adult child, the manufacturer shall not, for any reason,
interfere with, or prevent, the transfer of the distributor or importing distributor's license, business or franchise. Any subsequent transfer by surviving spouse or adult child shall thereafter be subject to the provisions of subclause (i) above.
(21) Inducing or Coercing Distributors or Importing Distributors to Accept Unordered Products or Commit Illegal Acts. For any manufacturer to compel or attempt to compel any distributor or importing distributor to accept delivery of any malt or brewed beverages or any other commodity which shall not have been ordered by the distributor or importing distributor, or to do any illegal act by any means whatsoever including, but not limited to, threatening to amend, cancel, terminate, rescind or refuse to renew any agreement existing between manufacturer and the distributor or importing distributor, or to require a distributor or importing distributor to assent to any condition, stipulation or provision limiting the distributor or importing distributor in his right to sell the products of any other manufacturer.

Section 55. Section 493 of the act, amended June 14, 1957 (P.L.322, No.170), June 15, 1961 (P.L.423, No.211), September 25, 1967 (P.L.307, No.135), March 5, 1970 (P.L.137, No.55), August 1, 1975 (P.L.161, No.83), June 15, 1977 (P.L.12, No.9) and July 11, 1980 (No.117), is amended to read:

Section 493. Unlawful Acts Relative to Liquor, Malt and Brewed Beverages and Licensees.--The term "licensee," when used in this section, shall mean those persons licensed under the provisions of Article IV, unless the context clearly indicates otherwise.

It shall be unlawful--
(1) Furnishing Liquor or Malt or Brewed Beverages to Certain

