

---

 THE GENERAL ASSEMBLY OF PENNSYLVANIA
 

---

# HOUSE BILL

No. 466 Session of  
2015

---

INTRODUCED BY TURZAI, REED, ADOLPH, BENNINGHOFF, CUTLER, ELLIS, MAJOR, OBERLANDER, MUSTIO, BAKER, BARRAR, BLOOM, CORBIN, DELOZIER, DIAMOND, DUNBAR, DUSH, EMRICK, ENGLISH, EVANKOVICH, EVERETT, FEE, GABLER, GILLESPIE, GREINER, GROVE, HARPER, A. HARRIS, HEFFLEY, HELM, HICKERNELL, PHILLIPS-HILL, KAMPF, KAUFFMAN, F. KELLER, KILLION, KLUNK, KNOWLES, LAWRENCE, MACKENZIE, MARSHALL, MASSER, MCGINNIS, MENTZER, METCALFE, MILLARD, MILNE, MOUL, NESBIT, ORTITAY, PAYNE, PEIFER, PICKETT, QUIGLEY, RAPP, REESE, REGAN, ROAE, ROSS, SACCONI, SANKEY, SAYLOR, SCHEMEL, SIMMONS, SONNEY, STAATS, TALLMAN, TOBASH, TOEPEL, TOOHIL, TOPPER, TRUITT, WATSON AND KRIEGER, FEBRUARY 12, 2015

---

SENATOR McILHINNEY, LAW AND JUSTICE, IN SENATE, AS AMENDED,  
JUNE 28, 2015

---

## AN ACT

1 ~~Amending the act of April 12, 1951 (P.L.90, No.21), entitled, as <--~~  
 2 ~~reenacted, "An act relating to alcoholic liquors, alcohol and~~  
 3 ~~malt and brewed beverages; amending, revising, consolidating~~  
 4 ~~and changing the laws relating thereto; regulating and~~  
 5 ~~restricting the manufacture, purchase, sale, possession,~~  
 6 ~~consumption, importation, transportation, furnishing, holding~~  
 7 ~~in bond, holding in storage, traffic in and use of alcoholic~~  
 8 ~~liquors, alcohol and malt and brewed beverages and the~~  
 9 ~~persons engaged or employed therein; defining the powers and~~  
 10 ~~duties of the Pennsylvania Liquor Control Board; providing~~  
 11 ~~for the establishment and operation of State liquor stores,~~  
 12 ~~for the payment of certain license fees to the respective~~  
 13 ~~municipalities and townships, for the abatement of certain~~  
 14 ~~nuisances and, in certain cases, for search and seizure~~  
 15 ~~without warrant; prescribing penalties and forfeitures;~~  
 16 ~~providing for local option, and repealing existing laws," as~~  
 17 ~~follows:~~  
 18 ~~In preliminary provisions, further providing for~~  
 19 ~~definitions and for interpretation.~~  
 20 ~~In the Pennsylvania Liquor Control Board, further~~  
 21 ~~providing for general powers, providing for fee adjustment by~~

1 ~~regulation and further providing for subject of regulations,~~  
2 ~~for enforcement and for wine and spirits marketing.~~

3 ~~In Pennsylvania Liquor Stores, further providing for~~  
4 ~~establishment and for sales.~~

5 ~~Providing for wine and spirits distribution.~~

6 ~~In licensing, further providing for hotels, restaurants~~  
7 ~~and clubs liquor licenses, providing for grocery store~~  
8 ~~licenses, further providing for license fees, for liquor~~  
9 ~~license sales and restrictions, providing for grocery store~~  
10 ~~license sales and restrictions and further providing for malt~~  
11 ~~and brewed beverages licenses, for wine auction permits, for~~  
12 ~~importers' license fees, privileges and restrictions, for~~  
13 ~~interlocking business, for malt and brewed beverages~~  
14 ~~licenses, for distributor package reform permit, for~~  
15 ~~distributors and dispensers licenses, for prohibitions~~  
16 ~~against the grant of licenses, for numbers and kinds of~~  
17 ~~licenses, for distributors and importing distributors~~  
18 ~~restrictions, for retail dispensers restrictions, for~~  
19 ~~interlocking business prohibited, for breweries, for county~~  
20 ~~limitations, for assignability, for renewal and temporary~~  
21 ~~provisions, for sanctions, for responsible alcohol~~  
22 ~~management, for local option, for unlawful acts, for hours of~~  
23 ~~operation, for licensees and taxation, for penalties and for~~  
24 ~~vacation of premises.~~

25 ~~In distilleries, wineries, bonded warehouses, bailees and~~  
26 ~~transporters, further providing for limited wineries, for~~  
27 ~~distilleries and for license fees.~~

28 ~~In disposition of money, further providing for moneys~~  
29 ~~paid into Liquor License Fund.~~

30 ~~Providing for supplemental provisions.~~

31 AMENDING THE ACT OF APRIL 12, 1951 (P.L.90, NO.21), ENTITLED, AS <--  
32 REENACTED, "AN ACT RELATING TO ALCOHOLIC LIQUORS, ALCOHOL AND  
33 MALT AND BREWED BEVERAGES; AMENDING, REVISING, CONSOLIDATING  
34 AND CHANGING THE LAWS RELATING THERETO; REGULATING AND  
35 RESTRICTING THE MANUFACTURE, PURCHASE, SALE, POSSESSION,  
36 CONSUMPTION, IMPORTATION, TRANSPORTATION, FURNISHING, HOLDING  
37 IN BOND, HOLDING IN STORAGE, TRAFFIC IN AND USE OF ALCOHOLIC  
38 LIQUORS, ALCOHOL AND MALT AND BREWED BEVERAGES AND THE  
39 PERSONS ENGAGED OR EMPLOYED THEREIN; DEFINING THE POWERS AND  
40 DUTIES OF THE PENNSYLVANIA LIQUOR CONTROL BOARD; PROVIDING  
41 FOR THE ESTABLISHMENT AND OPERATION OF STATE LIQUOR STORES,  
42 FOR THE PAYMENT OF CERTAIN LICENSE FEES TO THE RESPECTIVE  
43 MUNICIPALITIES AND TOWNSHIPS, FOR THE ABATEMENT OF CERTAIN  
44 NUISANCES AND, IN CERTAIN CASES, FOR SEARCH AND SEIZURE  
45 WITHOUT WARRANT; PRESCRIBING PENALTIES AND FORFEITURES;  
46 PROVIDING FOR LOCAL OPTION, AND REPEALING EXISTING LAWS," AS  
47 FOLLOWS:

48 ~~IN PRELIMINARY PROVISIONS, FURTHER PROVIDING FOR~~  
49 ~~DEFINITIONS.~~

50 ~~IN PENNSYLVANIA LIQUOR CONTROL BOARD, FURTHER PROVIDING~~

1 FOR GENERAL POWERS OF BOARD.

2 IN PENNSYLVANIA LIQUOR STORES, PROVIDING FOR CAREER  
3 TRAINING AND POSTSECONDARY EDUCATION GRANT ELIGIBILITY.

4 IN LICENSES AND REGULATIONS, LIQUOR, ALCOHOL AND MALT AND  
5 BREWED BEVERAGES, FURTHER PROVIDING FOR LICENSE DISTRICTS,  
6 LICENSE PERIOD AND HEARINGS AND FOR ISSUANCE, TRANSFER OR  
7 EXTENSION OF HOTEL, RESTAURANT AND CLUB LIQUOR LICENSES,  
8 PROVIDING FOR WHOLESALE PERMIT, FOR WHOLESALE LICENSES, FOR  
9 WINE OR LIQUOR EXPANDED PERMITS AND FOR WINE OR LIQUOR  
10 ENHANCED PERMITS; FURTHER PROVIDING FOR MALT AND BREWED  
11 BEVERAGES MANUFACTURERS', DISTRIBUTORS' AND IMPORTING  
12 DISTRIBUTORS' LICENSES, FOR MALT AND BREWED BEVERAGES RETAIL  
13 LICENSES, FOR APPLICATION FOR DISTRIBUTORS', IMPORTING  
14 DISTRIBUTORS' AND RETAIL DISPENSERS' LICENSES, FOR  
15 PROHIBITIONS AGAINST THE GRANT OF LICENSES, FOR INTERLOCKING  
16 BUSINESS PROHIBITED, FOR LICENSES NOT ASSIGNABLE AND  
17 TRANSFERS, FOR SURRENDER OF RESTAURANT, EATING PLACE RETAIL  
18 DISPENSER, HOTEL, IMPORTING DISTRIBUTOR AND DISTRIBUTOR  
19 LICENSE FOR BENEFIT OF LICENSEE AND FOR UNLAWFUL ACTS  
20 RELATIVE TO MALT OR BREWED BEVERAGES AND LICENSEES.

21 THE GENERAL ASSEMBLY FINDS AND DECLARES AS FOLLOWS:

22 (1) IT IS THE PURPOSE OF THIS ACT TO REFORM AND  
23 PRIVATIZE THE SYSTEM BY WHICH ALCOHOL IS DISPENSED AND  
24 CONTROLLED WITHIN THIS COMMONWEALTH TO REFLECT CHANGES IN THE  
25 MARKETPLACE WHILE CONTINUING TO PROTECT THE WELFARE, HEALTH,  
26 PEACE AND MORALS OF THE CITIZENS OF THIS COMMONWEALTH.

27 (2) THE 21ST AMENDMENT TO THE CONSTITUTION OF THE UNITED  
28 STATES DICTATES THAT THE LAWS OF THE STATES SHALL GOVERN THE  
29 TRANSPORTATION AND IMPORTATION OF INTOXICATING LIQUORS INTO  
30 THE STATE FOR DELIVERY AND USE WITHIN THE STATE.

1           (3) FURTHER, THE UNITED STATES SUPREME COURT HAS OPINED  
2 IN INTERPRETING THE 21ST AMENDMENT THAT "THE STATES'  
3 REGULATORY POWER OVER THIS SEGMENT OF COMMERCE IS LARGELY  
4 UNFETTERED BY THE CONSTITUTION'S COMMERCE CLAUSE."

5           (4) REVENUES DERIVED FROM THE OPERATION OF A SYSTEM FOR  
6 THE MANUFACTURE, TRANSPORTATION, DISTRIBUTION AND SALE OF  
7 ALCOHOL ARE NECESSARY TO IMPLEMENT AND SUSTAIN A REGULATED  
8 MARKETPLACE TO CONTINUE TO PROTECT THE WELFARE, HEALTH, PEACE  
9 AND MORALS OF THE CITIZENS OF THIS COMMONWEALTH AND TO  
10 CONTRIBUTE TO THE OVERALL ECONOMIC STABILITY OF THE  
11 COMMONWEALTH.

12           (5) IN ORDER TO ADAPT TO THE CHANGING MARKETPLACE, THIS  
13 ACT WILL:

14           (I) PERMIT PRIVATE INDUSTRY TO OFFER ADDITIONAL  
15 PRODUCTS FOR SALE WHILE ENSURING THAT THE LAWS OF THIS  
16 COMMONWEALTH ARE THOROUGHLY ENFORCED.

17           (II) ENSURE THAT THE VALUE OF LICENSES HELD BY SMALL  
18 BUSINESSES ARE NOT DEVALUED, BUT ARE ENHANCED THROUGH THE  
19 OPPORTUNITY TO EXPAND OPERATIONS AND SALES.

20           (III) PROVIDE FOR THE OPERATION OF A RETAIL SYSTEM  
21 THAT PROMOTES COMPETITION AND CONVENIENCE TO ENSURE THAT  
22 THE RESIDENTS OF THIS COMMONWEALTH PURCHASE PRODUCTS  
23 WITHIN THIS COMMONWEALTH.

