

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2450 Session of  
2006

INTRODUCED BY COSTA, DeLUCA, DeWEESE, FRANKEL, GERGELY, BALDWIN,  
CALTAGIRONE, CORNELL, HARHAI, HARPER, HARRIS, HENNESSEY,  
HERMAN, JAMES, LEVDANSKY, MANN, McILHATTAN, PAYNE, PISTELLA,  
SAYLOR, SIPTROTH, SOLOBAY, J. TAYLOR, THOMAS, TURZAI, WILT  
AND YOUNGBLOOD, FEBRUARY 9, 2006

REFERRED TO COMMITTEE ON LIQUOR CONTROL, FEBRUARY 9, 2006

AN ACT

1 Amending the act of April 12, 1951 (P.L.90, No.21), entitled, as  
2 reenacted, "An act relating to alcoholic liquors, alcohol and  
3 malt and brewed beverages; amending, revising, consolidating  
4 and changing the laws relating thereto; regulating and  
5 restricting the manufacture, purchase, sale, possession,  
6 consumption, importation, transportation, furnishing, holding  
7 in bond, holding in storage, traffic in and use of alcoholic  
8 liquors, alcohol and malt and brewed beverages and the  
9 persons engaged or employed therein; defining the powers and  
10 duties of the Pennsylvania Liquor Control Board; providing  
11 for the establishment and operation of State liquor stores,  
12 for the payment of certain license fees to the respective  
13 municipalities and townships, for the abatement of certain  
14 nuisances and, in certain cases, for search and seizure  
15 without warrant; prescribing penalties and forfeitures;  
16 providing for local option, and repealing existing laws,"  
17 further providing for the definition of "wine," for the  
18 general powers of the board, for sales by Pennsylvania Liquor  
19 Stores, for wine auction permits, for interlocking business  
20 prohibited, for breweries, for unlawful acts relative to  
21 liquor, alcohol and liquor licensees, for unlawful acts  
22 relative to liquor, malt and brewed beverages and licensees,  
23 for licenses required and for limited wineries.

24 The General Assembly of the Commonwealth of Pennsylvania  
25 hereby enacts as follows:

26 Section 1. The definition of "wine" in section 102 of the  
27 act of April 12, 1951 (P.L.90, No.21), known as the Liquor Code,

1 reenacted and amended June 29, 1987 (P.L.32, No.14) and added  
2 December 8, 2004 (P.L.1810, No.239), is amended to read:

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

6 \* \* \*

7 "Wine" shall mean liquor which is fermented from [grapes and  
8 other fruits having] agricultural, apicultural, horticultural,  
9 silvicultural and viticultural commodities, having an alcoholic  
10 content of twenty-four per centum or less. The term "wine" shall  
11 not include any products containing alcohol derived from malt,  
12 grain, cereal, molasses or cactus.

13 \* \* \*

14 Section 2. Section 207 of the act is amended by adding a  
15 subsection to read:

16 Section 207. General Powers of Board.--Under this act, the  
17 board shall have the power and its duty shall be:

18 \* \* \*

19 (1) To deliver liquor to licensed and unlicensed consumers  
20 including wines purchased directly from a limited winery. The  
21 board may charge a fee for this service.

22 Section 3. Section 305(b) of the act, amended July 6, 2005  
23 (P.L.135, No.39), is amended to read:

24 Section 305. Sales by Pennsylvania Liquor Stores.--\* \* \*

25 (b) Every Pennsylvania Liquor Store shall sell liquors at  
26 wholesale to hotels, restaurants, clubs, and railroad, pullman  
27 and steamship companies licensed under this act; and, under the  
28 regulations of the board, to pharmacists duly licensed and  
29 registered under the laws of the Commonwealth, and to  
30 manufacturing pharmacists, and to reputable hospitals approved