Persons. For any licensee or the [board] department, or any employe, servant or agent of such licensee or of the [board] department, or any other person, to sell, furnish or give any liquor or malt or brewed beverages, or to permit any liquor or malt or brewed beverages to be sold, furnished or given, to any person visibly intoxicated, or to any insane person, or to any minor, or to habitual drunkards, or persons of known intemperate habits.
(2) Purchase or Sale of Liquor or Malt or Brewed Beverages on Credit. For any licensee, his agent, servant or employe, to sell or offer to sell or purchase or receive any liquor or malt or brewed beverages except for cash, excepting credit extended by a hotel or club to a bona fide guest or member, or by railroad or pullman companies in dining, club or buffet cars to passengers, for consumption while enroute, holding authorized credit cards issued by railroad or railroad credit bureaus or by hotel, restaurant and public service licensees to customers holding credit cards issued in accordance with regulations of the [board] department or credit cards issued by banking institutions subject to State or Federal regulation: Provided further, That nothing herein contained shall be construed to prohibit the use of checks or drafts drawn on a bank, banking institution, trust company or similar depository, organized and existing under the laws of the United States of America or the laws of any state, territory or possession thereof, in payment for any liquor or malt or brewed beverages if the purchaser is the payor of the check or draft and the licensee is the payee. No right of action shall exist to collect any claim for credit extended contrary to the provisions of this clause. Nothing herein contained shall prohibit a licensee from crediting to a
purchaser the actual price charged for original containers returned by the original purchaser as a credit on any sale, or from refunding to any purchaser the amount paid by such purchaser for such containers or as a deposit on containers when title is retained by the vendor, if such original containers have been returned to the licensee. Nothing herein contained shall prohibit a manufacturer from extending usual and customary credit for liquor or malt or brewed beverages sold to customers or purchasers who live or maintain places of business outside of the Commonwealth of Pennsylvania, when the liquor or malt or brewed beverages so sold are actually transported and delivered to points outside of the Commonwealth: Provided, however, That as to all transactions affecting malt or brewed beverages to be resold or consumed within this Commonwealth, every licensee shall pay and shall require cash deposits on all returnable original containers and all such cash deposits shall be refunded upon return of the original containers.
(3) Exchange of Liquor or Malt or Brewed Beverages For Merchandise, etc. For any licensee or the [board] department, or any employe, servant or agent of a licensee or of the [board] department, to sell, offer to sell or furnish any liquor or malt or brewed beverages to any person on a pass book or store order, or to receive from any person any goods, wares, merchandise or other articles in exchange for liquor or malt or brewed beverages.
(4) Peddling Liquor or Malt or Brewed Beverages. For any person, to hawk or peddle any liquor or malt or brewed beverages in this Commonwealth.
(5) Failure to Have Brands as Advertised. For any licensee, his servants, agents or employes, to advertise or hold out for 19810H0328B0337 - 122 -
sale any liquor or malt or brewed beverages by trade name or other designation which would indicate the manufacturer or place of production of the said liquor or malt or brewed beverages, unless he shall actually have on hand and for sale a sufficient quantity of the particular liquor or malt or brewed beverages so advertised to meet requirements to be normally expected as a result of such advertisement or offer.
(6) Brand or Trade Name on Spigot. For any licensee, his agents, servants or employes, to furnish or serve any malt or brewed beverages from any faucet, spigot or other dispensing apparatus, unless the trade name or brand of the product served shall appear in full sight of the customer and in legible lettering upon such faucet, spigot or dispensing apparatus.
(7) Alcoholic Strength on Label of Malt or Brewed Beverages. For any licensee, or his servants, agents or employes, to transport, sell, deliver or purchase any malt or brewed beverages upon which there shall appear a label or other informative data which in any manner refers to the alcoholic contents of the malt or brewed beverage, or which refers in any manner to the original alcoholic strength, extract or balling proof from which such malt or brewed beverage was produced. This clause shall not be construed to prohibit a manufacturer from designating upon the label or descriptive data the alcoholic content of malt or brewed beverages intended for shipment into another state or territory, when the laws of such state or territory require that the alcoholic content of the malt or brewed beverage must be stated upon the package.
(8) Advertisements on Labels Giving Alcoholic Content of Malt or Brewed Beverages. For any manufacturer or other licensee, or his servants, agents or employes, to issue, publish 19810H0328B0337 - 123 -
or post, or cause to be issued, published or posted, any advertisement of any malt or brewed beverage including a label which shall refer in any manner to the alcoholic strength of the malt or brewed beverage manufactured, sold or distributed by such licensees, or to use in any advertisement or label such words as "full strength," "extra strength," "high test," "high proof," "pre-war strength," or similar words or phrases, which would lead or induce a consumer to purchase a brand of malt or brewed beverage on the basis of its alcoholic content, or to use in or on any advertisement or label any numeral, unless adequately explained in type of the same size, prominence and color, or for any licensee to purchase, transport, sell or distribute any malt or brewed beverage advertised or labeled contrary to the provisions of this clause.
(9) Retail Licensees Furnishing Free Lunch, etc. For any retail liquor licensee or any retail dispenser, his agents, servants or employes, to furnish, give or sell below a fair cost any lunch to any consumer, except such articles of food as the [board] department may authorize and approve.
(10) Entertainment on Licensed Premises (Except Clubs); Permits; Fees. For any licensee, his servants, agents or employes, except club licensees, to permit in any licensed premises or in any place operated in connection therewith, dancing, theatricals or floor shows of any sort, or moving pictures other than television, or such as are exhibited through machines operated by patrons by the deposit of coins, which project pictures on a screen not exceeding in size twenty-four by thirty inches and which forms part of the machine, unless the licensee shall first have obtained from the [board] department a special permit to provide such entertainment, or for any
licensee, under any circumstances, to permit in any licensed premises any lewd, immoral or improper entertainment, regardless of whether a permit to provide entertainment has been obtained or not. The [board] department shall have power to provide for the issue of such special permits, and to collect a fee for such permits equal to one-fifth of the annual license fee but not less than twenty-five dollars (\$25). All such fees shall be paid into the State Stores Fund. No such permit shall be issued in any municipality which, by ordinance, prohibits amusements in licensed places. Any violation of this clause shall, in addition to the penalty herein provided, subject the licensee to suspension or revocation of his permit and his license.
(11) Licensees Employed by Others. For any hotel, restaurant or club liquor licensee, or any malt or brewed beverage licensee, or any servant, agent or employe of such licensee, to be at the same time employed, directly or indirectly, by any other person engaged in the manufacture, sale, transportation or storage of liquor, malt or brewed beverages or alcohol: Provided, That any person (except a licensee or the manager, officer or director of a licensee) who is employed by a retail licensee to prepare or serve food and beverages may be employed in the same capacity by another retail licensee during other hours or on other days.
(12) Failure to Have Records on Premises. For any liquor licensee, or any importing distributor, distributor or retail dispenser, to fail to keep on the licensed premises for a period of at least two years complete and truthful records covering the operation of his licensed business, particularly showing the date of all purchases of liquor and malt or brewed beverages, the actual price paid therefor, and the name of the vendor,
including State Store receipts, or for any licensee, his servants, agents or employes, to refuse the [board] department or an authorized employe of the [board] department access thereto or the opportunity to make copies of the same when the request is made during business hours.
(13) Retail Licensees Employing Minors. For any hotel, restaurant or club liquor licensee, or any retail dispenser, to employ or to permit any minor under the age of eighteen to serve any alcoholic beverages or to employ or permit any minor under the age of sixteen to render any service whatever in or about the licensed premises, nor shall any entertainer under the age of eighteen be employed or permitted to perform in any licensed premises in violation of the labor laws of this Commonwealth: Provided, That in accordance with [board] department regulations minors between the ages of sixteen and eighteen may be employed to serve food, clear tables and perform other similar duties, not to include the dispensing or serving of alcoholic beverages.
(14) Permitting Undesirable Persons or Minors to Frequent Premises. For any hotel, restaurant or club liquor licensee, or any retail dispenser, his servants, agents or employes, to permit persons of ill repute, known criminals, prostitutes or minors to frequent his licensed premises or any premises operated in connection therewith, except minors accompanied by parents, guardians, or under proper supervision: Provided, however, That it shall not be unlawful for any hotel, restaurant or club liquor licensee or any retail dispenser to permit minors under proper supervision upon the licensed premises or any premises operated in connection therewith for the purpose of a social gathering, even if such gathering is exclusively for minors: And provided further, That no liquor shall be sold,
furnished or given to such minors nor shall the licensee knowingly permit any liquor or malt or brewed beverages to be sold, furnished or given to or be consumed by any minor, and the area of such gathering shall be segregated from the remainder of the licensed premises. In the event the area of such gathering cannot be segregated from the remainder of the licensed premises, all alcoholic beverages must be either removed from the licensed premises or placed under lock and key during the time the gathering is taking place. Notice of such gathering shall be given the [Liquor Control Board] department as it may, by regulation, require. Any licensee violating the provisions of this clause shall be subject to the provisions of section 471.
"Proper supervision," as used in this clause, means the presence, on that portion of the licensed premises where a minor or minors are present, of one person twenty-five years of age or older for every fifty minors or part thereof who is directly responsible for the care and conduct of such minor or minors while on the licensed premises and in such proximity that the minor or minors are constantly within his sight or hearing. The presence of the licensee or any employe or security officer of the licensee shall not constitute proper supervision.
(15) Cashing Pay Roll, Public Assistance, Unemployment Compensation or Any Other Relief Checks. For any licensee or his servants, agents or employes to cash pay roll checks or to cash, receive, handle or negotiate in any way Public Assistance, Unemployment Compensation or any other relief checks.
(16) Furnishing or Delivering Liquor or Malt or Brewed Beverages at Unlawful Hours. For any licensee, his servants, agents or employes, to give, furnish, trade, barter, serve or deliver any liquor or malt or brewed beverages to any person
during hours or on days when the licensee is prohibited by this act from selling liquor or malt or brewed beverages.
(17) Licensees, etc., Interested or Employed in Manufacturing or Sale of Equipment or Fixtures. For any licensee, or any officer, director, stockholder, servant, agent or employe of any licensee, to own any interest, directly or indirectly, in or be employed or engaged in any business which involves the manufacture or sale of any equipment, furnishings or fixtures to any hotel, restaurant or club licensees, or to any importing distributors, distributors or retail dispensers: Provided, however, That as to malt or brewed beverage licensees, the provisions of this subsection shall not apply to such a conflicting interest if it has existed for a period of not less than three years prior to the first day of January, one thousand nine hundred thirty-seven, and the [board] department shall approve.
(18) Displaying Price of Liquor or Malt or Brewed Beverages. For any restaurant, hotel or club liquor licensee, or any importing distributor, distributor or retail dispenser, or the servants, agents or employes of such licensees, to display on the outside of any licensed premises or to display any place within the licensed premises where it can be seen from the outside, any advertisement whatsoever referring, directly or indirectly, to the price at which the licensee will sell liquor or malt or brewed beverages.
(19) Licensee's Outside Advertisements. For any retail liquor licensee or any retail dispenser, distributor or importing distributor, to display in any manner whatsoever on the outside of his licensed premises, or on any lot of ground on which the licensed premises are situate, or on any building of
which the licensed premises are a part, a sign of any kind, printed, painted or electric, advertising any brand of liquor or malt or brewed beverage, and it shall be likewise unlawful for any manufacturer, distributor or importing distributor, to permit the display of any sign which advertises either his products or himself on any lot of ground on which such licensed premises are situate, or on any building of which such licensed premises are a part.
(20) Retail Liquor and Retail Malt or Brewed Beverages Licensee's Inside Advertisements. For any retail liquor or retail malt or brewed beverages licensee, to display or permit the display in the show window or doorways of his licensed premises, any placard or sign advertising the brands of liquor or malt or brewed beverages produced by any one manufacturer, if the total display area of any such placard or sign advertising the products of any one manufacturer exceeds three hundred square inches. Nothing herein shall prohibit a licensee from displaying inside his licensed premises point of sale displays advertising brand names of products sold by him, other than a window or door display: Provided, That the total cost of all such point of sale advertising matter relating to products of any one manufacturer shall not exceed the sum of twenty dollars (\$20) at any one time, and no single piece of advertising shall exceed a cost of ten dollars (\$10). All such advertising material, including the window and door signs, may be furnished by a manufacturer, distributor or importing distributor.
(21) Refusing The Right of Inspection. For any licensee, or his servants, agents or employes, to refuse the [board] department or any of its authorized employes the right to inspect completely the entire licensed premises at any time
during which the premises are open for the transaction of business, or when patrons, guests or members are in that portion of the licensed premises wherein either liquor or malt or brewed beverages are sold.
(22) Allowance or Rebate to Induce Purchases. For any licensee, or his servants, agents or employes, to offer, pay, make or allow, or for any licensee, or his servants, agents or employes, to solicit or receive any allowance or rebate, refunds or concessions, whether in the form of money or otherwise, to induce the purchase of liquor or malt or brewed beverages or any other commodity manufactured or sold by the licensee.
(23) Money or Valuables Given to Employes to Influence Actions of Their Employers. For any licensee, or any agent, employe or representative of any licensee, to give or permit to be given, directly or indirectly, money or anything of substantial value, in an effort to induce agents, employes or representatives of customers or prospective customers to influence their employer or principal to purchase or contract to purchase liquor or malt or brewed beverages from the donor of such gift, or to influence such employers or principals to refrain from dealing or contracting to deal with other licensees.
(24) Things of Value Offered as Inducement. For any licensee under the provisions of this article, or the [board] department or any manufacturer, or any employe or agent of a manufacturer, licensee or of the [board] department, to offer to give anything of value or to solicit or receive anything of value as a premium for the return of caps, stoppers, corks, stamps or labels taken from any bottle, case, barrel or package containing liquor or malt or brewed beverage, or to offer or give or solicit or
receive anything of value as a premium or present to induce the purchase of liquor or malt or brewed beverage, or for any other purpose whatsoever in connection with the sale of such liquor or malt or brewed beverage, or for any licensee, manufacturer or other person to offer or give to trade or consumer buyers any prize, premium, gift or other similar inducement, except advertising novelties of nominal value which the [board] department shall define: Provided, however, That this section shall not apply to the return of any monies specifically deposited for the return of the original container to the owners thereof.
(25) Employment of Females in Licensed Places. For any licensee or his agent, to employ or permit the employment of any female at his licensed hotel, restaurant or eating place for the purpose of enticing customers, or to encourage them to drink liquor, or make assignations for improper purposes: Provided, That nothing in this section shall be construed to prevent the employment of any female waitress who regularly takes orders for food from serving food, liquor or malt or brewed beverages at tables; also, that nothing shall prevent any such licensees from employing any female stenographer, hotel secretary, clerk or other employe for their respective positions: Provided further, That nothing in this section shall be so construed as to prevent the wife of any such licensee or agent or any employed female from mixing or serving liquor or malt or brewed beverages behind the bar of any such licensed place.

