

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2470 Session of  
2006

INTRODUCED BY ROSS, ARGALL, BALDWIN, BARRAR, BEYER, BUNT,  
CAPPELLI, CAUSER, CRAHALLA, DeLUCA, D. EVANS, FAIRCHILD,  
FICHTER, FRANKEL, GEIST, GERGELY, GINGRICH, HARHAI, HARHART,  
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RAPP, REICHLEY, RUBLEY, SAYLOR, SEMMEL, SONNEY, STEIL,  
T. STEVENSON, SURRA, TANGRETTI, E. Z. TAYLOR, TURZAI AND  
WILT, FEBRUARY 27, 2006

REFERRED TO COMMITTEE ON LIQUOR CONTROL, FEBRUARY 27, 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 definitions of "limited winery" and  
18 "wine," for wine auction permits, for interlocking business  
19 prohibited, for breweries, for unlawful acts relative to  
20 liquor, alcohol and liquor licensees, for unlawful acts  
21 relative to liquor, malt and brewed beverages and licensees,  
22 for license required, for limited wineries and for posting of  
23 license and business hours.

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

1 Section 1. The definitions of "limited winery" and "wine" in  
2 section 102 of the act of April 12, 1951 (P.L.90, No.21), known  
3 as the Liquor Code, reenacted and amended June 29, 1987 (P.L.32,  
4 No.14) and added December 8, 2004 (P.L.1810, No.239), are  
5 amended to read:

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

9 \* \* \*

10 "Limited Winery" shall mean a winery with a maximum [output  
11 of two hundred thousand (200,000)] production of one hundred  
12 fifty thousand (150,000) gallons per year.

13 \* \* \*

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

20 \* \* \*

21 Section 2. Section 408.12(g) and (h) of the act, added July  
22 1, 1994 (P.L.402, No.61), are amended to read:

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

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

30 (h) If any wine sold under this section is purchased from a

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

9 \* \* \*

10 Section 3. Section 443 of the act, amended May 31, 1996  
11 (P.L.312, No.49) and June 18, 1998 (P.L.664, No.86), is amended  
12 to read:

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

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

1 retail license shall be acquired by the manufacturer [or limited  
2 winery] subject to section 461 and shall satisfy all  
3 requirements for each respective license.

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

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

27 (d) Excepting as hereinafter provided, no malt or brewed  
28 beverage manufacturer, importing distributor or distributor  
29 shall in any wise be interested, either directly or indirectly,  
30 in the ownership or leasehold of any property or in any mortgage

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

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

1 distributor or importing distributor, in equipping, fitting out,  
2 or maintaining and conducting, either in whole or in part, an  
3 establishment or business where malt or brewed beverages are  
4 licensed for sale by a distributor or importing distributor,  
5 excepting only the usual credits allowed for the return of  
6 original containers in which malt or brewed beverages were  
7 originally packaged for the market by the manufacturer at the  
8 place of manufacture: Provided, however, That a holder of a  
9 manufacturer's license under section 431(a) who is eligible to  
10 operate a brewery pub under section 446(2) [or a limited winery  
11 as 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. Nothing in this  
19 section shall be construed to prohibit an out of State  
20 manufacturer from engaging in a transaction or making payments  
21 authorized by section 431(a.1).

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

1 its business policy, for equipping, fitting out, payment of  
2 license fee, maintaining and conducting, either in whole or in  
3 part, an establishment or business operated under a  
4 distributor's, importing distributor's or retail dispenser's  
5 license, excepting only the usual and customary credits allowed  
6 for the return of original containers in which malt or brewed  
7 beverages were packaged for the market by the manufacturer at  
8 the place of manufacture: Provided, however, That a holder of a  
9 manufacturer's license under section 431(a) who is eligible to  
10 operate a brewery pub under section 446(2) [or a limited winery  
11 as 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. Nothing in this  
19 section shall be construed to prohibit an importing distributor  
20 from receiving payment from an out of State manufacturer for  
21 engaging in a transaction or performing services authorized by  
22 section 431(b) or 444(a.1).

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

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

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

21 Section 4. Section 446(2) of the act, amended January 6,  
22 2006 (P.L.1, No.1), is amended to read:

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

24 \* \* \*

25 (2) Operate a restaurant or brewery pub on the licensed  
26 premises under such conditions and regulations as the board may  
27 enforce: Provided, however, That sales on Sunday may be made  
28 irrespective of the volume of food sales if the licensed  
29 premises are at a public venue location. The holder of a brewery  
30 license may sell at its brewery pub premises [Pennsylvania]



1 wines it has purchased from either the holder of a  
2 [Pennsylvania] limited winery license or from the board:  
3 Provided, however, That said wines must be consumed at the  
4 licensed brewery pub premises.

5 \* \* \*

6 Section 5. Section 491(2) of the act, amended February 21,  
7 2002 (P.L.103, No.10), is amended to read:

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

10 It shall be unlawful--

11 \* \* \*

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

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

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

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

25 \* \* \*

26 Section 6. Section 493(11) of the act, amended June 18, 1998  
27 (P.L.664, No.86), is amended to read:

28 Section 493. Unlawful Acts Relative to Liquor, Malt and  
29 Brewed Beverages and Licensees.--The term "licensee," when used  
30 in this section, shall mean those persons licensed under the

1 provisions of Article IV, unless the context clearly indicates  
2 otherwise.