24           (IV) ESTABLISH A SYSTEM BY WHICH THESE INCREASED  
25 OPPORTUNITIES WILL CONTINUE TO CONTRIBUTE TO OVERALL  
26 FISCAL STABILITY OF THE COMMONWEALTH.

27           (6) RECOGNIZING THE BENEFITS OF ALLOWING THE PRIVATE  
28 MARKET TO OFFER PRODUCTS DIRECTLY TO LICENSEES AND RETAILERS,  
29 THE GENERAL ASSEMBLY INTENDS TO FULLY DIVEST OF THE  
30 COMMONWEALTH'S WHOLESALE LIQUOR BUSINESS IN ORDER TO ALLOW

1        ADDITIONAL PRODUCTS INTO THE MARKETPLACE, ESTABLISH A MORE  
2        RELIABLE SYSTEM FOR THE DISTRIBUTION OF PRODUCTS AND PROVIDE  
3        ADDITIONAL CONVENIENCE FOR LICENSEES AND RETAILERS.

4            (7) RECOGNITION AND FURTHERANCE OF ALL THESE ELEMENTS IS  
5        ESSENTIAL TO THE WELFARE, HEALTH, PEACE AND MORALS OF THE  
6        CITIZENS OF THIS COMMONWEALTH.

7        The General Assembly of the Commonwealth of Pennsylvania  
8        hereby enacts as follows:

9        ~~Section 1. Section 102 of the act of April 12, 1951 (P.L.90, <--~~  
10       ~~No.21), known as the Liquor Code, reenacted and amended June 29,~~  
11       ~~1987 (P.L.32, No.14), is amended by adding definitions to read:~~

12       ~~Section 102. Definitions. The following words or phrases,~~  
13       ~~unless the context clearly indicates otherwise, shall have the~~  
14       ~~meanings ascribed to them in this section:~~

15       ~~"Affiliate" or "person affiliated with" shall mean a person~~  
16       ~~that directly or indirectly, through one or more intermediaries,~~  
17       ~~controls, is controlled by or is under common control with a~~  
18       ~~specified person.~~

19       ~~\* \* \*~~

20       ~~"Blended brand valuation" shall mean, for any particular~~  
21       ~~brand of liquor, the sum of the wholesale profit margin on each~~  
22       ~~product of a brand.~~

23       ~~\* \* \*~~

24       ~~"Brand of liquor" shall mean a liquor product or series of~~  
25       ~~liquor products produced by a single manufacturer.~~

26       ~~\* \* \*~~

27       ~~"Change in control" shall mean, for purposes of wholesale or~~  
28       ~~retail licensees as defined in this section, the acquisition by~~  
29       ~~a person or group of persons acting in concert of more than~~  
30       ~~twenty per centum of a licensee's securities or other ownership~~

~~1 interests, with the exception of any ownership interest of the~~  
~~2 person that existed at the time of initial licensing, or more~~  
~~3 than twenty per centum of the securities or other ownership~~  
~~4 interests of a corporation or other legal entity which owns,~~  
~~5 directly or indirectly, at least twenty per centum of the~~  
~~6 securities or other ownership interests of the licensee.~~

~~7 \* \* \*~~

~~8 "Commission" shall mean the State Civil Service Commission.~~

~~9 \* \* \*~~

~~10 "Controlling interest" shall mean as follows:~~

~~11 (1) For a publicly traded legal entity, an interest in a~~  
~~12 legal entity, applicant or licensee whereby a person's sole~~  
~~13 voting rights under State law or corporate articles or bylaws~~  
~~14 entitles the person to elect or appoint one or more of the~~  
~~15 members of the board of directors or other governing board or~~  
~~16 the ownership, directly or indirectly, of five per centum or~~  
~~17 more of the securities of the publicly traded corporation.~~

~~18 (2) For a privately held corporation, partnership, limited~~  
~~19 liability company or other form of privately held legal entity,~~  
~~20 the holding of any securities in the legal entity.~~

~~21 \* \* \*~~

~~22 "Department" shall mean the Department of General Services of~~  
~~23 the Commonwealth.~~

~~24 \* \* \*~~

~~25 "Displaced employe" shall mean a salaried employe of the~~  
~~26 board whose employment is terminated as a sole and direct result~~  
~~27 of the implementation of Article III A. The term shall not~~  
~~28 include a person who is terminated for cause or who retires or~~  
~~29 resigns, is furloughed or is otherwise separated from employment~~  
~~30 for any other reason. The term excludes intermittent liquor~~

1 ~~store clerks and seasonal liquor store clerks.~~

2 \* \* \*

3 ~~"Grocery store" shall mean a reputable place operated by~~  
4 ~~persons of good repute, which primarily sells food, supplies for~~  
5 ~~the table and food products for human consumption off the~~  
6 ~~premises and which has an area under one roof of ten thousand~~  
7 ~~square feet or more.~~

8 ~~"Growler" shall mean a refillable glass container that holds~~  
9 ~~a minimum of sixty four fluid ounces for malt or brewed~~  
10 ~~beverages.~~

11 \* \* \*

12 ~~"Heritage State Stores" shall mean the number of State~~  
13 ~~stores, as determined by the board, located in any given county~~  
14 ~~as of the effective date of this definition.~~

15 \* \* \*

16 ~~"Institution of higher education" shall mean a public or~~  
17 ~~private institution within this Commonwealth authorized by the~~  
18 ~~Department of Education to grant a certificate, associate degree~~  
19 ~~or higher degree. The term includes a branch or satellite campus~~  
20 ~~of the institution.~~

21 \* \* \*

22 ~~"Retail licensee" shall mean a person that holds a wine and~~  
23 ~~spirits retail license issued pursuant to section 311 A.~~

24 \* \* \*

25 ~~"Variable pricing" shall mean, for purposes of the wholesale~~  
26 ~~sale of liquor, any disparity in the price of an item sold to~~  
27 ~~one licensee as compared to the price of the same item to~~  
28 ~~another licensee or a licensee of a different classification.~~  
29 ~~The term shall not include discounts for volume purchases.~~

30 \* \* \*

1 ~~"Wholesale acquisition factor" shall mean a factor of two and~~  
2 ~~one half applied to the wholesale profit margin of a brand of~~  
3 ~~liquor in determining a wholesale license fee.~~

4 ~~"Wholesale licensee" shall mean a person that holds a wine~~  
5 ~~and spirits wholesale license issued pursuant to section~~  
6 ~~321.1 A.~~

7 ~~"Wholesale profit margin" shall mean, for any particular~~  
8 ~~liquor product, twenty per centum of the total of costs of goods~~  
9 ~~sold of the product in the Commonwealth over the most recent~~  
10 ~~twelve month period for which information is available.~~

11 \* \* \*

12 ~~"Wine and spirits retail license" shall mean a license issued~~  
13 ~~by the department or the board authorizing a person to sell and~~  
14 ~~distribute wine and spirits to the public for off the premises~~  
15 ~~consumption.~~

16 ~~"Wine and spirits wholesale license" shall mean a license~~  
17 ~~issued by the department or the board authorizing a person to~~  
18 ~~sell and distribute liquor on a wholesale basis to the board~~  
19 ~~until all retail licenses have been issued in accordance with~~  
20 ~~Article III A and to retail licensees and other licensees under~~  
21 ~~this act.~~

22 \* \* \*

23 ~~Section 2. Section 104(c) and (d) of the act, amended~~  
24 ~~December 7, 1990 (P.L.622, No.160) and December 20, 1996~~  
25 ~~(P.L.1513, No.196), is amended to read:~~

26 ~~Section 104. Interpretation of Act. \* \* \*~~

27 ~~(c) Except as otherwise expressly provided, the purpose of~~  
28 ~~this act is to prohibit the manufacture of and transactions in~~  
29 ~~liquor, alcohol and malt or brewed beverages which take place in~~  
30 ~~this Commonwealth, except by and under the [control] regulatory~~



1 ~~authority of the board as herein specifically provided, and~~  
2 ~~every section and provision of the act shall be construed~~  
3 ~~accordingly; to provide a structure in this Commonwealth for a~~  
4 ~~distribution system, including the [establishment of~~  
5 ~~Pennsylvania liquor stores and] licensing of wine and spirits~~  
6 ~~wholesalers, wine and spirits retailers, importing distributors~~  
7 ~~and distributors; and to preserve manufacturers of liquor and~~  
8 ~~alcohol and malt and brewed beverages selling those products~~  
9 ~~within this Commonwealth. The provisions of this act dealing~~  
10 ~~with the manufacture, importation, sale, distribution and~~  
11 ~~disposition of liquor, alcohol and malt or brewed beverages~~  
12 ~~within the Commonwealth through [the instrumentality of the~~  
13 ~~board,] licensees and otherwise, provide the means by which such~~  
14 ~~control shall be made effective. This act shall not be construed~~  
15 ~~as forbidding, affecting or regulating any transaction which is~~  
16 ~~not subject to the legislative authority of this Commonwealth.~~

17 ~~(d) The provisions of this act are intended to create a~~  
18 ~~system for distribution [that shall include the fixing of prices~~  
19 ~~for] of liquor and alcohol and controls placed on [prices for]~~  
20 ~~the sale and distribution of malt and brewed beverages, and each~~  
21 ~~of which shall be construed as integral to the preservation of~~  
22 ~~the system, without which system the Commonwealth's control of~~  
23 ~~the sale of liquor and alcohol and malt and brewed beverages and~~  
24 ~~the Commonwealth's promotion of its policy of temperance and~~  
25 ~~responsible conduct with respect to alcoholic beverages would~~  
26 ~~not be possible.~~

27 ~~\* \* \*~~

28 ~~Section 3. Section 207 of the act, amended February 21, 2002~~  
29 ~~(P.L.103, No.10), November 30, 2004 (P.L.1727, No.221) and~~  
30 ~~December 8, 2004 (P.L.1810, No.239), is amended to read:~~

1       ~~Section 207. General Powers of Board. Under this act, the~~  
2 ~~board shall have the power and its duty shall be:~~

3       ~~(a) To buy, import or have in its possession for sale and~~  
4 ~~sell liquor, alcohol, corkscrews, wine and liquor accessories,~~  
5 ~~trade publications, gift cards, gift certificates, wine or~~  
6 ~~liquor scented candles and wine glasses in the manner set forth~~  
7 ~~in this act: Provided, however, That all purchases shall be made~~  
8 ~~subject to the approval of the State Treasurer, or his~~  
9 ~~designated deputy. The board shall buy liquor and alcohol at the~~  
10 ~~lowest price and in the greatest variety reasonably obtainable.~~  
11 ~~The board's authority to exercise the powers granted pursuant to~~  
12 ~~this subsection is subject to the limitations set forth in~~  
13 ~~Article III-A of this act.~~

14       ~~(b) To control the manufacture, possession, sale,~~  
15 ~~consumption, importation, use, storage, transportation and~~  
16 ~~delivery of liquor, alcohol and malt or brewed beverages in~~  
17 ~~accordance with the provisions of this act, and to fix the~~  
18 ~~wholesale and retail prices at which liquors and alcohol shall~~  
19 ~~be sold at Pennsylvania Liquor Stores. Prices shall be~~  
20 ~~proportional with prices paid by the board to its suppliers and~~  
21 ~~shall reflect any advantage obtained through volume purchases by~~  
22 ~~the board. The board may establish a preferential price~~  
23 ~~structure for wines produced within this Commonwealth for the~~  
24 ~~promotion of such wines, as long as the price structure is~~  
25 ~~uniform within each class of wine purchased by the board. The~~  
26 ~~board shall require each Pennsylvania manufacturer and each~~  
27 ~~nonresident manufacturer of liquors, other than wine, selling~~  
28 ~~such liquors to the board, which are not manufactured in this~~  
29 ~~Commonwealth, to make application for and be granted a permit by~~  
30 ~~the board before such liquors not manufactured in this~~