Any person violating the provisions of this clause shall be guilty of a misdemeanor and, upon conviction of the same, shall be sentenced to pay a fine of not less than one hundred dollars (\$100), nor more than five hundred dollars (\$500), for each and
every female so employed, or undergo an imprisonment of not less than three (3) months, nor more than one (1) year, or either or both, at the discretion of the court having jurisdiction of the case. The [board] department shall have the power to revoke or refuse licenses for violation of this clause.
(26) Worthless Checks. For any retail liquor licensee or any retail dispenser, distributor or importing distributor, to make, draw, utter, issue or deliver, or cause to be made, drawn, uttered, issued or delivered, any check, draft or similar order, for the payment of money in payment for any purchase of malt or brewed beverages, when such retail liquor licensee, retail dispenser, distributor or importing distributor, has not sufficient funds in, or credit with, such bank, banking institution, trust company or other depository, for the payment of such check. Any person who is a licensee under the provisions of this article, who shall receive in payment for malt or brewed beverages sold by him any check, draft or similar order for the payment of money, which is subsequently dishonored by the bank, banking institution, trust company or other depository, upon which drawn, for any reason whatsoever, shall, within five days of receipt of notice of such dishonor, notify by certified mail the person who presented the said worthless check, draft or similar order.
(27) Distributors and Importing Distributors Employing Minors. For any distributor or importing distributor to employ minors under the age of eighteen but persons eighteen and over may be employed to sell and deliver malt and brewed beverages.

Section 56. Section 494 of the act, amended May 25, 1956 (1955 P.L.1743, No.583), is amended to read:

Section 494. Penalties.--(a) Any person who shall violate
any of the provisions of this article, except as otherwise specifically provided, shall be guilty of a misdemeanor and, upon conviction thereof, shall be sentenced to pay a fine of not less than one hundred dollars (\$100), nor more than five hundred dollars (\$500), and on failure to pay such fine, to imprisonment for not less than one month, nor more than three months, and for any subsequent offense, shall be sentenced to pay a fine not less than three hundred dollars (\$300), nor more than five hundred dollars (\$500), and to undergo imprisonment for a period not less than three months, nor more than one year.
(b) The right of the [board] department to suspend and revoke licenses granted under this article shall be in addition to the penalty set forth in this section.