1 by the board, or chemists. Sales to licensees shall be made at a  
2 price that includes a discount of ten per centum from the retail  
3 price. The board may sell to registered pharmacists only such  
4 liquors as conform to the Pharmacopoeia of the United States,  
5 the National Formulary, or the American Homeopathic  
6 Pharmacopoeia. The board may sell at special prices under the  
7 regulations of the board, to United States Armed Forces  
8 facilities which are located on United States Armed Forces  
9 installations and are conducted pursuant to the authority and  
10 regulations of the United States Armed Forces. All other sales  
11 by such stores shall be at retail. A person entitled to purchase  
12 liquor at wholesale prices may purchase the liquor at any  
13 Pennsylvania Liquor Store upon tendering cash, check or credit  
14 card for the full amount of the purchase. For this purpose, the  
15 board shall issue a discount card to each licensee identifying  
16 such licensee as a person authorized to purchase liquor at  
17 wholesale prices. Such discount card shall be retained by the  
18 licensee. The board may contract through the Commonwealth  
19 bidding process or it may use board employees for delivery to  
20 [wholesale licensees] licensed and unlicensed consumers at the  
21 expense of the [licensee] consumer receiving the delivery.

22 \* \* \*

23 Section 4. Section 408.12(g) and (h) of the act, added July  
24 1, 1994 (P.L.402, No.61), are amended to read:

25 Section 408.12. Wine Auction Permits.--\* \* \*

26 (g) Any wine sold under this section shall be purchased from  
27 a Pennsylvania Liquor Store, a [Pennsylvania] limited winery or  
28 any seller authorized to sell wine by the bottle or case in this  
29 Commonwealth or shall be donated by a person who is neither a  
30 licensee nor a permittee who has legally acquired the wine and

1 legally possesses it in this Commonwealth.

2 (h) If any wine sold under this section is purchased from a  
3 seller other than a Pennsylvania Liquor Store or a  
4 [Pennsylvania] limited winery, the permittee shall provide  
5 thirty days' notice to the board of its intent to purchase such  
6 wine. The notice shall include a description of the wine to be  
7 purchased, the quantity to be purchased, the name of the seller  
8 and any other information which the board may require. The  
9 permittee shall comply with all board regulations regarding  
10 taxes and fees.

11 \* \* \*

12 Section 5. Section 443 of the act, amended May 31, 1996  
13 (P.L.312, No.49) and June 18, 1998 (P.L.664, No.86), is amended  
14 to read:

15 Section 443. Interlocking Business Prohibited.--(a) No  
16 manufacturer of malt or brewed beverages and no officer or  
17 director of any such manufacturer shall at the same time be a  
18 distributor, importing distributor or retail dispenser, or an  
19 officer, director or stockholder or creditor of any distributor,  
20 importing distributor or retail dispenser, nor, except as  
21 hereinafter provided, be the owner, proprietor or lessor of any  
22 place for which a license has been issued for any importing  
23 distributor, distributor or retail dispenser, or for which a  
24 hotel, restaurant or club liquor license has been issued:

25 Provided, however, That a holder of a manufacturer's license  
26 under section 431(a) who is eligible to operate a brewery pub  
27 under section 446(2) [or a limited winery as provided for under  
28 section 505.2] may also hold and operate under a hotel liquor  
29 license, a restaurant liquor license or a malt and brewed  
30 beverages retail license on the manufacturer's [or limited

1 winery's] licensed premises. The hotel liquor license or  
2 restaurant liquor license or the malt and brewed beverages  
3 retail license shall be acquired by the manufacturer [or limited  
4 winery] subject to section 461 and shall satisfy all  
5 requirements for each respective license.

6 (b) No distributor or importing distributor and no officer  
7 or director of any distributor or importing distributor shall at  
8 the same time be a manufacturer, a retail dispenser or a liquor  
9 licensee, or be an officer, director, stockholder or creditor of  
10 a manufacturer, a retail dispenser or a liquor licensee, or,  
11 directly or indirectly, own any stock of, or have any financial  
12 interest in, or be the owner, proprietor or lessor of, any place  
13 covered by any other malt or brewed beverage or liquor license.

14 (c) No licensee licensed under this subdivision (B) of  
15 Article IV and no officer or director of such licensee shall,  
16 directly or indirectly, own any stock of, or have any financial  
17 interest in, any other class of business licensed under this  
18 subdivision: Provided, however, That a holder of a  
19 manufacturer's license under section 431(a) who is eligible to  
20 operate a brewery pub under section 446(2) [or a limited winery  
21 as provided for under section 505.2] may also hold and operate  
22 under a hotel liquor license, a restaurant liquor license or a  
23 malt and brewed beverages retail license on the manufacturer's  
24 [or limited winery's] licensed premises. The hotel liquor  
25 license or restaurant liquor license or the malt and brewed  
26 beverages retail license shall be acquired by the manufacturer  
27 [or limited winery] subject to section 461 and shall satisfy all  
28 requirements for each respective license.