1 ~~Commonwealth shall be purchased from such manufacturer. Each~~  
2 ~~such manufacturer shall pay for such permit a fee which, in the~~  
3 ~~case of a manufacturer of this Commonwealth, shall be equal to~~  
4 ~~that required to be paid, if any, by a manufacturer or~~  
5 ~~wholesaler of the state, territory or country of origin of the~~  
6 ~~liquors, for selling liquors manufactured in Pennsylvania, and~~  
7 ~~in the case of a nonresident manufacturer, shall be equal to~~  
8 ~~that required to be paid, if any, in such state, territory or~~  
9 ~~country by Pennsylvania manufacturers doing business in such~~  
10 ~~state, territory or country. In the event that any such~~  
11 ~~manufacturer shall, in the opinion of the board, sell or attempt~~  
12 ~~to sell liquors to the board through another person for the~~  
13 ~~purpose of evading this provision relating to permits, the board~~  
14 ~~shall require such person, before purchasing liquors from him or~~  
15 ~~it, to take out a permit and pay the same fee as hereinbefore~~  
16 ~~required to be paid by such manufacturer. All permit fees so~~  
17 ~~collected shall be paid into the State Stores Fund. The board~~  
18 ~~shall not purchase any alcohol or liquor fermented, distilled,~~  
19 ~~rectified, compounded or bottled in any state, territory or~~  
20 ~~country, the laws of which result in prohibiting the importation~~  
21 ~~therein of alcohol or liquor, fermented, distilled, rectified,~~  
22 ~~compounded or bottled in Pennsylvania. The board's authority to~~  
23 ~~exercise the powers granted pursuant to this subsection is~~  
24 ~~subject to the limitations set forth in Article III A of this~~  
25 ~~act.~~

26 ~~{(c) To determine the municipalities within which~~  
27 ~~Pennsylvania Liquor Stores shall be established and the~~  
28 ~~locations of the stores within such municipalities.}~~

29 ~~(d) To grant and issue all licenses and to grant, issue,~~  
30 ~~suspend and revoke all permits authorized to be issued under~~

1 ~~this act.~~

2 ~~(e) (1) Through the [Department of General Services]~~  
3 ~~department as agent, to lease and furnish and equip such~~  
4 ~~buildings, rooms and other accommodations as shall be required~~  
5 ~~for the operation of this act.~~

6 ~~(2) The department shall not relocate a Pennsylvania Liquor~~  
7 ~~Store after the effective date of this paragraph.~~

8 ~~(f) To appoint, fix the compensation and define the powers~~  
9 ~~and duties of such managers, officers, inspectors, examiners,~~  
10 ~~clerks and other employes as shall be required for the operation~~  
11 ~~of this act, subject to the provisions of The Administrative~~  
12 ~~Code of 1929 and the Civil Service Act.~~

13 ~~(g) To determine the nature, form and capacity of all~~  
14 ~~packages and original containers to be used for containing~~  
15 ~~liquor, alcohol or malt or brewed beverages.~~

16 ~~(h) Without in any way limiting or being limited by the~~  
17 ~~foregoing, to do all such things and perform all such acts as~~  
18 ~~are deemed necessary or advisable for the purpose of carrying~~  
19 ~~into effect the provisions of this act and the regulations made~~  
20 ~~thereunder.~~

21 ~~(i) From time to time, to make such regulations not~~  
22 ~~inconsistent with this act as it may deem necessary for the~~  
23 ~~efficient administration of this act. The board shall cause such~~  
24 ~~regulations to be published and disseminated throughout the~~  
25 ~~Commonwealth in such manner as it shall deem necessary and~~  
26 ~~advisable or as may be provided by law. Such regulations adopted~~  
27 ~~by the board shall have the same force as if they formed a part~~  
28 ~~of this act.~~

29 ~~(j) By regulation, to provide for the use of a computerized~~  
30 ~~referral system to assist consumers in locating special items at~~

1 ~~Pennsylvania Liquor Stores and for the use of electronic~~  
2 ~~transfer of funds and credit cards for the purchase of liquor~~  
3 ~~and alcohol at Pennsylvania Liquor Stores. The board's authority~~  
4 ~~to exercise the powers granted pursuant to this subsection is~~  
5 ~~subject to the limitations set forth in Article III A of this~~  
6 ~~act.~~

7 ~~(k) To issue grants to various entities for alcohol~~  
8 ~~education and prevention efforts.~~

9 ~~(l) To close Pennsylvania Liquor Stores as directed under~~  
10 ~~Article III A of this act.~~

11 ~~(m) The board may implement a delivery system as a means of~~  
12 ~~providing product to all licensees under this act.~~

13 ~~Section 4. The act is amended by adding a section to read:~~

14 ~~Section 207.1. Adjustment of Fees by Regulation. (a)~~

15 ~~Notwithstanding any provision of this act or the act of April 9,~~  
16 ~~1929 (P.L.177, No.175), known as "The Administrative Code of~~  
17 ~~1929," to the contrary, all fees required under this act shall~~  
18 ~~be fixed by the board by regulation and shall be subject to the~~  
19 ~~act of June 25, 1982 (P.L.633, No.181), known as the "Regulatory~~  
20 ~~Review Act."~~

21 ~~(b) The board shall be authorized to increase license fees~~  
22 ~~by regulation under the following conditions:~~

23 ~~(1) If the revenues raised by the fees imposed under this~~  
24 ~~act are not sufficient to meet all expenditures of the board~~  
25 ~~over a two year period, the board shall increase the fees by~~  
26 ~~regulation, subject to the "Regulatory Review Act," so that the~~  
27 ~~projected revenues will meet projected expenditures.~~

28 ~~(2) If the board determines that the fees established by the~~  
29 ~~board under subsection (a) are inadequate to meet the minimum~~  
30 ~~enforcement efforts required under this act, the board, after~~

1 ~~consultation with the enforcement bureau, and subject to the~~  
2 ~~"Regulatory Review Act," shall increase the fees by regulation~~  
3 ~~in an amount so that adequate revenues are raised to meet the~~  
4 ~~required expenditures.~~

5 ~~(c) All acts or parts of acts are repealed insofar as they~~  
6 ~~are inconsistent with this section.~~

7 Section 5. ~~Section 208 of the act is amended to read:~~

8 Section 208. ~~Specific Subjects on Which Board May Adopt~~  
9 ~~Regulations. Subject to the provisions of this act and without~~  
10 ~~limiting the general power conferred by the preceding section,~~  
11 ~~the board may make regulations regarding:~~

12 ~~{(a) The equipment and management of Pennsylvania Liquor~~  
13 ~~Stores and warehouses in which liquor and alcohol are kept or~~  
14 ~~sold, and the books and records to be kept therein.}~~

15 ~~(b) The duties and conduct of the officers and employes of~~  
16 ~~the board.~~

17 ~~{(c) The purchase, as provided in this act, of liquor and~~  
18 ~~alcohol, and its supply to Pennsylvania Liquor Stores.~~

19 ~~(d) The classes, varieties and brands of liquor and alcohol~~  
20 ~~to be kept and sold in Pennsylvania Liquor Stores. In making~~  
21 ~~this determination the board shall meet not less than twice a~~  
22 ~~year.~~

23 ~~(e) The issuing and distribution of price lists for the~~  
24 ~~various classes, varieties or brands of liquor and alcohol kept~~  
25 ~~for sale by the board under this act.}~~

26 ~~(f) The labeling of liquor and alcohol sold under this act~~  
27 ~~and of liquor and alcohol lawfully acquired by any person prior~~  
28 ~~to January first, one thousand nine hundred thirty four.~~

29 ~~(g) Forms to be used for the purposes of this act.~~

30 ~~(h) The issuance of licenses and permits and the conduct,~~

1 ~~management, sanitation and equipment of places licensed or~~  
2 ~~included in permits.~~

3 ~~{(i) The place and manner of depositing the receipts of~~  
4 ~~Pennsylvania Liquor Stores and the transmission of balances to~~  
5 ~~the Treasury Department through the Department of Revenue.~~

6 ~~(j) The solicitation by resident or nonresident vendors of~~  
7 ~~liquor from Pennsylvania licensees and other persons of orders~~  
8 ~~for liquor to be sold through the Pennsylvania Liquor Stores~~  
9 ~~and, in the case of nonresident vendors, the collection~~  
10 ~~therefrom of license fees for such privilege at the same rate as~~  
11 ~~provided herein for importers' licenses.}~~

12 ~~Section 6. Section 211(c) of the act, amended October 5,~~  
13 ~~1994 (P.L.537, No.80), is amended to read:~~

14 ~~Section 211. Enforcement. \* \* \*~~

15 ~~(c) The Pennsylvania State Police Commissioner shall assign~~  
16 ~~State Police Officers to such [supervisory and other] capacities~~  
17 ~~in the enforcement bureau as he deems necessary. All other~~  
18 ~~personnel of the enforcement bureau shall be civilians.~~

19 ~~Notwithstanding any other provision of law, a State Police~~  
20 ~~officer assigned to the enforcement bureau may not be counted~~  
21 ~~against the complement of officers as prescribed in section 205~~  
22 ~~of the act of April 9, 1929 (P.L.177, No.175), known as "The~~  
23 ~~Administrative Code of 1929."~~

24 ~~\* \* \*~~

25 ~~Section 7. Section 215 of the act is repealed:~~

26 ~~{Section 215. Wine and Spirits Marketing.~~

27 ~~(e) The board is authorized to participate in or sponsor~~  
28 ~~wine and spirits events for the purpose of educating consumers~~  
29 ~~as to the wines and spirits available in this Commonwealth. The~~  
30 ~~wine and spirits to be used for the event may be acquired~~

~~1 through the State store system or may be donated from outside  
2 this Commonwealth. Participation in the tastings may be  
3 conditioned on the purchase of a ticket to the event. The event  
4 may include events occurring on premises licensed by the board,  
5 and the board may sell wine and spirits for off premises  
6 consumption in an area designated by the board for such sale.]~~

~~7 Section 8. Section 301 of the act is amended to read:~~

~~8 Section 301. Board to Establish State Liquor Stores. (a)~~

~~9 The board shall [establish,] operate and maintain at such places  
10 throughout the Commonwealth as it shall deem essential and  
11 advisable, stores to be known as "Pennsylvania Liquor Stores,"  
12 for the sale of liquor and alcohol in accordance with the  
13 provisions of and the regulations made under this act[; except  
14 that no store not so already located shall be located within  
15 three hundred feet of any elementary or secondary school, nor  
16 within a dry municipality without there first having been a  
17 referendum approving such location. When the board shall have  
18 determined upon the location of a liquor store in any  
19 municipality, it shall give notice of such location by public  
20 advertisement in two newspapers of general circulation. In  
21 cities of the first class, the location shall also be posted for  
22 a period of at least fifteen days following its determination by  
23 the board as required in section 403(g) of this act. The notice  
24 shall be posted in a conspicuous place on the outside of the  
25 premises in which the proposed store is to operate or, in the  
26 event that a new structure is to be built in a similarly visible  
27 location. If, within five days after the appearance of such  
28 advertisement, or of the last day upon which the notice was  
29 posted, fifteen or more taxpayers residing within a quarter of a  
30 mile of such location, or the City Solicitor of the city of the~~