Section 57. Section 496 of the act, added June 15, 1961 (P.L.423, No.211), is amended to read:

Section 496. Reporting of Worthless Checks.--Any person who is a licensee under the provisions of this article, who shall receive in payment for malt or brewed beverages sold by him any check, draft or similar order, for the payment of money, which is subsequently dishonored by the bank, banking institution, trust company or other depository, upon which drawn, for any reason whatsoever, shall, within twenty days of receipt of notice of such dishonor, notify the [board] department thereof. Such notification to the [board] department shall be in such manner and form as the [board] department shall direct.

Section 58. Section 502 of the act is amended to read:
Section 502. Exemptions.--No license hereunder shall be required from any registered pharmacist; or a physician licensed by the State Board of Medical Education and Licensure; or any person who makes and sells vinegar, nonalcoholic cider and fruit
juices; or any person who manufactures, stores, sells or transports methanol, propanol, butanol and amanol; or any person who conducts a wholesale drug business; or any person who manufactures alcoholic preparations not fit for use as a beverage, other than denatured alcohol or for beverage purposes; any person engaged in the manufacture; possession or sale of patent, patented or proprietary medicines, toilet, medicinal or antiseptic preparations unfit for beverage purposes, or solutions or flavoring extracts or syrups unfit for beverage purposes; or any person who manufactures or sells paints, varnishes, enamels, lacquers, stains or paint, or varnish removing or reducing compounds, or wood fillers; or any person who manufactures any substance where the alcohol or any liquor is changed into other chemical substances and does not appear in the finished product as alcohol or liquor; or any common carrier by railroad which is subject to regulation by the Pennsylvania Public Utility Commission of the Commonwealth of Pennsylvania, or scheduled common carriers by air of mail and passengers; or any person who sells, stores or transports alcohol or liquor completely denatured, as specified by the [board] department.

Section 59. Section 504 of the act, amended September 28, 1961 (P.L.1728, No.702), is amended to read:

Section 504. Applications; Filing Fees.--(a) Every applicant for a license under this article shall file with the [board] department a written application in such form as the [board] department shall from time to time require. Every such application shall be accompanied by a filing fee of twenty dollars (\$20), the prescribed license fee and the bond hereinafter specified, and shall set forth:

1. The legal names of the applicant and of the owner of the
operation of a limited winery or a winery; or, (b) the manufacturing, producing, distilling, developing, or using in the process of manufacturing, denaturing, redistilling, recovering, rectifying, blending and reusing of alcohol and liquor; or, (c) the holding in bond of alcohol and liquor; or (d) the holding in storage, as bailee for hire, of alcohol, liquor and malt or brewed beverages; or, (e) the transporting for hire of alcohol, liquor and malt or brewed beverages.

Section 61. Section 505.1 of the act, added February 17, 1956 (1955 P.L.1077, No.348), is amended to read:

Section 505.1. Bonded Warehouse License Privilege Restrictions.--Holders of bonded warehouse licenses may:
(a) Receive and store in bond liquor owned by Pennsylvania licensed manufacturers and importers.
(b) Receive and store in bond alcohol owned by Pennsylvania licensed manufacturers.
(c) Receive and store in bond liquor owned by licensees outside this Commonwealth. Such liquor shall be released from the bonded warehouse for delivery within this Commonwealth only to persons holding a liquor importer's license issued by the [Pennsylvania Liquor Control Board] department authorizing the importation of liquor or to other storage facilities or persons outside this Commonwealth.
(d) Receive and store in bond alcohol owned by licensees outside this Commonwealth. Such alcohol shall be released from the bonded warehouse for delivery within this Commonwealth only to persons holding an alcohol permit issued by the [Pennsylvania Liquor Control Board] department authorizing the importation of alcohol or to other storage facilities or persons outside this Commonwealth.

Commonwealth of Pennsylvania, together with a warrant of attorney to confess judgment in the penal sum herein set forth. All such bonds shall be conditioned for the faithful observance of all the laws of this Commonwealth and regulations of the [board] department relating to alcohol, liquor and malt or brewed beverages and the conditions of the license, and shall have as surety a duly authorized surety company, or shall have deposited therewith, as collateral security, cash or negotiable obligations of the United States of America or the Commonwealth of Pennsylvania in the same amount as herein provided for the penal sum of bonds.
(b) In all cases where cash or securities in lieu of other surety have been deposited with the [board] department, the depositor shall be permitted to continue the same deposit from year to year on each renewal of license, but in no event shall he be permitted to withdraw his deposit during the time he holds said license, or until six months after the expiration of the license held by him, or while revocation proceedings are pending against such licensee.
(c) All cash or securities received by the [board] department in lieu of other surety shall be turned over by the [board] department to the State Treasurer and held by him. The State Treasurer shall repay or return money or securities deposited with him to the respective depositors only on the order of the [board] department.
(d) After notice from the [board] department that such a bond has been forfeited, the State Treasurer shall immediately pay into the state Stores Fund all cash deposited as collateral with such bond, and when securities have been deposited with such a bond, the State Treasurer shall sell at private sale, at
not less than the prevailing market price, any such securities so deposited as collateral with any such forfeited bond. The State Treasurer shall thereafter deposit in the State Stores Fund the net amount realized from the sale of such securities, except that if the amount so realized, after deducting proper costs and expenses, is in excess of the penal amount of the bond, such excess shall be paid over by him to the obligor on such forfeited bond.
(e) The penal sum of bonds required to be filed by applicants for license shall be a follows:

In the case of a distillery (manufacturer), the bond shall be in the amount of ten thousand dollars $(\$ 10,000)$; in the case of a bonded warehouse, a bailee for hire and a transporter for hire, each shall be in the amount of three thousand dollars (\$3000); and in the case of a winery, shall be in the amount of five thousand dollars (\$5000). Such bonds shall be filed with and retained by the [board] department.
(f) Every such bond shall be turned over to the Department of Justice to be collected if and when the licensee's license shall have been revoked and his bond forfeited as provided in this act.