29 (d) Excepting as hereinafter provided, no malt or brewed  
30 beverage manufacturer, importing distributor or distributor

1 shall in any wise be interested, either directly or indirectly,  
2 in the ownership or leasehold of any property or in any mortgage  
3 against the same, for which a liquor or retail dispenser's  
4 license is granted; nor shall any such manufacturer, importing  
5 distributor or distributor, either directly or indirectly, lend  
6 any moneys, credit or equivalent thereof to, or guarantee the  
7 payment of any bond, mortgage, note or other obligation of, any  
8 liquor licensee or retail dispenser, in equipping, fitting out,  
9 or maintaining and conducting, either in whole or in part, an  
10 establishment or business operated under a liquor or retail  
11 dispenser's license, excepting only the usual and customary  
12 credits allowed for returning original containers in which malt  
13 or brewed beverages were packaged for market by the manufacturer  
14 at the place of manufacture: Provided, however, That a holder of  
15 a manufacturer's license under section 431(a) who is eligible to  
16 operate a brewery pub under section 446(2) [or a limited winery  
17 as provided for under section 505.2] may also hold and operate  
18 under a hotel liquor license, a restaurant liquor license or a  
19 malt and brewed beverages retail license on the manufacturer's  
20 [or limited winery's] licensed premises. The hotel liquor  
21 license or restaurant liquor license or the malt and brewed  
22 beverages retail license shall be acquired by the manufacturer  
23 [or limited winery] subject to section 461 and shall satisfy all  
24 requirements for each respective license.

25 (e) Excepting as hereinafter provided, no manufacturer of  
26 malt or brewed beverages shall in any wise be interested, either  
27 directly or indirectly, in the ownership or leasehold of any  
28 property or any mortgage lien against the same, for which a  
29 distributor's or importing distributor's license is granted; nor  
30 shall any such manufacturer, either directly or indirectly, lend

1 any moneys, credit, or their equivalent to, or guarantee the  
2 payment of any bond, mortgage, note or other obligation of, any  
3 distributor or importing distributor, in equipping, fitting out,  
4 or maintaining and conducting, either in whole or in part, an  
5 establishment or business where malt or brewed beverages are  
6 licensed for sale by a distributor or importing distributor,  
7 excepting only the usual credits allowed for the return of  
8 original containers in which malt or brewed beverages were  
9 originally packaged for the market by the manufacturer at the  
10 place of manufacture: Provided, however, That a holder of a  
11 manufacturer's license under section 431(a) who is eligible to  
12 operate a brewery pub under section 446(2) [or a limited winery  
13 as provided for under section 505.2] may also hold and operate  
14 under a hotel liquor license, a restaurant liquor license or a  
15 malt and brewed beverages retail license on the manufacturer's  
16 [or limited winery's] licensed premises. The hotel liquor  
17 license or restaurant liquor license or the malt and brewed  
18 beverages retail license shall be acquired by the manufacturer  
19 [or limited winery] subject to section 461 and shall satisfy all  
20 requirements for each respective license. Nothing in this  
21 section shall be construed to prohibit an out of State  
22 manufacturer from engaging in a transaction or making payments  
23 authorized by section 431(a.1).

24 (f) No distributor, importing distributor or retail  
25 dispenser shall in anywise receive, either directly or  
26 indirectly, any credit, loan, moneys or the equivalent thereof  
27 from any other licensee, or from any officer, director or firm  
28 member of any other licensee, or from or through a subsidiary or  
29 affiliate of another licensee, or from any firm, association or  
30 corporation, except banking institutions, in which another