1 ~~first class, shall file a protest with the court of common pleas~~  
2 ~~of the county averring that the location is objectionable~~  
3 ~~because of its proximity to a church, a school, or to private~~  
4 ~~residences, the court shall forthwith hold a hearing affording~~  
5 ~~an opportunity to the protestants and to the board to present~~  
6 ~~evidence. The court shall render its decision immediately upon~~  
7 ~~the conclusion of the testimony and from the decision there~~  
8 ~~shall be no appeal. If the court shall determine that the~~  
9 ~~proposed location is undesirable for the reasons set forth in~~  
10 ~~the protest, the board shall abandon it and find another~~  
11 ~~location. The board may establish, operate and maintain such~~  
12 ~~establishments for storing and testing liquors as it shall deem~~  
13 ~~expedient to carry out its powers and duties under this act],~~  
14 ~~and subject to the limitations set forth in Article III A of~~  
15 ~~this act.~~

16 ~~(b) The board may lease the necessary premises for such~~  
17 ~~stores or establishments, but all such leases shall be made~~  
18 ~~through the [Department of General Services] department as agent~~  
19 ~~of the board. The board, through the [Department of General~~  
20 ~~Services] department, shall have authority to purchase such~~  
21 ~~equipment and appointments as may be required in the operation~~  
22 ~~of such stores or establishments.~~

23 ~~Section 9. Section 304 of the act, amended December 8, 2004~~  
24 ~~(P.L.1810, No.239), is amended to read:~~

25 ~~Section 304. When Sales May Be Made at Pennsylvania Liquor~~  
26 ~~Stores. (a) Except as provided for in subsection (b), every~~  
27 ~~Pennsylvania Liquor Store shall be open for business week days,~~  
28 ~~except holidays as that term is defined in section 102. The~~  
29 ~~board may, with the approval of the Governor, temporarily close~~  
30 ~~any store in any municipality.~~

1       ~~(b) Certain Pennsylvania Liquor Stores operated by the board~~  
2 ~~shall be open for Sunday retail sales between the hours of~~  
3 ~~[noon] nine o'clock antemeridian and [five] nine o'clock~~  
4 ~~postmeridian, except that no Sunday sales shall occur on Easter~~  
5 ~~Sunday or Christmas day. The board shall open [up to twenty five~~  
6 ~~per centum of the total number of] Pennsylvania Liquor Stores at~~  
7 ~~its discretion for Sunday sales as provided for in this~~  
8 ~~subsection. The board shall submit yearly reports to the~~  
9 ~~Appropriations and the Law and Justice Committees of the Senate~~  
10 ~~and the Appropriations and the Liquor Control Committees of the~~  
11 ~~House of Representatives summarizing the total dollar value of~~  
12 ~~sales under this section.~~

13       ~~Section 10. Section 305 of the act, amended May 8, 2003~~  
14 ~~(P.L.1, No.1), July 17, 2003 (P.L.63, No.15), November 30, 2004~~  
15 ~~(P.L.1727, No.221), December 8, 2004 (P.L.1810, No.239), July 6,~~  
16 ~~2005 (P.L.135, No.39) and July 5, 2012 (P.L.1007, No.116), is~~  
17 ~~amended to read:~~

18       ~~Section 305. Sales by Pennsylvania Liquor Stores. (a) The~~  
19 ~~board shall in its discretion determine where and what classes,~~  
20 ~~varieties and brands of liquor and alcohol it shall make~~  
21 ~~available to the public and where such liquor and alcohol will~~  
22 ~~be sold. Every Pennsylvania Liquor Store shall be authorized to~~  
23 ~~sell combination packages. If a person desires to purchase a~~  
24 ~~class, variety or brand of liquor or alcohol not currently~~  
25 ~~available from the board, he or she may place a special order~~  
26 ~~for such item so long as the order is for two or more bottles.~~  
27 ~~The board may require a reasonable deposit from the purchaser as~~  
28 ~~a condition for accepting the order. The customer shall be~~  
29 ~~notified immediately upon the arrival of the goods.~~

30       ~~In computing the retail price of such special orders for~~

1 ~~liquor or alcohol, the board shall not include the cost of~~  
2 ~~freight or shipping before applying the mark up and taxes but~~  
3 ~~shall add the freight or shipping charges to the price after the~~  
4 ~~mark up and taxes have been applied.~~

5 ~~Unless the customer pays for and accepts delivery of any such~~  
6 ~~special order within ten days after notice of arrival, the store~~  
7 ~~may place it in stock for general sale and the customer's~~  
8 ~~deposit shall be forfeited.~~

9 ~~During the retail divestiture process as provided in Article~~  
10 ~~III A, the board shall continue to take and process special~~  
11 ~~liquor orders for residents and licensees of the board, and may~~  
12 ~~establish a protocol by which prepaid orders may be picked up at~~  
13 ~~either a Pennsylvania Liquor Store or from the licensed premises~~  
14 ~~of a wine and spirits retail licensee. A wine and spirits retail~~  
15 ~~licensee is authorized to assess a handling fee for this~~  
16 ~~purpose. Any product not claimed at a wine and spirits retail~~  
17 ~~store by the purchaser shall be returned to the board after ten~~  
18 ~~days' notice of arrival was sent to the purchaser.~~

19 ~~(b) [Every] Until the wholesale divestiture process as~~  
20 ~~provided in Article III A is complete, every Pennsylvania Liquor~~  
21 ~~Store shall sell liquors at wholesale to wine and spirits retail~~  
22 ~~licensees, grocery stores, hotels, restaurants, clubs, and~~  
23 ~~railroad, pullman and steamship companies licensed under this~~  
24 ~~act; and, under the regulations of the board, to pharmacists~~  
25 ~~duly licensed and registered under the laws of the Commonwealth,~~  
26 ~~and to manufacturing pharmacists, and to reputable hospitals~~  
27 ~~approved by the board, or chemists. Sales to licensees shall be~~  
28 ~~made at a price that includes a discount of [ten] fourteen per~~  
29 ~~centum from the retail price. The board may sell to registered~~  
30 ~~pharmacists only such liquors as conform to the Pharmacopoeia of~~

1 ~~the United States, the National Formulary, or the American~~  
2 ~~Homeopathic Pharmacopoeia. The board may sell at special prices~~  
3 ~~under the regulations of the board, to United States Armed~~  
4 ~~Forces facilities which are located on United States Armed~~  
5 ~~Forces installations and are conducted pursuant to the authority~~  
6 ~~and regulations of the United States Armed Forces. All other~~  
7 ~~sales by such stores shall be at retail. A person entitled to~~  
8 ~~purchase liquor at wholesale prices may purchase the liquor at~~  
9 ~~any Pennsylvania Liquor Store upon tendering cash, check or~~  
10 ~~credit card for the full amount of the purchase. For this~~  
11 ~~purpose, the board shall issue a discount card to each licensee~~  
12 ~~identifying such licensee as a person authorized to purchase~~  
13 ~~liquor at wholesale prices. Such discount card shall be retained~~  
14 ~~by the licensee. The board may contract through the Commonwealth~~  
15 ~~bidding process for delivery to wholesale licensees at the~~  
16 ~~expense of the licensee receiving the delivery.~~

17 ~~(c) Whenever any checks issued in payment of liquor or~~  
18 ~~alcohol purchased from State Liquor Stores by persons holding~~  
19 ~~wholesale purchase permit cards issued by the board shall be~~  
20 ~~returned to the board as dishonored, the board shall charge a~~  
21 ~~fee of five dollars per hundred dollars or fractional part~~  
22 ~~thereof, plus all protest fees, to the maker of such check~~  
23 ~~submitted to the board. Failure to pay the face amount of the~~  
24 ~~check in full and all charges thereon as herein required within~~  
25 ~~ten days after demand has been made by the board upon the maker~~  
26 ~~of the check shall be cause for revocation or suspension of any~~  
27 ~~license issued by the board to the person who issued such check~~  
28 ~~and the cancellation of the wholesale purchase permit card held~~  
29 ~~by such person.~~

30 ~~(d) No liquor or alcohol package shall be opened on the~~

1 ~~premises of a Pennsylvania Liquor Store. No manager or other~~  
2 ~~employee of the board employed in a Pennsylvania Liquor Store~~  
3 ~~shall allow any liquor or alcohol to be consumed on the store~~  
4 ~~premises, nor shall any person consume any liquor or alcohol on~~  
5 ~~such premises, except liquor and alcohol which is part of a~~  
6 ~~tasting conducted pursuant to the board's regulations. Such~~  
7 ~~tastings may also be conducted in the board's headquarters or~~  
8 ~~regional offices.~~

9 ~~(e) The board may sell tax exempt alcohol to the~~  
10 ~~Commonwealth of Pennsylvania and to persons to whom the board~~  
11 ~~shall, by regulation to be promulgated by it, issue special~~  
12 ~~permits for the purchase of such tax exempt alcohol.~~

13 ~~Such permits may be issued to the United States or any~~  
14 ~~governmental agency thereof, to any university or college of~~  
15 ~~learning, any laboratory for use exclusively in scientific~~  
16 ~~research, any hospital, sanitorium, eleemosynary institution or~~  
17 ~~dispensary; to physicians, dentists, veterinarians and~~  
18 ~~pharmacists duly licensed and registered under the laws of the~~  
19 ~~Commonwealth of Pennsylvania; to manufacturing chemists and~~  
20 ~~pharmacists or other persons for use in the manufacture or~~  
21 ~~compounding of preparations unfit for beverage purposes.~~

22 ~~(f) Every purchaser of liquor, alcohol, corkscrews, wine or~~  
23 ~~liquor accessories, trade publications, gift cards, gift~~  
24 ~~certificates, wine or liquor scented candles or wine glasses~~  
25 ~~from a Pennsylvania Liquor Store shall receive a numbered~~  
26 ~~receipt which shall show the price paid therefor and such other~~  
27 ~~information as the board may prescribe. Copies of all receipts~~  
28 ~~issued by a Pennsylvania Liquor Store shall be retained by and~~  
29 ~~shall form part of the records of such store.~~

30 ~~{(g) The board is hereby authorized and empowered to adopt~~

1 ~~and enforce appropriate rules and regulations to insure the~~  
2 ~~equitable wholesale and retail sale and distribution, through~~  
3 ~~the Pennsylvania Liquor Stores, of available liquor and alcohol~~  
4 ~~at any time when the demand therefor is greater than the~~  
5 ~~supply.]~~

6 ~~(h) Every Pennsylvania Liquor Store shall sell gift~~  
7 ~~certificates and gift cards which may be redeemed for any~~  
8 ~~product sold by the board. In addition, the board may sell~~  
9 ~~corkscrews, wine and liquor accessories, wine or liquor scented~~  
10 ~~candles, trade publications and wine sleeves at Pennsylvania~~  
11 ~~Liquor Stores.~~

12 ~~(i) Notwithstanding any other provision of law to the~~  
13 ~~contrary, the board may sell wine in containers having a~~  
14 ~~capacity of sixty liters or less.~~

15 Section 11. ~~The act is amended by adding an article to read:~~

16 ARTICLE III A

17 WINE AND SPIRITS DISTRIBUTION

18 SUBARTICLE A

19 GENERAL PROVISIONS

20 Section 301 A. Scope of article.

21 This article relates to the privatization of liquor  
22 distribution in this Commonwealth.

23 Section 302 A. Legislative intent.

24 The General Assembly finds and declares as follows:

25 (1) The wholesale and retail of liquor should no longer  
26 be by the Commonwealth, but rather by private persons  
27 licensed and regulated by the Commonwealth.