Section 507. Hearings Upon Refusal of Licenses.--The [board] department may of its own motion, and shall upon the written request of any applicant for license or for renewal thereof whose application for such license or renewal has been refused, fix a time and place for hearing of such application or renewal, notice of which hearing shall be sent to the applicant, by registered mail, at the address given in his application. Such hearing shall be before the [board] department, a member thereof, or an examiner designated by the [board] department. At
such hearing, the [board] department shall present its reasons for its refusal or withholding of such license or renewal thereof. The applicant may appear in person or by counsel, may cross-examine the witnesses for the [board] department, and may present evidence which shall likewise be subject to crossexamination by the [board] department. Such hearing shall be stenographically recorded. The examiner shall thereafter report to the [board] department. The [board] department shall thereafter grant or refuse the license or renewal thereof. If the [board] department shall refuse such license or renewal following such hearing, notice in writing of such refusal shall be mailed to the applicant at the address given in his application. In all cases, the [board] department shall file of record at least a brief statement in the form of an opinion of the reasons for the ruling or order.

Section 65. Sections 509, 512, 513, 514, 515, 516, 517 and 519 are amended to read:

Section 509. License Must Be Posted; Business Hours.-Licenses shall be issued by the [board] department under its official seal. Every license so issued must at all times be posted in a conspicuous place where the business is carried on under it, and said place of business must be kept open during general business hours of every day in the year except Sundays and legal holidays.

Section 512. Records To Be Kept.--Every person holding a license issued under the provisions of this article shall keep on the licensed premises daily permanent records which shall show, (a) the quantities of any alcohol or liquor manufactured, produced, distilled, developed, denatured, redistilled, recovered, reused, stored in bond, stored as bailee for hire,
received or used in the process of manufacture by him, and of all other material used in manufacturing or developing any alcohol or liquor; (b) the sales or other disposition of any alcohol, liquor or malt or brewed beverages if covered by said license; (c) the quantities thereof, if any, stored in bond, stored for hire, or transported for hire by or for the licensee; and (d) the names and addresses of the purchasers or other recipients thereof: Provided, however, That persons holding licenses issued under the provisions of this article for the transportation for hire of any alcohol, liquor or malt or brewed beverages shall not be required to keep the above records, but shall keep daily permanent records showing the names and addresses of the persons from whom any alcohol, liquor or malt or brewed beverage was received and to whom delivered, and such other permanent records as the [board] department shall prescribe.

Section 513. Premises and Records Suloject To Inspection.-Every place operated under license secured under the provisions of this article where any alcohol, liquor or malt or brewed beverage covered by the license is manufactured, produced, distilled, developed or used in the process of manufacture, denatured, redistilled, rectified, blended, recovered, reused, held in bond, stored for hire or in connection with a licensee's business, shall be subject to inspection by members of the [board] department or by persons duly authorized and designated by the [board] department at any and all times of the day or night, as they may deem necessary, (a) for the detection of violations of this act or of the rules and regulations of the [board] department promulgated under the authority of this act, or (b) for the purpose of ascertaining the correctness of the $19810 \mathrm{H0} 328 \mathrm{B0} 337$ - 141 -
records required by this act to be kept by licensees and the books and records of licensees, and the books and records of their customers, in so far as they relate to purchases from said licensees, shall at all times be open to inspection by the members of the [board] department or by persons duly authorized and designated by the [board] department for the purpose of making inspections as authorized by this section. Members of the [board] department and the persons duly authorized and designated by the [board] department shall have the right, without fee or hindrance, to enter any place which is subject to inspection hereunder, or any place where records subject to inspection hereunder are kept, for the purpose of making such inspections.

Section 514. Suspension and Revocation of Licenses.--(a) Upon learning of any violation of this act or of any rule or regulation promulgated by the [board] department under the authority of this act, or any violation of any laws of the Commonwealth or of the United States of America relating to the tax payment of alcohol, liquor or malt or brewed beverages by the holder of a license issued under the provisions of this article, or upon other sufficient cause, the [board] department may, within one year from the date of such violation or cause appearing, cite such licensee to appear before it or its examiner not less than ten (10) nor more than fifteen (15) days from the date of sending such licensee, by registered mail, a notice addressed to his licensed premises, to show cause why the license should not be suspended or revoked. Hearings on such citations shall be held in the same manner as provided herein for hearings on applications for license. And upon such hearing, if satisfied that any such violation has occurred or for other
sufficient cause, the [board] department shall immediately suspend or revoke such license, notifying the licensee thereof by registered letter addressed to his licensed premises, or to the address given in his application where no licensed premises is maintained in Pennsylvania.
(b) When a license is revoked, the licensee's bond may be forfeited by the [board] department. Any licensee whose license is revoked shall be ineligible to have a license under this act or under any other act relating to alcohol, liquor or malt or brewed beverages until the expiration of three (3) years from the date such license was revoked. In the event the [board] department shall revoke a license, no license shall be granted for the premises or transferred to the premises in which said license was conducted for a period of at least one (1) year after the date of the revocation of the license conducted in the said premises, except in cases where the licensee or a member of his immediate family is not the owner of the premises, in which case the [board] department may, in its discretion, issue or transfer a license within said year. In all such cases, the [board] department shall file of record at least a brief statement in the form of an opinion of the reasons for the ruling or order.

Section 515. Appeals.--Any licensee aggrieved by any decision of the [board] department refusing, suspending or revoking a license under the provisions of this article may appeal to the court of the county in which the licensed premises or the premises to be licensed are located. In the event an applicant or a licensee shall have no place of business established within the Commonwealth, his appeal shall be to the court of Dauphin County. Such appeal shall be upon petition of
the applicant or licensee, as the case may be, who shall serve a copy thereof upon the [board] department. The said appeal shall act as a supersedeas, unless upon sufficient cause shown the court shall determine otherwise. The court shall hear the application de novo at such time as it shall fix, of which notice shall be given to the [board] department. The court shall, in the case of a refusal by the [board] department, either sustain such refusal or order the issuance of the license to the applicant.

Section 516. Compromise Penalty In Lieu of Suspension.--In those cases where the [board] department shall suspend a license, the [board] department may accept from the licensee an offer in compromise as a penalty in lieu of such suspension and shall thereupon rescind its order of suspension. In the case of a distillery licensee, the offer in compromise shall be at the rate of one hundred dollars (\$100) for each day of suspension; in the case of a bonded warehouse, bailee for hire and transporter for hire licensees, twenty-five dollars (\$25) for each day; and in the case of a winery licensee, fifty dollars (\$50) for each day. No offer in compromise may be accepted by the [board] department in those cases where the suspension is for a period in excess of one hundred (100) days.