1 licensee or any officer, director or firm member of another  
2 licensee has a substantial interest or exercises a control of  
3 its business policy, for equipping, fitting out, payment of  
4 license fee, maintaining and conducting, either in whole or in  
5 part, an establishment or business operated under a  
6 distributor's, importing distributor's or retail dispenser's  
7 license, excepting only the usual and customary credits allowed  
8 for the return of original containers in which malt or brewed  
9 beverages were packaged for the market by the manufacturer at  
10 the place of manufacture: Provided, however, That a holder of a  
11 manufacturer's license under section 431(a) who is eligible to  
12 operate a brewery pub under section 446(2) [or a limited winery  
13 as provided for under section 505.2] may also hold and operate  
14 under a hotel liquor license, a restaurant liquor license or a  
15 malt and brewed beverages retail license on the manufacturer's  
16 [or limited winery's] licensed premises. The hotel liquor  
17 license or restaurant liquor license or the malt and brewed  
18 beverages retail license shall be acquired by the manufacturer  
19 [or limited winery] subject to section 461 and shall satisfy all  
20 requirements for each respective license. Nothing in this  
21 section shall be construed to prohibit an importing distributor  
22 from receiving payment from an out of State manufacturer for  
23 engaging in a transaction or performing services authorized by  
24 section 431(b) or 444(a.1).

25 (g) The purpose of this section is to require a separation  
26 of the financial and business interests between the various  
27 classes of business regulated by subdivision (B) of this  
28 article, and no person or corporation shall, by any device  
29 whatsoever, directly or indirectly, evade the provisions of this  
30 section. But in view of existing economic conditions, nothing



1 contained in this section shall be construed to prohibit the  
2 ownership of property or conflicting interest by a malt or  
3 brewed beverage manufacturer of any place occupied by a  
4 distributor, importing distributor or retail dispenser after the  
5 manufacturer has continuously owned and had a conflicting  
6 interest in such place for a period of at least five years prior  
7 to the eighteenth day of July, one thousand nine hundred thirty-  
8 five: Provided, however, That a holder of a manufacturer's  
9 license under section 431(a) who is eligible to operate a  
10 brewery pub under section 446(2) [or a limited winery as  
11 provided for under section 505.2] may also hold and operate  
12 under a hotel liquor license, a restaurant liquor license or a  
13 malt and brewed beverages retail license on the manufacturer's  
14 [or limited winery's] licensed premises. The hotel liquor  
15 license or restaurant liquor license or the malt and brewed  
16 beverages retail license shall be acquired by the manufacturer  
17 [or limited winery] subject to section 461 and shall satisfy all  
18 requirements for each respective license.

19 The term "manufacturer" as used in this section shall include  
20 manufacturers of malt or brewed beverages as defined in this act  
21 and any person manufacturing any malt or brewed beverages  
22 outside of this Commonwealth.

23 Section 6. Section 446(2) of the act, amended January 6,  
24 2006 (P.L.1, No.1), is amended to read:

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

26 \* \* \*

27 (2) Operate a restaurant or brewery pub on the licensed  
28 premises under such conditions and regulations as the board may  
29 enforce: Provided, however, That sales on Sunday may be made  
30 irrespective of the volume of food sales if the licensed

1 premises are at a public venue location. The holder of a brewery  
2 license may sell at its brewery pub premises [Pennsylvania]  
3 wines it has purchased from either the holder of a  
4 [Pennsylvania] limited winery license or from the board:  
5 Provided, however, That said wines must be consumed at the  
6 licensed brewery pub premises.

7 \* \* \*

8 Section 7. Section 491(2) of the act, amended February 21,  
9 2002 (P.L.103, No.10), is amended to read:

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

12 It shall be unlawful--

13 \* \* \*

14 (2) Possession or Transportation of Liquor or Alcohol. For  
15 any person, except a manufacturer or the board or the holder of  
16 a sacramental wine license or of an importer's license, to  
17 possess or transport any liquor or alcohol within this  
18 Commonwealth which was not lawfully acquired prior to January  
19 first, one thousand nine hundred and thirty-four, or has not  
20 been purchased from a Pennsylvania Liquor Store or a licensed  
21 limited winery [in Pennsylvania], except in accordance with  
22 section 488 or the board's regulations. In addition, it shall be  
23 lawful for anyone to possess miniatures totaling less than one  
24 gallon purchased in another state or a foreign country. The  
25 burden shall be upon the person possessing or transporting such  
26 liquor or alcohol to prove that it was so acquired. But nothing  
27 herein contained shall prohibit the manufacture or possession of  
28 wine by any person in his home for consumption of himself, his  
29 family and guests and not for sale, not exceeding, during any  
30 one calendar year, two hundred gallons, any other law to the

1 contrary notwithstanding. Such wine shall not be manufactured,  
2 possessed, offered for sale or sold on any licensed premises.