28 (2) The health and welfare of the citizens of this  
29 Commonwealth will be adequately protected by the regulation  
30 of private licensees through strict enforcement of laws and

1 ~~rules relating to the purchase and sale of liquor.~~

2 ~~(3) The sale of liquor through wholesale and retail~~  
3 ~~licensees will provide residents with improved customer~~  
4 ~~convenience, and will provide an opportunity for competitive~~  
5 ~~pricing and enhanced product selection.~~

6 ~~(4) Modernization of the retail sale of wine and spirits~~  
7 ~~through new outlets for consumption off the premises will~~  
8 ~~further enhance customer convenience.~~

9 ~~(5) This article will improve operation and efficiency~~  
10 ~~of State government.~~

11 ~~(6) The authorization of wine and spirits wholesale and~~  
12 ~~retail licenses is intended to continue the generation of~~  
13 ~~revenue to the Commonwealth related to the wholesale and~~  
14 ~~retail sale of liquor.~~

15 ~~(7) The transition to a privately owned and privately~~  
16 ~~operated wholesale and retail liquor distribution system~~  
17 ~~should be accomplished in a manner that protects the public~~  
18 ~~through regulation and policing of all activities involved in~~  
19 ~~the wholesale and retail sale of liquor.~~

20 ~~(8) The establishment of wine and spirits wholesale and~~  
21 ~~retail licenses is intended to provide broad economic~~  
22 ~~opportunities to the citizens of this Commonwealth and to be~~  
23 ~~implemented in such a manner as to prevent monopolization by~~  
24 ~~establishing reasonable restrictions on the control of~~  
25 ~~wholesale and retail licensees.~~

26 ~~(9) The transition to a privately owned and privately~~  
27 ~~operated wholesale and retail liquor distribution system~~  
28 ~~should be accomplished in a manner that minimizes disruption~~  
29 ~~of services to the public.~~

30 ~~(10) In conjunction with the transition to privately~~

~~1 owned and privately operated liquor wholesalers and retail  
2 liquor stores, this article is intended to modernize the  
3 retail sale of wine and spirits through new outlets for  
4 consumption off the premises, further enhancing customer  
5 convenience.~~

~~6 (11) With the transition to a privately owned and  
7 privately operated wholesale and retail liquor distribution  
8 system, and with the addition of new licensing  
9 classifications, it is necessary to enhance alcohol education  
10 and enforcement efforts to:~~

~~11 (i) ensure against the illegal sale of alcohol;~~

~~12 (ii) prevent and combat the illegal consumption of  
13 alcohol by minors and visibly intoxicated persons; and~~

~~14 (iii) discourage the intemperate use of alcohol.~~

~~15 (12) Participation in the wholesale and retail sale of  
16 liquor by a wholesale or retail licensee is a privilege,  
17 conditioned upon the proper and continued qualification of  
18 the licensee and upon the discharge of the affirmative  
19 responsibility of the licensee to provide the department and  
20 the board with assistance and information necessary to assure  
21 that the policies declared by this article are achieved.~~

~~22 Section 303 A. Transition to private distribution system,~~

~~23 powers and duties of the department and the board.~~

~~24 (a) Orderly transition. The department and the board have  
25 the power and duty to implement this article and effect an  
26 orderly transition to a privately owned and privately operated  
27 wholesale and retail liquor distribution system in this  
28 Commonwealth in a manner which is consistent with this article  
29 and the laws of this Commonwealth and which seeks to maintain  
30 uninterrupted service to the public.~~



1 ~~(b) Retail transition.~~

2 ~~(1) The board, in consultation with the department,~~  
3 ~~shall have the authority to issue wine and spirits retail~~  
4 ~~licenses and wine and spirits wholesale licenses, provided~~  
5 ~~that the wine and spirits wholesale licenses are not issued~~  
6 ~~until one year after the effective date of this section. The~~  
7 ~~department shall contract with financial, legal and other~~  
8 ~~advisors as are necessary to assist the department and the~~  
9 ~~board in effectuating the addition of this article. Such~~  
10 ~~contracts shall not be subject to the provisions of 62-~~  
11 ~~Pa.C.S. Ch. 5 (relating to source selection and contract~~  
12 ~~formation).~~

13 ~~(2) The divestiture of the board's retail operations~~  
14 ~~shall be accomplished through the issuance of 1,200 wine and~~  
15 ~~spirits retail licenses that shall be allocated by county. As~~  
16 ~~the State liquor stores wind down operations, 600 wine and~~  
17 ~~spirits retail licenses may be issued by the board which~~  
18 ~~shall be allocated by county. The additional licenses shall~~  
19 ~~be issued if the department determines, in cooperation with~~  
20 ~~the board, that the retail licenses are necessary for~~  
21 ~~consumer convenience. After the determination, the retail~~  
22 ~~licenses shall be issued first to distributor licensees and~~  
23 ~~then on a first come, first served basis. Each successful~~  
24 ~~applicant shall be thoroughly investigated to determine~~  
25 ~~whether the person is a reputable and responsible person~~  
26 ~~suitable to be licensed to sell liquor in this Commonwealth.~~

27 ~~(3) As licenses are awarded in a given county, the board~~  
28 ~~shall determine the necessity of winding down operations in~~  
29 ~~State stores in the county and, as it becomes necessary,~~  
30 ~~terminate applicable lease agreements, redistribute or~~

1 ~~furlough store personnel and dispose of remaining inventory~~  
2 ~~and store property.~~

3 ~~(c) Wholesale transition.~~

4 ~~(1) Twelve months after the effective date of this~~  
5 ~~section, in consultation with its advisors and the board, the~~  
6 ~~department shall transition the board's wholesale~~  
7 ~~distribution of liquor to privately owned and privately~~  
8 ~~operated wholesale licensees.~~

9 ~~(2) The divestiture of the board's wholesale operations~~  
10 ~~shall be accomplished through the issuance of wine and~~  
11 ~~spirits wholesale licenses by brand of liquor, which shall be~~  
12 ~~subject to an application process as set forth in this~~  
13 ~~article. The transition must fully divest the board of all~~  
14 ~~operations relating to the wholesale distribution of liquor~~  
15 ~~within six months of the commencement of wholesale~~  
16 ~~divestiture.~~

17 ~~(d) Cooperation required.~~

18 ~~(1) The board shall fully cooperate with the department~~  
19 ~~or its advisors in all aspects of implementation of this~~  
20 ~~article and shall provide the department or its consultant~~  
21 ~~with all records and information in the possession of the~~  
22 ~~board upon request.~~

23 ~~(2) The board shall devote sufficient resources to~~  
24 ~~planning and preparation for the divestiture of its wholesale~~  
25 ~~and retail functions.~~

26 ~~(3) The board shall use its best efforts in coordinating~~  
27 ~~with the department or its advisors, wine and spirits retail~~  
28 ~~licensees and wine and spirits wholesale licensees so as to~~  
29 ~~maintain uninterrupted service to the residents of this~~  
30 ~~Commonwealth during divestiture.~~

~~(e) Prohibition. The board shall not engage in wholesale distribution of liquor following completion of the wholesale transition to a private distribution system.~~

~~Section 304 A. Reports to the General Assembly.~~

~~One year after the effective date of this section, and each year thereafter until the board has been fully divested of its wholesale and retail operations, the board, in cooperation with the department, shall submit to the Secretary of the Senate and the Chief Clerk of the House of Representatives, a report on wholesale and retail alcohol sales in this Commonwealth and the implementation of this article, including:~~

~~(1) the total revenue earned by the issuance of licenses under this article;~~

~~(2) the distribution and sale of brands through private wholesalers;~~

~~(3) the net profit or loss of each wine and spirits retail licensed premise and State liquor store in this Commonwealth; and~~

~~(4) the status of the ongoing transition, including store closures and employee displacement.~~

~~Section 305 A. Temporary regulations.~~

~~(a) Promulgation. In order to facilitate the prompt implementation of this article, regulations promulgated by the department shall be deemed temporary regulations which shall expire no later than five years following the effective date of this section. The department may promulgate temporary regulations not subject to:~~

~~(1) sections 201, 202 and 203 of the act of July 31, 1968 (P.L.769, No.240), referred to as the Commonwealth Documents Law; or~~

1 ~~(2) the act of June 25, 1982 (P.L.633, No.181), known as~~  
2 ~~the Regulatory Review Act.~~

3 ~~(b) Expiration. The authority provided to the department to~~  
4 ~~adopt temporary regulations under subsection (a) shall expire on~~  
5 ~~January 1, 2018.~~

6 SUBARTICLE B

7 WINE AND SPIRITS RETAIL LICENSES

8 Section 311 A. Issuance of wine and spirits retail licenses,  
9 fees, taxes.

10 ~~(a) Sale of retail licenses. The board may award not more~~  
11 ~~than 1,200 wine and spirits retail licenses to qualified~~  
12 ~~applicants, provided that when the State stores close in a given~~  
13 ~~county because the wine and spirits retail licenses have~~  
14 ~~commenced operation, the department, in cooperation with the~~  
15 ~~board, shall determine if it is necessary to issue additional~~  
16 ~~wine and spirits retail licenses for customer convenience and~~  
17 ~~access. If the department determines more wine and spirits~~  
18 ~~retail licenses are needed, the department may authorize the~~  
19 ~~board to issue not more than 600 additional wine and spirits~~  
20 ~~retail licenses.~~

21 ~~(b) License classification. Wine and spirits retail~~  
22 ~~licenses shall be awarded as follows:~~

23 ~~(1) For the first 12 months after the enactment of this~~  
24 ~~section, the board shall receive applications from~~  
25 ~~distributor licensees licensed under section 431. A~~  
26 ~~distributor licensee applying for a wine and spirits retail~~  
27 ~~license must operate out of a facility with a minimum of~~  
28 ~~1,500 square feet of retail space and dedicate a minimum of~~  
29 ~~50% of shelf space for the sale of malt and brewed beverages.~~

30 ~~(2) At the conclusion of the 12 month period under~~

~~paragraph (1), the board may issue the remaining wine and spirits retail licenses on a first come, first served basis. A private wine and spirits retail licensee must operate in a facility with not less than 1,500 square feet of retail space.~~

~~(c) License allocation.~~

~~(1) The board, in consultation with the department and its advisors, shall allocate the aggregate number of wine and spirits retail licenses to be available in each county.~~

~~(2) A county may not be allocated fewer wine and spirits retail licenses than the number of licensed distributors in the county provided that the wine and spirits retail licenses shall be evenly distributed throughout the county on a per capita basis.~~

~~(3) A wine and spirits retail licensee may determine whether it will sell wine or spirits or both. If a wine and spirits retail licensee elects to sell either wine or spirits, the board shall consider that one wine and spirits retail license and only the licensee will have the ability to pay an additional fee in the future to sell both wine and spirits.~~

~~(d) License application. An applicant for a wine and spirits retail license shall file a written application with the board in the form and containing the information as the board shall prescribe from time to time, which must be accompanied by a filing fee and license fee as prescribed under subsection (f).~~

~~An application must contain:~~

~~(1) a description of the part of the premises for which the applicant desires a license;~~

~~(2) whether the applicant desires to sell wine, spirits~~

~~or both on the licensed premises. Notwithstanding any other provision of this act, an applicant that chooses to sell wine or spirits may make application at a later date to the board to sell both products and be granted that authority after paying the proper fees; and~~

~~(3) other information that the board may prescribe.~~

~~The board may not require physical alterations, improvements or changes to the licensed premises until the wine and spirits license application has been approved.~~