Section 517. Expiration of Licenses; Renewals.--All licenses issued under this article shall expire at the close of the calendar year, but new licenses for the succeeding year shall be issued upon written application therefor, duly verified by affidavit, stating that the facts in the original application are unchanged, and upon payment of the fee as hereinafter provided and the furnishing of a new bond, without the filing of further statements or the furnishing of any further information
unless specifically requested by the [board] department: Provided, however, That any such license issued to a corporation shall expire thirty (30) days after any change in the officers of such corporation, unless the name and address of each such new officer of such corporation shall, within that period, be reported to the [board] department by certificate, duly verified. Applications for renewals must be made not less than thirty (30) nor more than sixty (60) days before the first day of January of the ensuing year. All applications for renewal received otherwise shall be treated as original applications.

Section 519. Penalties.--Any person or persons who knowingly violate any of the provisions of this article, or any person who shall violate any of the conditions of any license issued under the provisions of this article, or who shall falsify any record or report required by this article to be kept, or who shall violate any rule or regulation of the [board] department, or who shall interfere with, hinder or obstruct any inspection authorized by this article, or prevent any member of the [board] department or any person duly authorized and designated by the [board] department from entering any place which such member of the [board] department or such person is authorized by this article to enter for the purpose of making an inspection, or who shall violate any other provision of this article, shall be guilty of a misdemeanor and, upon conviction thereof, shall be sentenced to pay a fine of not less than one hundred dollars (\$100), nor more than five thousand dollars (\$5000), or undergo imprisonment of not more than three (3) years, or both, at the discretion of the court.

Section 66. Sections 601, 602 and 603 of the act, amended April 20, 1956 (1955 P.L.1508, No.499), are amended to read:

Section 601. Forfeiture of Property Illegally Possessed or Used.--No property rights shall exist in any liquor, alcohol or malt or brewed beverage illegally manufactured or possessed, or in any still, equipment, material, utensil, vehicle, boat, vessel, animals or aircraft used in the illegal manufacture or illegal transportation of liquor, alcohol or malt or brewed beverages, and the same shall be deemed contraband and proceedings for its forfeiture to the Commonwealth may, at the discretion of the [board] department, be instituted in the manner hereinafter provided. No such property when in the custody of the law shall be seized or taken therefrom on any writ of replevin or like process.

Section 602. Forfeiture Proceedings.--(a) The proceedings for the forfeiture or condemnation of all property shall be in rem, in which the Commonwealth shall be the plaintiff and the property the defendant. A petition shall be filed in the court of [quarter sessions] common pleas, verified by oath or affirmation of any officer or citizen, containing the following: (1) a description of the property so seized; (2) a statement of the time and place where seized; (3) the owner, if known; (4) the person or persons in possession, if known; (5) an allegation that the same had been possessed or used or was intended for use in violation of this act; (6) and, a prayer for an order of forfeiture that the same be adjudged forfeited to the Commonwealth, unless cause be shown to the contrary.
(b) A copy of said petition shall be served personally on said owner if he can be found within the jurisdiction of the court, or upon the person or persons in possession at the time of the seizure thereof. Said copy shall have endorsed thereon a notice as follows: required to file an answer to this petition, setting forth your title in and right to possession of said property, within fifteen (15) days from the service hereof; and you are also notified that if you fail to file said answer, a decree of forfeiture and condemnation will be entered against said property."

Said notice shall be signed by petitioner or his attorney, or the district attorney or the Attorney General.
(c) If the owner of said property is unknown or outside the jurisdiction of the court and there was no person in possession of said property when seized, or such person so in possession cannot be found within the jurisdiction of the court, notice of said petition shall be given by an advertisement in only one newspaper of general circulation published in the county where such property shall have been seized, once a week for two (2) successive weeks. No other advertisement of any sort shall be necessary, any other law to the contrary notwithstanding. Said notice shall contain a statement of the seizure of said property, with a description thereof, the place and date of seizure, and shall direct any claimants thereof to file a claim therefor on or before a date given in said notice, which date shall not be less than ten (10) days from the date of the last publication.
(d) Upon the filing of any claim for said property, setting forth a right of possession thereof, the case shall be deemed at issue and a time be fixed for the hearing thereof.
(e) At the time of said hearing, if the Commonwealth shall produce evidence that the property in question was unlawfully possessed or used, the burden shall be upon the claimant to show
(1) that he is the owner of said property, (2) that he lawfully acquired the same, and (3) that it was not unlawfully used or possessed.

In the event such claimant shall prove by competent evidence to the satisfaction of the court that said liquor, alcohol or malt or brewed beverage, or still, equipment, material, utensil, vehicle, boat, vessel, container, animal or aircraft was lawfully acquired, possessed and used, then the court may order the same returned or delivered to the claimant; but if it appears that said liquor, alcohol or malt or brewed beverage or still, equipment, material or utensil was unlawfully possessed or used, the court shall order the same destroyed, delivered to a hospital, or turned over to the [board] department, as hereinafter provided, or if it appears that said vehicle, boat, vessel, container, animal or aircraft was unlawfully possessed or used, the court may, in its discretion, adjudge same forfeited and condemned as hereinafter provided.

Section 603. Disposition of Forfeited Property.--If, upon petition as hereinbefore provided and hearing before the court of [quarter sessions] common pleas, it appears that any liquor, alcohol, or malt or brewed beverage or still, equipment, material or utensil was so illegally possessed, or used, such liquor, alcohol or malt or brewed beverage or still, equipment, material or utensil shall be adjudged forfeited and condemned, or if it appears that any vehicle, boat, vessel, container, animal or aircraft was so used in the illegal manufacture or transportation of liquor, alcohol or malt or brewed beverage, such property may, in the discretion of the court, be adjudged forfeited and condemned and in such case shall be disposed of as follows:
(a) Upon conviction of any person of a violation of any of the provisions of this act, the court shall order the sheriff to destroy all condemned liquor, alcohol or malt or brewed beverage and property seized or obtained from such defendants, except that the court may order the liquor, alcohol or malt or brewed beverages, or any part thereof, to be delivered to a hospital for its use, and make return to the court of compliance with said order, and any vehicle, container, boat, vessel, animals or aircraft seized under the provisions of this act shall be disposed of as hereinafter provided.
(b) In any case in which the defendant is acquitted of a violation of this act and denies the ownership or possession thereof, or no claimant appears for same, or appearing, is unable to sustain claim thereof, the court shall order all condemned liquor, alcohol and malt or brewed beverages and property (except vehicles, boats, vessels, containers, animals and aircraft) publicly destroyed by the sheriff, except that the court may order the liquor, alcohol or malt or brewed beverages, or any part thereof, to be delivered to a hospital for its use. Return of compliance with said order shall be made by the sheriff to the court.
(c) In the case of any vehicle, boat, vessel, container, animal or aircraft seized under the provisions of this act and condemned, the court shall order the same to be delivered to the [board] department for its use or for sale or disposition by the [board] department, in its discretion. Notice of such sale shall be given in such manner as the [board] department may prescribe. The proceeds of such sale shall be paid into the [State Stores] General Fund.