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

24 None of the provisions herein contained shall prohibit nor  
25 shall it be unlawful for any consul general, consul or other  
26 diplomatic officer of a foreign government to import into  
27 Pennsylvania, transport or have in his possession liquor upon  
28 which a State tax has not been paid, if it can be shown to the  
29 satisfaction of the board that such person acquired the liquor  
30 in a foreign country and was allowed to bring it into the United

1 States. Such liquor shall not be possessed, offered for sale or  
2 sold on any licensed premises.

3 Any person violating the provisions of this clause for a  
4 first offense involving the possession or transportation in  
5 Pennsylvania of any liquor in a package (bottle or other  
6 receptacle) or wine not purchased from a Pennsylvania Liquor  
7 Store or from a licensed limited winery [in Pennsylvania], with  
8 respect to which satisfactory proof is produced that the  
9 required Federal tax has been paid and which was purchased,  
10 procured or acquired legally outside of Pennsylvania shall upon  
11 conviction thereof in a summary proceeding be sentenced to pay a  
12 fine of twenty-five dollars (\$25) for each such package, plus  
13 costs of prosecution, or undergo imprisonment for a term not  
14 exceeding ninety (90) days. Each full quart or major fraction  
15 thereof shall be considered a separate package (bottle or other  
16 receptacle) for the purposes of this clause. Such packages of  
17 liquor shall be forfeited to the Commonwealth in the manner  
18 prescribed in Article VI of this act but the vehicle, boat,  
19 vessel, animal or aircraft used in the illegal transportation of  
20 such packages shall not be subject to forfeiture: Provided,  
21 however, That if it is a second or subsequent offense or if it  
22 is established that the illegal possession or transportation was  
23 in connection with a commercial transaction, then the other  
24 provisions of this act providing for prosecution as a  
25 misdemeanor and for the forfeiture of the vehicle, boat, vessel,  
26 animal or aircraft shall apply.

27 \* \* \*

28 Section 8. Section 493(11) of the act, amended June 18, 1998  
29 (P.L.664, No.86), is amended to read:

30 Section 493. Unlawful Acts Relative to Liquor, Malt and

1 Brewed Beverages and Licensees.--The term "licensee," when used  
2 in this section, shall mean those persons licensed under the  
3 provisions of Article IV, unless the context clearly indicates  
4 otherwise.

5 It shall be unlawful--

6 \* \* \*

7 (11) Licensees Employed by Others. For any hotel, restaurant  
8 or club liquor licensee, or any malt or brewed beverage  
9 licensee, or any officer, servant, agent or employe of such  
10 licensee, to be at the same time employed, directly or  
11 indirectly, by any distributor, importing distributor,  
12 manufacturer, importer or vendor licensee or any out of State  
13 manufacturer. It shall also be unlawful for any distributor or  
14 importing distributor, or any officer, servant, agent or employe  
15 of such licensee, to be at the same time employed, directly or  
16 indirectly, by any other distributor, importing distributor,  
17 manufacturer, importer, vendor, out of State manufacturer, hotel  
18 restaurant, malt or brewed beverage licensee, or club liquor  
19 licensee. It shall also be unlawful for any manufacturer,  
20 importer, or vendor licensee, or any out of State manufacturer,  
21 or any officer, servant, agent or employe of such licensee or  
22 manufacturer, to be at the same time employed, directly or  
23 indirectly, by any hotel, restaurant or club liquor licensee or  
24 any malt or brewed beverage licensee or any distributor or  
25 importing distributor licensee. Nothing in this subsection shall  
26 be construed to prohibit a manufacturer or limited winery  
27 licensee, or any officer, servant, agent or employe of such  
28 licensee, to be employed at the same time by a hotel, restaurant  
29 or retail dispenser licensee if the hotel, restaurant or retail  
30 dispenser licensee is located at the manufacturer or limited

1 winery premises pursuant to section 443 or 505.2. For the  
2 purposes of this subsection, an officer, servant, agent or  
3 employe of a licensee or manufacturer is an individual who has  
4 either an ownership interest in the licensee or manufacturer or  
5 who receives compensation for his or her work on behalf of the  
6 licensee or manufacturer.