~~(e) Other licenses. Nothing in this act shall prohibit a wine and spirits retail licensee from receiving:~~

~~(1) a distributor license under section 431 that authorizes the licensee to sell malt and brewed beverages for consumption off the premises;~~

~~(2) a restaurant liquor license or a retail dispenser license as long as the restaurant or retail dispenser does not have an interior connection to or with the wine and spirits retail licensed premises; or~~

~~(3) an importing distributor license under section 431 that authorizes the licensee to sell malt or brewed beverages at wholesale so long as the importing distributor does not obtain a wine and spirits wholesale license.~~

~~(f) License fees. The fees for a wine and spirits retail license are as follows:~~

~~(1) For a distributor licensed under section 431 making application for a wine and spirits retail license:~~

~~(i) For the privilege of selling wine, the board shall require the following fees:~~

~~(A) For a county of the first class or second class, \$30,000.~~

1           ~~(B) For a county of the second class A or third~~  
2           ~~class, \$37,500.~~

3           ~~(C) For a county of the fourth class or fifth~~  
4           ~~class, \$22,500.~~

5           ~~(D) For a county of the sixth class or seventh~~  
6           ~~class, \$15,000.~~

7           ~~(E) For a county of the eighth class, \$7,500.~~

8           ~~(ii) For the privilege of selling spirits, the board~~  
9           ~~shall require the following fees:~~

10           ~~(A) For a county of the first class or second~~  
11           ~~class, \$52,500.~~

12           ~~(B) For a county of the second class A or third~~  
13           ~~class, \$60,000.~~

14           ~~(C) For a county of the fourth class or fifth~~  
15           ~~class, \$45,000.~~

16           ~~(D) For a county of the sixth class or seventh~~  
17           ~~class, \$37,500.~~

18           ~~(E) For a county of the eighth class, \$30,000.~~

19           ~~(iii) For the privilege of selling both wine and~~  
20           ~~spirits, the board shall require a fee equal to the sum~~  
21           ~~of the fees listed above by county. Nothing in this act~~  
22           ~~shall prevent a licensee who initially makes application~~  
23           ~~to sell either wine or spirits from adding the other~~  
24           ~~product at a later date so long as application is made to~~  
25           ~~the board and the proper fees are paid.~~

26           ~~(2) For an unlicensed entity making application for a~~  
27           ~~wine and spirits retail license:~~

28           ~~(i) For the privilege of selling wine, the board~~  
29           ~~shall require the following fees:~~

30           ~~(A) For a county of the first class or second~~

1 ~~class, \$165,000.~~

2 ~~(B) For a county of the second class A or third~~  
3 ~~class, \$187,500.~~

4 ~~(C) For a county of the fourth class or fifth~~  
5 ~~class, \$142,500.~~

6 ~~(D) For a county of the sixth class or seventh~~  
7 ~~class, \$120,000.~~

8 ~~(E) For a county of the eighth class, \$97,500.~~

9 ~~(ii) For the privilege of selling spirits, the board~~  
10 ~~shall require the following fees:~~

11 ~~(A) For a county of the first class or second~~  
12 ~~class, \$232,500.~~

13 ~~(B) For a county of the second class A or third~~  
14 ~~class, \$262,500.~~

15 ~~(C) For a county of the fourth class or fifth~~  
16 ~~class, \$202,500.~~

17 ~~(D) For a county of the sixth class or seventh~~  
18 ~~class, \$172,500.~~

19 ~~(E) For a county of the eighth class, \$142,500.~~

20 ~~(iii) For the privilege of selling both wine and~~  
21 ~~spirits, the board shall require a fee equal to the sum~~  
22 ~~of the fees listed above by county. Nothing in this act~~  
23 ~~shall prevent a licensee who initially makes application~~  
24 ~~to sell either wine or spirits from adding the other~~  
25 ~~product at a later date so long as application is made to~~  
26 ~~the board and the proper fees are paid.~~

27 ~~(3) A restaurant or hotel licensee in good standing that~~  
28 ~~applies for a retail wine and spirits license shall pay the~~  
29 ~~same amount for the license as a distributor.~~

30 ~~(4) The board may not require a distributor making~~



~~application for a wine and spirits retail license to pay the fees in full prior to issuance of the license. A distributor making application for a wine and spirits license has 48 months from the issuance of the license to pay to the board the licensing fees plus a fee of 5%. If the licensee fails to make a payment to the board on a monthly basis, the board shall revoke the wine and spirits retail license and offer it on a first come, first served basis.~~

~~Section 312 A. Postqualification of selected applicants.~~

~~(a) Investigation. Upon selection of an applicant under section 303 A, the Bureau of Licensing of the board shall conduct an investigation of an applicant based upon the information submitted to evaluate whether:~~

~~(1) the applicant qualifies as a reputable, responsible and suitable person to hold a wine and spirits retail license and operate a wine and spirits store;~~

~~(2) the applicant proposes an acceptable facility and location for a wine and spirits store; and~~

~~(3) the planned operation of the applicant complies with this article.~~

~~(b) Authority of the board. The board may:~~

~~(1) require additional information from an applicant; and~~

~~(2) conduct onsite inspections, as necessary, to complete the postqualification process.~~

~~(c) Agreement. The board may enter into an agreement with the Pennsylvania State Police or the Office of Inspector General to:~~

~~(1) assist the board in the conduct of an investigation under this section; and~~

1       ~~(2) provide for the reimbursement of a cost incurred for~~  
2       ~~providing assistance.~~

3       ~~(d) Protocol for objections. The board shall establish~~  
4       ~~protocol for receiving written objections from residents,~~  
5       ~~churches, hospitals, charitable institutions, schools and public~~  
6       ~~playgrounds that are located near a proposed wine and spirits~~  
7       ~~store location. The board may consider a written objection in~~  
8       ~~the postqualification investigation of applicants. An objector~~  
9       ~~under this paragraph may not appeal the decision of the board.~~

10       ~~(e) Investigative fee. The board may charge a fee to an~~  
11       ~~applicant to recover the costs directly related to the board's~~  
12       ~~investigation within the postqualification process.~~

13       ~~(f) Acceptance of qualifications. The qualifications of an~~  
14       ~~applicant shall be accepted by the board if the investigation by~~  
15       ~~the board reveals the following:~~

16               ~~(1) the applicant and its officers, directors and~~  
17               ~~principals, if any, are of good repute, responsible and~~  
18               ~~suitable for operating a wine and spirits store;~~

19               ~~(2) the applicant possesses sufficient financial~~  
20               ~~resources to:~~

21                       ~~(i) operate a wine and spirits store;~~

22                       ~~(ii) pay taxes due; and~~

23                       ~~(iii) meet financial obligations;~~

24               ~~(3) the applicant possesses sufficient business~~  
25               ~~experience to operate a wine and spirits store;~~

26               ~~(4) the proposed facilities comply with the operational~~  
27               ~~requirements of the statement of conditions under this~~  
28               ~~article; and~~

29               ~~(5) the proposed location within the community is~~  
30               ~~suitable.~~

1 ~~(g) Issuance of license. If a selected applicant's~~  
2 ~~qualifications are accepted by the board, the board shall~~  
3 ~~qualify the applicant and issue a wine and spirits retail~~  
4 ~~license to the applicant upon the occurrence of the following:~~

5 ~~(1) execution and delivery to the board of the statement~~  
6 ~~of conditions required under section 313 A;~~

7 ~~(2) payment of the license fee by certified check or~~  
8 ~~wire transfer to a designated restricted account established~~  
9 ~~in The State Stores Fund. A distributor licensed under~~  
10 ~~section 431 that obtains a wine and spirits retail license~~  
11 ~~has 48 months to pay the license fee;~~

12 ~~(3) payment of an outstanding investigation fee; and~~

13 ~~(4) fulfillment of other conditions required by the~~  
14 ~~board.~~

15 ~~(h) Approval of qualifications. If the qualifications of~~  
16 ~~the applicant are approved by the board under subsection (f),~~  
17 ~~the board shall issue a wine and spirits retail license to the~~  
18 ~~successful applicant consistent with the requirements of~~  
19 ~~subsection (g).~~

20 ~~(i) License not entitlement.~~

21 ~~(1) This article is not intended to establish an~~  
22 ~~entitlement to a wine and spirits retail license. A wine and~~  
23 ~~spirits retail license is a privilege between the board and~~  
24 ~~the licensee.~~

25 ~~(2) Between the licensee and a third party, a wine and~~  
26 ~~spirits retail license is property.~~

27 ~~(j) Terms of licensure.~~

28 ~~(1) A wine and spirits retail license is in effect~~  
29 ~~unless the board:~~

30 ~~(i) revokes, suspends or fails to renew the license;~~

1 ~~or~~

2 ~~(ii) revokes the operating authority of the licensee~~  
3 ~~under the license requirements of this article.~~

4 ~~(2) A wine and spirits retail license is subject to~~  
5 ~~renewal every two years consistent with this article.~~

6 ~~(3) This subsection does not relieve a wine and spirits~~  
7 ~~retail licensee of the affirmative duty to notify the board~~  
8 ~~of a change relating to the status of its license or to other~~  
9 ~~information contained in the application materials on file~~  
10 ~~with the board.~~

11 ~~Section 313 A. Wine and spirits retail licensee statement of~~  
12 ~~conditions.~~

13 ~~(a) Statement of conditions. The board shall develop a~~  
14 ~~statement of conditions to be executed by a wine and spirits~~  
15 ~~retail licensee governing the operations of the wine and spirits~~  
16 ~~licensee.~~

17 ~~(b) Conditions. In addition to other conditions the board~~  
18 ~~deems necessary or appropriate for a specific wine and spirits~~  
19 ~~retail licensee, a statement of conditions under this section~~  
20 ~~shall include, at a minimum, the following conditions and impose~~  
21 ~~the following obligations and requirements:~~

22 ~~(1) Under section 493.2, a wine and spirits retail~~  
23 ~~licensee may not sell or distribute liquor to an individual~~  
24 ~~under 21 years of age or to an individual who is visibly~~  
25 ~~intoxicated.~~

26 ~~(2) A wine and spirits retail licensee may not operate a~~  
27 ~~retail wine and spirits store located within:~~

28 ~~(i) three hundred feet of an elementary or secondary~~  
29 ~~school without the approval of the department or board;~~

30 ~~or~~

1           ~~(ii) a municipality that voted to preclude the~~  
2           ~~establishment of a State liquor store, unless the~~  
3           ~~municipality subsequently votes to permit the board to~~  
4           ~~issue a wine and spirits retail license.~~

5           ~~(3) A wine and spirits retail licensee's wine and~~  
6           ~~spirits store and the facilities involved in its retail~~  
7           ~~operations, including a change to the facilities during the~~  
8           ~~term of the license, are subject to:~~

9           ~~(i) inspection and investigation by the board and~~  
10           ~~enforcement bureau; and~~

11           ~~(ii) approval of the board and enforcement bureau.~~

12           ~~(4) A wine and spirits retail licensee shall maintain~~  
13           ~~adequate security to protect the licensee's inventory from~~  
14           ~~unauthorized sale or diversion and prevent its unauthorized~~  
15           ~~distribution.~~

16           ~~(5) Unless specifically authorized in this act or with~~  
17           ~~the prior approval of the board, a wine and spirits retail~~  
18           ~~licensee may not engage in a separate business activity upon~~  
19           ~~a licensed premises where retail liquor operations are~~  
20           ~~conducted.~~

21           ~~(6) A wine and spirits retail licensee shall notify the~~  
22           ~~board within 15 days of a change in persons holding an~~  
23           ~~interest in the wine and spirits license.~~