Section 67. Sections 604, 701 and 703 of the act are amended
to read:
Section 604. Motor Vehicle Licenses To Be Revoked.--In addition to the foregoing provisions, the court may, in its order of condemnation, and in every conviction under this act where it shall appear that liquor, alcohol or malt or brewed beverages were unlawfully transported in a motor vehicle, declare that the license issued by the Department of Revenue for any motor vehicle so forfeited and condemned, or issued to any defendant convicted of transporting liquor, alcohol or malt or brewed beverages in any motor vehicle, shall be forfeited and revoked, and it shall be the duty of the clerk of the court in which such conviction is had and order of condemnation made to certify such conviction to the Secretary of Revenue, who shall suspend or revoke the license issued for such motor vehicles: Provided, That a license may be issued for such motor vehicle to the [board] department or to any purchaser of the vehicle after the sale thereof, as above provided.

Section 701. Definitions and Interpretation.--(a) When used in this article, the following words or phrases, unless the context clearly indicates otherwise, shall have the meanings ascribed to them in this section.
"Agent" shall mean and include every person employed by a distillery certificate broker to sell, offer for sale or delivery, to purchase, exchange, or to enter into agreements for the purchase, sale or exchange, or to solicit subscriptions to, or orders for, or to undertake to dispose of, or to deal in any manner in, distillery bonded warehouse certificates.
"Fraud," "fraudulent" and "fraudulent practice" shall include any misrepresentation in any manner of a relevant fact not made honestly and in good faith; any promise or representation or
prediction as to the future not made honestly and in good faith, or an intentional failure to disclose a material fact; the gaining, directly or indirectly, through the purchase, sale or exchange of distillery bonded warehouse certificates, of any promotion fee or profit, selling or managing commission or profit, so gross and exorbitant as to be unconscionable and fraudulent; and any scheme, device, artifice or investment plan to obtain such an unconscionable profit: Provided, however, that nothing herein shall limit or diminish the full meaning of the terms "fraud" and "fraudulent" as applied or accepted in courts of law or equity.
(b) Nothing contained in this article shall be construed as permitting the holder or owner of a distillery bonded warehouse certificate, as defined in this act, to secure possession of the whiskey or other potable distilled spirits named or designated in such certificate, except in accordance with the provisions of this act and the laws of this Commonwealth hereafter enacted relating to alcohol or alcoholic beverages and the regulations of the [board] department adopted and promulgated thereunder.

Section 703. Authority to Issue Permits to Distillery Certificate Brokers.--Subject to the provisions of this article and regulations promulgated under this act, the [board] department shall have authority to issue to any reputable financially responsible person whose plan of business in dealing in distillery bonded warehouse certificates is not deemed by the [board] department to constitute "fraudulent practice," as defined herein, a permit to act as distillery certificate broker.

Section 68. Section 704 of the act, amended September 28, 1961 (P.L.1728, No.702), is amended to read:

Section 704. Application for Permit; Filing Fee.--Every applicant for a distillery certificate broker permit shall file a written application with the [board] department outlining his plan of business in dealing in distillery bonded warehouse certificates, in such form and containing such other information as the [board] department shall from time to time prescribe, which shall be accompanied by a filing fee of twenty dollars (\$20) and the prescribed permit fee. If the applicant is a natural person, his application must show that he is a citizen of the United States, and if a corporation, the application must show that the corporation was created under the laws of Pennsylvania or holds a certificate of authority to transact business in Pennsylvania. The application shall be signed and verified by oath or affirmation of the applicant, if a natural person, or in the case of an association, by a member or partner thereof, or in the case of a corporation, by an executive officer thereof or any person specifically authorized by the corporation to sign the application, to which shall be attached written evidence of his authority. If the applicant is an association, the application shall set forth the names and addresses of the persons constituting the association, and if a corporation, the names and addresses of all the officers thereof. All applications must be verified by affidavit of applicant and if any false statement is intentionally made in any part of the application, the signer shall be guilty of a misdemeanor and upon indictment and conviction, shall be subject to penalties provided by this article.

Section 69. Sections 705, 707, 708, 709, 710, 712, 722, 724, 725, 726, 727, 733 and 741 of the act are amended to read:

Section 705. Issuance of Permits.--Upon receipt of the
application and proper fees and upon being satisfied of the truth of the statements in the application, and being also satisfied that the applicant's plan of business in dealing in distillery bonded warehouse certificates does not constitute "fraudulent practice," as defined in this article, and that the applicant is a person of good repute and financially responsible, the [board] department may issue to such applicant a permit authorizing the permittee to sell, purchase, exchange, pledge and deal in distillery bonded warehouse certificates.

Section 707. Permit Fee; Permits Not Assignable or Transferable; Display of Permit; Term of Permit.--Every applicant for distillery certificate broker permit shall, before receiving such permit, pay to the [board] department an annual permit fee of one hundred dollars (\$100). Permits issued under this act may not be assigned or transferred and shall be conspicuously displayed at the place of business of the permittee. All permits shall be valid only during the year for which issued and shall automatically expire on the thirty-first day of December of each calendar year unless suspended, revoked or cancelled prior thereto.

Section 708. Records to be Kept.--Every person holding a permit issued under this act shall keep daily permanent records containing a complete record of all transactions in distillery bonded warehouse certificates within this Commonwealth, in such form and manner as the [board] department may from time to time prescribe. Such records shall be available for examination by the [board] department officers at the broker's principal place of business or office in Pennsylvania.