7 \* \* \*

8 Section 9. Section 501 of the act is amended to read:

9 Section 501. License Required.--Except as otherwise provided  
10 in this article, and except as otherwise provided in article  
11 four as to malt and brewed beverages, it shall be unlawful for  
12 any person without a license obtained under provisions of this  
13 article to hold in storage as bailee for hire, or transport for  
14 hire, any malt or brewed beverage, or to manufacture, produce,  
15 distill, develop or use in the process of manufacture, denature,  
16 redistill, recover, rectify, blend, reuse, hold in bond, hold in  
17 storage as bailee for hire, or transport for hire, within this  
18 Commonwealth, any alcohol or liquor, [, except that a person may  
19 manufacture wine out of grapes grown in Pennsylvania by  
20 fermentation only and with no alcohol or alcoholic product added  
21 thereto by way of fortification and sell the same to a licensed  
22 winery.]

23 Section 10. Section 505.2 of the act, amended December 8,  
24 2004 (P.L.1810, No.239), is amended to read:

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

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

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

20       (3) [Separately or in conjunction with other limited  
21 wineries, sell] Sell alcoholic cider[, wine and wine coolers]  
22 and wine produced by the limited winery on no more than five (5)  
23 board-approved satellite locations other than the primary  
24 licensed premises location, with no bottling or production  
25 requirement at [those additional] the board-approved satellite  
26 locations and under such conditions and regulations as the board  
27 may enforce, to the board, to individuals and to brewery, hotel,  
28 restaurant, club and public service liquor licensees. [If two or  
29 more limited wineries apply to operate an additional board-  
30 approved location in conjunction with each other, the wineries

1 need only have one board-approved manager for the location, need  
2 only pay one application fee and need not designate specific or  
3 distinct areas for each winery's licensed area. Each limited  
4 winery must file an application for such an additional board-  
5 approved location, and such location shall count as one of the  
6 five permitted for each limited winery. Each limited winery is  
7 responsible for keeping only its own complete records. A limited  
8 winery may be cited for a violation of the recordkeeping  
9 requirements of sections 512 and 513 pertaining to its own  
10 records only.] A limited winery seeking a board-approved  
11 satellite location must file an application seeking board  
12 approval.

13 (4) At the discretion of the board, obtain a special permit  
14 to participate in alcoholic cider, wine and food expositions off  
15 the licensed premises. A special permit shall be issued upon  
16 proper application and payment of a fee of thirty dollars (\$30)  
17 per day for each day of permitted use, not to exceed five (5)  
18 consecutive days. The total number of days for all the special  
19 permits may not exceed forty (40) days in any calendar year. A  
20 special permit shall entitle the holder to engage in the sale by  
21 the glass, by the bottle or in case lots of alcoholic cider or  
22 wine produced by the permittee under the authority of a limited  
23 winery license. Holders of special permits may provide tasting  
24 samples of alcoholic ciders and wines in individual portions not  
25 to exceed one fluid ounce. Samples at alcoholic cider, wine and  
26 food expositions may be sold or offered free of charge. Except  
27 as provided herein, limited wineries utilizing special permits  
28 shall be governed by all applicable provisions of this act as  
29 well as by all applicable regulations or conditions adopted by  
30 the board. Notwithstanding any other provisions of law, permits



1 may not be utilized in supermarkets or other similar locations.

2 For the purposes of this clause, "alcoholic cider, wine and  
3 food expositions" are defined as affairs held indoors or  
4 outdoors with the primary intent of educating those in  
5 attendance of the availability, nature and quality of  
6 [Pennsylvania-produced] alcoholic ciders and wines in  
7 conjunction with suitable food displays, demonstrations and  
8 sales. Alcoholic cider, wine and food expositions may also  
9 include activities other than alcoholic cider, wine and food  
10 displays, including arts and crafts, musical activities,  
11 cultural exhibits, agricultural exhibits and similar activities.

12 (5) Apply for and hold a hotel liquor license, a restaurant  
13 liquor license or a malt and brewed beverages retail license to  
14 sell for consumption at the restaurant or limited winery on the  
15 licensed winery premises, liquor, wine and malt or brewed  
16 beverages regardless of the place of manufacture under the same  
17 conditions and regulations as any other hotel liquor license,  
18 restaurant liquor license or malt and brewed beverages retail  
19 license.