24           ~~(7) A wine and spirits retail licensee shall notify the~~  
25           ~~board within 15 days of becoming aware of an arrest, criminal~~  
26           ~~indictment or conviction by the following:~~

27           ~~(i) if the licensee is an individual, the licensee;~~

28           ~~(ii) if the licensee is a partnership, a partner;~~

29           ~~(iii) if the licensee is an association, a member;~~

30           ~~(iv) if the licensee is a corporation, an officer, a~~

~~director or a shareholder in the corporation; and~~

~~(v) an affiliate of the licensee.~~

~~(8) A wine and spirits retail licensee shall notify the board within 15 days of becoming aware of a violation of this article by an individual listed in paragraph (7).~~

~~(9) The premises of a wine and spirits store must be a self contained unit with limited customer access dedicated to the sale of liquor and related merchandise. Except for a licensee that also holds a distributor license, a wine and spirits store may not have an interior connection with another business or with a residential building except as approved by the board. A purchase of wine and spirits must be paid for at a location within the confines of the licensed premises.~~

~~(10) A wine and spirits retail licensee shall configure its premises in a manner and with adequate safeguards to ensure that:~~

~~(i) liquor products are secure; and~~

~~(ii) the licensed area may not be accessed during prohibited hours of operation.~~

~~(11) A wine and spirits retail licensee may not hold, directly or indirectly, more than five wine and spirits retail locations within this Commonwealth or more than one wine and spirits retail license within a county.~~

~~(12) A wine and spirits store may sell liquor for consumption off the premises and related merchandise within the licensed area of the store. A sale of related merchandise within the licensed area may not exceed 30% of the gross annual sales of a wine and spirits store. Unless the wine and spirits retail licensee operates another license that~~

1 ~~authorizes the sale of malt and brewed beverages for~~  
2 ~~consumption off the premises in the same licensed area, a~~  
3 ~~wine and spirits store may not sell malt or brewed beverages~~  
4 ~~within its licensed premises.~~

5 ~~(13) A wine and spirits retail licensee shall make the~~  
6 ~~premises and the facilities involved in the retail operation~~  
7 ~~and the business and financial books and records of the~~  
8 ~~retail operation available at any time for inspection and~~  
9 ~~audit by the board and the enforcement bureau. The board~~  
10 ~~shall promulgate regulations regarding the records that a~~  
11 ~~wine and spirits retail licensee must maintain in its~~  
12 ~~licensed premises.~~

13 ~~(14) A wine and spirits retail licensee may sell wine or~~  
14 ~~spirits between 9 a.m. and 11 p.m. of any day except Sunday~~  
15 ~~to a person that is not licensed under this act.~~

16 ~~(15) In addition to the hours authorized under paragraph~~  
17 ~~(14), a wine and spirits retail licensee may, upon purchasing~~  
18 ~~a permit from the board at an annual fee of \$1,000, sell wine~~  
19 ~~or spirits on Sunday between the hours of 9 a.m. and 9 p.m.~~  
20 ~~to persons not licensed under this act.~~

21 ~~(16) A wine and spirits retail licensee may not employ~~  
22 ~~an individual under 18 years of age to work on the licensed~~  
23 ~~premises. An employee of a wine and spirits retail licensee~~  
24 ~~under 21 years of age may not engage in the sale of liquor.~~

25 ~~(17) A wine and spirits retail licensee that is a~~  
26 ~~corporation, a limited liability company, a limited~~  
27 ~~partnership, a partnership, an association or other legal~~  
28 ~~entity must be organized under the laws of this Commonwealth.~~

29 ~~(18) A wine and spirits retail licensee who is an~~  
30 ~~individual must be a citizen of the United States and a~~

1 ~~resident of this Commonwealth.~~

2 ~~(19) A wine and spirits retail licensee shall:~~

3 ~~(i) comply with the responsible alcohol management~~  
4 ~~program training under section 471.1; and~~

5 ~~(ii) ensure that the wine and spirits store managers~~  
6 ~~and employees who may engage in the sale of liquor attend~~  
7 ~~the responsible alcohol management training within six~~  
8 ~~months of commencing employment.~~

9 ~~(20) A wine and spirits retail licensee may place its~~  
10 ~~license in safekeeping for a period not to exceed two years:~~

11 ~~(i) pending transfer of the license from person to~~  
12 ~~person or place to place or both; or~~

13 ~~(ii) during renovation of the premises where retail~~  
14 ~~operations are conducted.~~

15 ~~(21) A wine and spirits retail license that remains in~~  
16 ~~safekeeping for a period that exceeds two years shall be~~  
17 ~~forfeited and resold by the board in a manner consistent with~~  
18 ~~this subarticle.~~

19 ~~(22) Except as set forth in paragraph (16), an~~  
20 ~~individual under 21 years of age may not enter the licensed~~  
21 ~~area of a wine and spirits retail licensee unless accompanied~~  
22 ~~by an adult.~~

23 ~~(23) A wine and spirits retail licensee shall utilize a~~  
24 ~~transaction scan device to verify the age of an individual~~  
25 ~~who appears to be under 35 years of age before making a sale~~  
26 ~~of liquor. A wine and spirits retail licensee may not sell or~~  
27 ~~share data from the use of a transaction scan device provided~~  
28 ~~that the licensee may use the data to show the board or~~  
29 ~~enforcement bureau that the licensee is in compliance with~~  
30 ~~this article. As used in this paragraph, the term~~



1 ~~"transaction scan device" means a device capable of~~  
2 ~~deciphering, in an electronically readable format, the~~  
3 ~~information encoded on the magnetic strip or bar code of an~~  
4 ~~identification card under section 495(a).~~

5 ~~(24) A wine and spirits retail licensee may not sell a~~  
6 ~~liquor product at a price less than its underlying cost.~~

7 ~~(25) A wine and spirits retail licensee may not provide~~  
8 ~~tasting samples of liquor on the premises where retail~~  
9 ~~operations are conducted except in the manner set forth in~~  
10 ~~the board's regulations related to tasting samples provided~~  
11 ~~by sponsors.~~

12 ~~(26) A wine and spirits retail licensee may not require~~  
13 ~~a customer to purchase a membership or pay a fee in order to~~  
14 ~~purchase products, including wine and spirits, from the~~  
15 ~~premises.~~

16 ~~(27) In an inquiry or investigation by the board or the~~  
17 ~~enforcement bureau, a wine and spirits retail licensee shall~~  
18 ~~cooperate fully and provide requested information.~~

19 ~~(c) Sanctions.~~

20 ~~(1) A wine and spirits retail licensee that fails to~~  
21 ~~abide by a condition contained in the licensee's statement of~~  
22 ~~conditions or commits a violation of this act or other~~  
23 ~~Federal or State law is subject to citation by the~~  
24 ~~enforcement bureau.~~

25 ~~(2) A citation under paragraph (1) may result in:~~

26 ~~(i) a fine or suspension or license revocation;~~

27 ~~(ii) nonrenewal of a license;~~

28 ~~(iii) revocation of operating authority; or~~

29 ~~(iv) another penalty authorized under sections 471-~~

30 ~~and 494.~~

1 SUBARTICLE C

2 DIVESTITURE OF WHOLESALE LIQUOR DISTRIBUTION

3 Section 321 A. Wholesale divestiture.

4 (a) Utilization. In effectuating the intent of this  
5 article, the department shall utilize the authority provided  
6 under section 305 A and any other powers of the department, with  
7 the full cooperation and assistance of the board.

8 (b) Establishment. On the effective date of this section,  
9 the department shall establish all of the following:

10 (1) An application process and schedule for the  
11 investigation and award of wine and spirits wholesale  
12 licenses under this article.

13 (2) A blended brand valuation for each brand of liquor  
14 available for sale in this Commonwealth.

15 (3) Procedures and standards governing the relationship  
16 between wine and spirits wholesale licensees and  
17 manufacturers and the ability and terms upon which that  
18 relationship may be terminated.

19 (c) Coordination.

20 (1) The department shall:

21 (i) coordinate scheduling so that wine and spirits  
22 wholesale license applications may be received, processed  
23 and investigated by the board's Bureau of Licensing  
24 during the retail divestiture process; and

25 (ii) begin a coordinated effort to allow the board  
26 to issue licenses 12 months from the effective date of  
27 this section.

28 (2) The department must fully divest the board of all  
29 operations relating to the wholesale distribution of liquor  
30 within six months of commencing wholesale divestiture.

~~Section 321.1 A. Issuance of wine and spirits wholesale licenses.~~

~~(a) Authorization. The board may issue wine and spirits wholesale licenses under the following conditions:~~

~~(1) The following shall apply:~~

~~(i) One wine and spirits wholesale license may be issued by the board to each qualified applicant.~~

~~(ii) A wine and spirits wholesale license shall authorize the holder to sell and distribute brands of liquor, as proposed by an applicant and approved by the department, to wine and spirits retail licensees and other licensees of the board authorized to sell or distribute liquor under this act, to United States Armed Forces facilities located on United States Armed Forces installations within this Commonwealth and to the holder of a wholesale alcohol purchase permit issued by the board.~~

~~(iii) The alcoholic products shipped into this Commonwealth must be delivered to the wholesaler's licensed premises. Upon delivery, the products shall be unloaded, inventoried and remain on the licensed premises for 48 hours before delivery is made to a retailer. During that time period, the board may inspect and inventory wholesale warehouses to verify taxes that are required to be paid on the products.~~

~~(2) Subject to the conditions and restrictions of this subarticle, wine and spirits wholesale licensees may sell and distribute more than one brand of liquor under the same wine and spirits wholesale license.~~

~~(3) Upon application by a wine and spirits wholesale~~

~~licensee, the board may amend its initial authorization under a wine and spirits wholesale license to include additional brands of liquor or exclude previously approved brands of liquor.~~

~~(b) Wine and spirits wholesale license fee.—~~

~~(1) On the effective date of this section, the department shall determine the wine and spirits wholesale license fee for each brand of liquor sold at wholesale by the board through its State liquor stores or via special liquor order for a continuous period of at least one year. The license fee shall be equal to the blended brand valuation for each brand of liquor authorized by the wine and spirits wholesale license multiplied by the wholesale acquisition factor.~~

~~(2) The department shall publish a notice on its Internet website of the wine and spirits wholesale license fee for each brand of liquor determined under paragraph (1). The department shall establish deadlines within which an applicant must submit an application for a wine and spirits wholesale license for the brands of liquor specified by the applicant.~~

~~(3) The department must receive the required license fee for the brands of liquor specified by the applicant before a wine and spirits wholesale license is issued by the board to a successful applicant.~~

~~(c) Brands not previously sold.—~~

~~(1) For brands of liquor that have not been sold by the board at State liquor stores or via special liquor order for a continuous period of at least one year, the department shall calculate the blended brand valuation utilizing sales~~

~~1 data for any portion of the year that the brand was sold in  
2 this Commonwealth, after consulting with the board on the  
3 most recent sales trends of the brand, both within and  
4 outside this Commonwealth.~~

~~5 (2) If, during the term of a wine and spirits wholesale  
6 license, a wine and spirits wholesale licensee proposes to  
7 sell and distribute a new brand of liquor not previously sold  
8 in this Commonwealth, the wine and spirits wholesale licensee  
9 shall apply to the board for permission to sell the brand and  
10 pay an additional license fee determined in accordance with  
11 this section. In calculating the blended brand valuation for  
12 the new products, the board shall evaluate available sales  
13 data in other markets or sales trends of similar products  
14 either within or outside this Commonwealth.~~

~~15 (d) Term.~~

~~16 (1) A wine and spirits wholesale license, after payment  
17 of the required license fee, shall be in effect unless  
18 suspended, revoked or not renewed under this article.~~