Section 709. Renewal of Permits.--Upon the filing of an application and the payment of the prescribed filing fee and
permit fee in the same amount as herein required on original applications for permits, the [board] department may renew the permit for the calendar year beginning January first, provided such application for renewal is filed and fee paid on or before December fifteenth of the preceding year, unless the [board] department shall have given previous notice of objections to the renewal of the permit, based upon violation of this article or the [board] department regulations promulgated thereunder, or unless the applicant has by his own act become a person of ill repute or ceases to be financially responsible.

Section 710. Permit Hearings; Appeals From Refusal of the [Board] Department to Issue or Renew Permits.--The [board] department may of its own motion, and shall upon written request of any applicant for distillery certificate broker permit or for renewal thereof whose application for such permit or renewal has been refused, fix a time and place for hearings of such application for permit or for renewal thereof, notice of which hearing shall be sent by registered mail to the applicant at the address given in his application. Such hearing shall be before the [board] department or a member thereof. At such hearing, the [board] department shall present its reasons for its refusal or withholding a permit or renewal thereof. The applicant may appear in person or by counsel, cross-examine the witnesses of the [board] department, and may present evidence which shall be subject to cross-examination by the [board] department. Such hearings shall be stenographically recorded. The [board] department shall thereupon grant or refuse the permit or renewal thereof. If the [board] department shall refuse such permit or renewal following such hearing, notice in writing of such refusal shall be sent by registered mail to the applicant at the
address given in his application. In all such cases, the [board] department shall file of record at least a brief statement in the form of an opinion of the reasons for the ruling or order and furnish a copy thereof to the applicant.

Section 712. Revocation and Suspension of Permit.--Upon learning of any violation of this act or regulations of the [board] department promulgated thereunder, or any violation of any laws of this Commonwealth or of the United States of America by the permittee, his officers, servants, agents or employes, or upon any other sufficient cause shown, the [board] department may cite such permittee to appear before it or a member thereof not less than ten or more than fifteen days from the date of sending such permittee, by registered mail, a notice addressed to him at the address set forth in the application for permit, to show cause why such permit should not be suspended or revoked. When such notice is duly addressed and deposited in the post office, it shall be deemed due and sufficient notice. Hearings on such citations shall be held in the same manner as provided herein for hearing on application for permit. Upon such hearing, if satisfied that any such violation has occurred, or for other sufficient cause, the [board] department shall immediately suspend or revoke the permit, notifying the permittee thereof by registered letter addressed to the address set forth in the application for permit. Any permittee whose permit is revoked shall be ineligible to have a permit under this act until the expiration of three years from the date such permit was revoked. In all such cases, the [board] department shall file of record at least a brief statement in the form of an opinion of the reasons for the ruling or order.

Section 722. Registered Agents.--Every person holding a
distillery certificate broker permit under this article who desires to employ an agent or agents in the operation of his business under the permit shall make application to the [board] department for registration of such agent or agents. Every such permittee's application shall set forth the name of the permittee and the address of his main office or principal place of business in Pennsylvania, and the full address where complete records are maintained covering the permittee's operations in Pennsylvania. With each such permittee's application there shall be filed an agent's application for each agent to be registered. Permittees' applications for agents and agents' applications shall contain such information as the [board] department shall from time to time require, and shall be signed and verified by oath or affirmation of the agent. Each application shall be accompanied by two unmounted photographs of the agent.

Section 724. Registration and Issuance of Identification Card.--Upon receipt of the application, the proper fees, and upon being satisfied of the truth of the statements in the application and that the applicant is a person of good reputation and the applicant seeks a registration as defined in this act, the [board] department may register such agent and issue to him an identification card.

Section 725. Hearings Upon Refusal of the [Board] Department; Appeals.--In the event that the [board] department shall refuse to issue or to renew an agent's registration, a hearing shall be had.

Section 726. Revocation and Suspension of Agents' Registrations.--Upon learning of any violation of this act or regulation of the [board] department promulgated thereunder, or any violation of any laws of this Commonwealth or of the United

States of America by a registered agent, the [board] department may revoke or suspend the agent's registration in the same manner as provided herein for the revocation and suspension of distillery certificate broker permits.

Section 727. Identification Cards.--Upon approval by the [board] department of the application for registration of an agent, there shall be issued to such registered agent an identification card containing the name and address of the distillery certificate broker, the name, address and physical description of the agent. There shall also be affixed to the identification card a photograph of the agent, and no identification card shall be valid until signed by both the distillery certificate broker and the agent and counter-signed by a representative of the [board] department.

Before any agent's registration can be changed from one distillery certificate broker to another, the identification card of such agent shall either be returned to the [board] department by the broker under whom he is registered, or such broker shall file with the [board] department a notice in writing that he has knowledge of and consents to the employment of such agent by the other broker.

When the employment of any agent is terminated, the broker shall immediately notify the [board] department and the identification card issued to the agent shall be surrendered to the [board] department.

Section 733. Certificates Owned Since July 24, 1939.-Persons other than licensed distillers, rectifiers, importers and distillery certificate brokers, holding distillery bonded warehouse certificates on and since the twenty-fourth day of July, one thousand nine hundred thirty-nine, may dispose of same
without a permit required under the provisions of this act, but only to or through a distillery certificate broker holding a permit from the [board] department.

Section 741. Duties of the [Board] Department.--It shall be the duty of the [board] department to see that the provisions of this article are at all times properly administered and obeyed, and to take such measures and make such investigations as will detect the violations of any provisions thereof. In the event it shall discover any violation, it shall, in addition to revoking any permit or registration of an agent, take such measures as may be necessary to cause the apprehension and prosecution of all persons deemed guilty thereof.

Section 70. (a) On July 1, 1981, all personnel, allocations, appropriations, equipment, files, records, contracts, agreements, obligations and other materials which are used, employed or expended in connection with the powers, duties or functions transferred by this act to the Department of Revenue are hereby transferred to the Department of Revenue with the same force and effect as if the appropriations had been made to and said items had been the property of the Department of Revenue in the first instance and as if said contracts, agreements and obligations had been incurred or entered into by the Department of Revenue.
(b) Rules and regulations of the Pennsylvania Liquor Control Board shall remain in effect until changed or repealed by the Department of Revenue after June 30, 1981.

Section 71. This act shall take effect in 60 days.