3 It shall be unlawful--

4 \* \* \*

5 (11) Licensees Employed by Others. For any hotel, restaurant  
6 or club liquor licensee, or any malt or brewed beverage  
7 licensee, or any officer, servant, agent or employe of such  
8 licensee, to be at the same time employed, directly or  
9 indirectly, by any distributor, importing distributor,  
10 manufacturer, importer or vendor licensee or any out of State  
11 manufacturer. It shall also be unlawful for any distributor or  
12 importing distributor, or any officer, servant, agent or employe  
13 of such licensee, to be at the same time employed, directly or  
14 indirectly, by any other distributor, importing distributor,  
15 manufacturer, importer, vendor, out of State manufacturer, hotel  
16 restaurant, malt or brewed beverage licensee, or club liquor  
17 licensee. It shall also be unlawful for any manufacturer,  
18 importer, or vendor licensee, or any out of State manufacturer,  
19 or any officer, servant, agent or employe of such licensee or  
20 manufacturer, to be at the same time employed, directly or  
21 indirectly, by any hotel, restaurant or club liquor licensee or  
22 any malt or brewed beverage licensee or any distributor or  
23 importing distributor licensee. Nothing in this subsection shall  
24 be construed to prohibit a manufacturer or limited winery  
25 licensee, or any officer, servant, agent or employe of such  
26 licensee, to be employed at the same time by a hotel, restaurant  
27 or retail dispenser licensee if the hotel, restaurant or retail  
28 dispenser licensee is located at the manufacturer or limited  
29 winery premises pursuant to section 443 or 505.2. For the  
30 purposes of this subsection, an officer, servant, agent or

1 employe of a licensee or manufacturer is an individual who has  
2 either an ownership interest in the licensee or manufacturer or  
3 who receives compensation for his or her work on behalf of the  
4 licensee or manufacturer.

5 \* \* \*

6 Section 7. Section 501 of the act is amended to read:

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

21 Section 8. Section 505.2 of the act, amended December 8,  
22 2004 (P.L.1810, No.239), is amended to read:

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

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

29 (2) Sell alcoholic cider[, wine and wine coolers] and wine  
30 produced by the limited winery or purchased in bulk in bond from

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

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

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

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

28 For the purposes of this clause, "alcoholic cider, wine and  
29 food expositions" are defined as affairs held indoors or  
30 outdoors with the primary intent of educating those in

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

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

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

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

23 (iii) The purpose of this section is to increase the  
24 productivity of limited wineries while at the same time  
25 protecting the integrity and unique characteristics of wine  
26 produced from fruit primarily grown in this Commonwealth.  
27 Prevailing climatic conditions have a significant impact on the  
28 character of the fruit. Accordingly, "permitted fruit" shall  
29 mean fruit grown or juice derived from fruit grown within three  
30 hundred fifty (350) miles of the winery.



1 (iv) The [department] board is authorized to promulgate  
2 regulations requiring the filing of periodic reports by limited  
3 wineries to ensure compliance with the provisions of this  
4 section.

5 (6.1) [Sell] At the primary licensed premises location only,  
6 sell food for consumption on or off the licensed premises and  
7 sell by the glass only wine and alcoholic ciders that may  
8 otherwise be sold by the bottle.

9 (6.2) Sell wine- or liquor-scented candles acquired or  
10 produced by the limited winery.

11 (6.3) Sell alcoholic cider[, wine and wine coolers] and wine  
12 only between the hours of nine o'clock antemeridian and nine  
13 o'clock postmeridian. During the period from Thanksgiving Day  
14 through New Year's Day, limited winery sales locations may  
15 remain open to conform with the closing times of neighboring  
16 mall or shopping district businesses but no later than ten  
17 o'clock postmeridian. A limited winery also may request approval  
18 from the board to extend sales hours in individual locations at  
19 other times during the year or beyond the limits set forth in  
20 this clause. The request shall be made in writing to the board's  
21 Office of the Chief Counsel and shall detail the exact locations  
22 where sales hours are proposed to be extended, the proposed  
23 hours and dates of extended operation and the reason for the  
24 proposed extended hours.

25 (b) The total production of alcoholic ciders[, wine and wine  
26 coolers] and wine by a limited winery may not exceed [two  
27 hundred thousand (200,000) gallons per year] one hundred and  
28 fifty thousand (150,000) gallons per year, including wine in  
29 bulk in bond sold to or obtained from other wineries.

30 [(c) The term "agricultural commodity" as used in this

1 section shall include any of the following: agricultural,  
2 apicultural, horticultural, silvicultural and viticultural  
3 commodities.]

4 (d) (1) No limited winery licensee, or its officers,  
5 directors, shareholders or members shall do any of the  
6 following:

7 (i) Hold any interest in any other license issued by the  
8 board.

9 (ii) Either directly or indirectly, lend any moneys, credit  
10 or the equivalent to any other licensee.

11 (iii) Guarantee the payment of any bond, mortgage, note or  
12 other obligation of any other licensee.

13 (iv) Be the owner, proprietor or lessor of any place for  
14 which any other license has been issued by the board.

15 (2) Notwithstanding this section, a limited winery licensee  
16 may hold and operate a hotel liquor license, a restaurant liquor  
17 license or a malt or brewed beverage retail dispenser license at  
18 the limited winery licensee's primary licensed premises  
19 location.

20 Section 9. Section 509 of the act, amended December 9, 2002  
21 (P.L.1653, No.212), is amended to read:

22 Section 509. License Must Be Posted; Business Hours.--

23 Licenses shall be issued by the board under its official seal.

24 Every license so issued must at all times be posted in a  
25 conspicuous place where the business is carried on under it.

26 Licensees may be open every day except limited wineries which  
27 may be open as set forth by the board through regulations.

28 Nothing in this section shall be construed as regulating the  
29 hours of operation by a limited winery for a location outside of  
30 this Commonwealth.

1       Section 10.   This act shall take effect in 60 days.