20 [(6) (i) Secure a permit from the board to allow the holder  
21 of a limited winery license to use up to twenty-five per centum  
22 permitted fruit, not wine, in the current year's production.  
23 Each permit is valid only for the calendar year in which it is  
24 issued.

25 (ii) The fee for a permit to import and use permitted fruit  
26 shall be in an amount to be determined by the board.

27 (iii) The purpose of this section is to increase the  
28 productivity of limited wineries while at the same time  
29 protecting the integrity and unique characteristics of wine  
30 produced from fruit primarily grown in this Commonwealth.

1 Prevailing climatic conditions have a significant impact on the  
2 character of the fruit. Accordingly, "permitted fruit" shall  
3 mean fruit grown or juice derived from fruit grown within three  
4 hundred fifty (350) miles of the winery.

5 (iv) The department is authorized to promulgate regulations  
6 requiring the filing of periodic reports by limited wineries to  
7 ensure compliance with the provisions of this section.]

8 (6.1) [Sell] At the primary licensed premises location only,  
9 sell food for consumption on or off the licensed premises and  
10 sell by the glass only wine and alcoholic ciders that may  
11 otherwise be sold by the bottle.

12 (6.2) Sell wine- or liquor-scented candles acquired or  
13 produced by the limited winery.

14 (6.3) Sell alcoholic cider, wine and wine coolers only  
15 between the hours of nine o'clock antemeridian and nine o'clock  
16 postmeridian. During the period from Thanksgiving Day through  
17 New Year's Day, limited winery sales locations may remain open  
18 to conform with the closing times of neighboring mall or  
19 shopping district businesses but no later than ten o'clock  
20 postmeridian. A limited winery also may request approval from  
21 the board to extend sales hours in individual locations at other  
22 times during the year or beyond the limits set forth in this  
23 clause. The request shall be made in writing to the board's  
24 Office of the Chief Counsel and shall detail the exact locations  
25 where sales hours are proposed to be extended, the proposed  
26 hours and dates of extended operation and the reason for the  
27 proposed extended hours. This paragraph shall not be construed  
28 as regulating the hours of operation by a limited winery for a  
29 location outside of this Commonwealth.

30 (b) The total production of alcoholic ciders, wine and wine

1 coolers by a limited winery may not exceed [two hundred thousand  
2 (200,000) gallons per year.] eighty thousand (80,000) gallons  
3 per year, including wine in bulk in bond sold to or obtained  
4 from other limited wineries.

5 [(c) The term "agricultural commodity" as used in this  
6 section shall include any of the following: agricultural,  
7 apicultural, horticultural, silvicultural and viticultural  
8 commodities.]

9 (d) No limited winery licensee, or its officers, directors,  
10 shareholders or members, shall hold any interest in any other  
11 license issued by the board; nor shall any limited winery  
12 licensee, or its officers, directors, shareholders or members,  
13 either directly or indirectly, lend any moneys, credit or  
14 equivalent thereof to any other licensee; nor shall any limited  
15 winery licensee, or its officers, directors, shareholders or  
16 members guarantee the payment of any bond, mortgage, note or  
17 other obligation of any other licensee; nor shall any limited  
18 winery licensee, or its officers, directors, shareholders or  
19 members, be the owner, proprietor or lessor of any place for  
20 which any other license has been issued by the board.

21 Notwithstanding this section, a limited winery licensee may hold  
22 and operate a hotel liquor license, a restaurant liquor license  
23 or a malt or brewed beverages retail dispenser license at the  
24 limited winery licensee's primary licensed premises location.

25 (e) No limited winery licensee, or its officers, directors,  
26 shareholders, members, employees, servants or agents may deliver  
27 wine to a licensed or unlicensed customer off of the limited  
28 winery's licensed premises, except in accordance with section  
29 207(e). Wine sold directly by the limited winery and delivered  
30 to customers pursuant to section 207(e) is subject to taxes in

1 the same manner as wine sold through the Pennsylvania Liquor  
2 Stores.

3       Section 11. This act shall take effect in 60 days.