~~19 (2) The license of a wine and spirits wholesale licensee  
20 in good standing shall be renewed every two years under this  
21 article.~~

~~22 (3) Nothing under this subsection shall be construed to  
23 relieve a wine and spirits wholesale licensee of the  
24 affirmative duty to notify the board of changes relating to  
25 any of the following:~~

~~26 (i) The status of its license.~~

~~27 (ii) Information contained in the application~~

~~28 materials on file with the department or the board.~~

~~29 Section 322 A. Application for wine and spirits wholesale  
30 license.~~

1 ~~(a) Applications. An application for a wine and spirits~~  
2 ~~wholesale license shall be submitted on a form and in a manner~~  
3 ~~as required by the board.~~

4 ~~(b) Eligibility. A person may be eligible to apply for a~~  
5 ~~wine and spirits wholesale license if the person satisfies all~~  
6 ~~of the following:~~

7 ~~(1) Neither the applicant nor any affiliate of the~~  
8 ~~applicant has applied for or holds a wine and spirits retail~~  
9 ~~license or other license which authorizes the retail sale of~~  
10 ~~wine and spirits to consumers.~~

11 ~~(2) The applicant is organized under the laws of this~~  
12 ~~Commonwealth if it is any of the following:~~

13 ~~(i) A corporation.~~

14 ~~(ii) A limited liability company.~~

15 ~~(iii) A limited partnership.~~

16 ~~(iv) A partnership.~~

17 ~~(v) An association.~~

18 ~~(vi) A legal entity other than a legal entity listed~~  
19 ~~under this paragraph.~~

20 ~~(3) The applicant is a citizen of the United States and~~  
21 ~~a resident of this Commonwealth if that applicant is a~~  
22 ~~natural person.~~

23 ~~(4) Neither the applicant nor any affiliate of the~~  
24 ~~applicant, executive officer, director or general or limited~~  
25 ~~partner of the applicant or person holding, directly or~~  
26 ~~indirectly, a controlling interest in the applicant has been~~  
27 ~~convicted of a crime listed under subsection (d)(10).~~

28 ~~(c) Other licenses. Nothing under this act shall prohibit:~~

29 ~~(1) A properly licensed importing distributor of malt~~  
30 ~~and brewed beverages from applying for and, if approved,~~

1 ~~being issued a wine and spirits wholesale license.~~

2 ~~(2) The holder of a limited winery license, a limited~~  
3 ~~distillery license or a distillery license issued by the~~  
4 ~~board from acquiring a wine and spirits wholesale license.~~

5 ~~(d) General requirements. In addition to any other~~  
6 ~~information required under this article or by the department or~~  
7 ~~the board, the applicant for a wine and spirits wholesale~~  
8 ~~license shall include the following:~~

9 ~~(1) The name, address and tax identification number of~~  
10 ~~the applicant.~~

11 ~~(2) A statement as to whether the applicant is an~~  
12 ~~individual, corporation, limited liability company, limited~~  
13 ~~partnership, partnership or association and, if the applicant~~  
14 ~~is not an individual, the state of incorporation or~~  
15 ~~organization.~~

16 ~~(3) If the applicant is not an individual, the name and~~  
17 ~~residence address of each executive officer, director,~~  
18 ~~general or limited partner or person holding a controlling~~  
19 ~~interest in the applicant.~~

20 ~~(4) If the applicant is an association, the name and~~  
21 ~~residence address of each person constituting the~~  
22 ~~association.~~

23 ~~(5) A list of the brands of liquor the applicant~~  
24 ~~proposes to engage in wholesale distribution on a Statewide~~  
25 ~~basis.~~

26 ~~(6) A sworn statement that the applicant has entered~~  
27 ~~into a contractual relationship with one or more liquor~~  
28 ~~manufacturers, importers or vendors of record for the~~  
29 ~~distribution in this Commonwealth of a brand or brands of~~  
30 ~~liquor, regardless of whether the contractual relationship is~~

1 ~~contingent upon the board issuing a wine and spirits~~  
2 ~~wholesale license to the applicant.~~

3 ~~(7) The proposed location and proof of ownership or~~  
4 ~~lease for the wholesale operation, including proposed~~  
5 ~~warehouses, if available.~~

6 ~~(8) Floor plans for any facility proposed to be used in~~  
7 ~~wholesale operations and existing design plans for any~~  
8 ~~facility that is planned, but not yet constructed, to the~~  
9 ~~extent the floor plans are available.~~

10 ~~(9) Information disclosing all arrests of and all~~  
11 ~~citations issued for nonsummary offenses to an applicant and~~  
12 ~~any affiliate of the applicant, executive officer, director~~  
13 ~~or general or limited partner of the applicant or person~~  
14 ~~holding a controlling interest in the applicant. The~~  
15 ~~information shall include:~~

16 ~~(i) A brief description of the circumstances~~  
17 ~~surrounding the arrest or issuance of the citation.~~

18 ~~(ii) The specific offense charged or cited.~~

19 ~~(iii) The ultimate disposition of the charge or~~  
20 ~~citation, including the details of a dismissal, plea~~  
21 ~~bargain, conviction, sentence, pardon, expungement or~~  
22 ~~order of Accelerated Rehabilitative Disposition.~~

23 ~~(10) A sworn statement that the applicant and any~~  
24 ~~affiliate of the applicant, or any executive officer,~~  
25 ~~director or general or limited partner of the applicant or~~  
26 ~~person holding a controlling interest in the applicant have~~  
27 ~~never been convicted:~~

28 ~~(i) of a crime involving fraud, moral turpitude or~~  
29 ~~racketeering within a period of 10 years immediately~~  
30 ~~preceding the date of the application;~~



1 ~~(ii) of a felony or equivalent crime; or~~  
2 ~~(iii) in a Federal or state tribunal, including this~~  
3 ~~Commonwealth, of the violation of a Federal or state~~  
4 ~~liquor law.~~

5 ~~(11) A statement that the applicant intends to~~  
6 ~~continuously operate as a wine and spirits wholesale licensee~~  
7 ~~for the duration of the license term and to use its best~~  
8 ~~efforts to provide a level of service, including product~~  
9 ~~availability, reasonably equivalent to the level of service~~  
10 ~~currently provided by the Commonwealth.~~

11 ~~(12) A financial statement or letter of credit in a form~~  
12 ~~and containing information determined by the department to~~  
13 ~~indicate the applicant's financial capability to operate the~~  
14 ~~wholesale operation and the estimated volume of wholesale~~  
15 ~~business to be conducted annually.~~

16 ~~(13) A current tax certificate issued by the Department~~  
17 ~~of Revenue showing the amount of taxes owed to the~~  
18 ~~Commonwealth for the applicant and any affiliate of the~~  
19 ~~applicant, executive officer, director or general or limited~~  
20 ~~partner of the applicant or person holding a controlling~~  
21 ~~interest in the applicant.~~

22 ~~(14) A signature and verification by oath or affirmation~~  
23 ~~or under penalty of unsworn falsification to authorities by~~  
24 ~~one of the following:~~

25 ~~(i) The applicant, if the applicant is a natural~~  
26 ~~person.~~

27 ~~(ii) A person specifically authorized by the legal~~  
28 ~~entity to sign the application, if the applicant is a~~  
29 ~~legal entity. Written evidence of the authority to sign~~  
30 ~~must be attached to the signature and verification.~~

1 ~~(e) Additional information. An applicant shall, during the~~  
2 ~~application process, provide any other information determined to~~  
3 ~~be appropriate by the department.~~

4 ~~(f) Amended application. If a change occurs in any~~  
5 ~~information provided to the department or the board as part of~~  
6 ~~the application process, the applicant shall immediately notify~~  
7 ~~the department or the board of the change and timely provide~~  
8 ~~amended information to the department or the board in a form and~~  
9 ~~manner determined by the department or the board.~~

10 ~~(g) Application fees and investigative costs.~~

11 ~~(1) An application filing fee of \$10,000 shall be due~~  
12 ~~upon application for a wine and spirits wholesale license.~~  
13 ~~The application filing fee shall be refunded if, due to no~~  
14 ~~fault of the applicant, the wine and spirits wholesale~~  
15 ~~license is not approved.~~

16 ~~(2) The department shall establish, charge and collect~~  
17 ~~fees from an applicant to recover the costs directly related~~  
18 ~~to the board's review and investigation of the application~~  
19 ~~for a wine and spirits wholesale license. The board shall~~  
20 ~~have the same authority relating to fees as to applications~~  
21 ~~for renewal.~~

22 ~~Section 323 A. Review and investigation of application.~~

23 ~~(a) Completeness of application.~~

24 ~~(1) The following shall apply:~~

25 ~~(i) The department may not consider an incomplete~~  
26 ~~application and shall notify the applicant in writing if~~  
27 ~~an application is incomplete.~~

28 ~~(ii) An application shall be considered incomplete~~  
29 ~~if it does not include all applicable fees and all~~  
30 ~~information and accompanying documentation required by~~

1 ~~the department. Unpaid taxes identified on the tax~~  
2 ~~certificate required to be filed under section~~  
3 ~~322 A(d) (13) must be paid before the application is~~  
4 ~~considered complete.~~

5 ~~(2) A notification of incompleteness shall state the~~  
6 ~~deficiencies in the application that must be corrected prior~~  
7 ~~to consideration of the merits of the application.~~

8 ~~(3) The applicant must be afforded a reasonable period~~  
9 ~~of time, as determined by the department, to cure the~~  
10 ~~deficiencies.~~

11 ~~(4) If the applicant fails to timely cure noticed~~  
12 ~~deficiencies within the time specified by the department, the~~  
13 ~~application shall be deemed denied by the department without~~  
14 ~~further action.~~

15 ~~(b) Investigation. After receipt of an application for a~~  
16 ~~wine and spirits wholesale license and a determination that the~~  
17 ~~application is complete, the department shall provide the~~  
18 ~~application to the board's Bureau of Licensing to conduct an~~  
19 ~~investigation of the applicant. The investigation shall include~~  
20 ~~and the applicant shall have the burden of demonstrating the~~  
21 ~~following:~~

22 ~~(1) The truth and veracity of the information provided~~  
23 ~~in the application.~~

24 ~~(2) The applicant's cooperation and the cooperation of~~  
25 ~~any affiliate of the applicant and any executive officer,~~  
26 ~~director or general or limited partner of the applicant or~~  
27 ~~person holding a controlling interest in the applicant in the~~  
28 ~~application process and with any request by the department or~~  
29 ~~the board for any information deemed necessary for licensure.~~

30 ~~(3) The good character, reputation and suitability of~~

1 ~~the applicant and any affiliate of the applicant, executive~~  
2 ~~officer, director or general or limited partner of the~~  
3 ~~applicant or person holding a controlling interest in the~~  
4 ~~applicant.~~

5 ~~(4) The applicant possesses sufficient financial~~  
6 ~~resources to:~~

7 ~~(i) Operate as a wine and spirits wholesale~~  
8 ~~licensee.~~

9 ~~(ii) Pay all taxes due and owing to the~~  
10 ~~Commonwealth.~~

11 ~~(iii) Assume liability for the safe operation of the~~  
12 ~~wholesale operations.~~

13 ~~(5) The applicant possesses sufficient financial~~  
14 ~~resources and experience to create and maintain a successful~~  
15 ~~and efficient wholesale operation that provides service at a~~  
16 ~~level that is reasonably equivalent to the level of service~~  
17 ~~currently provided in this Commonwealth on the effective date~~  
18 ~~of this section.~~

19 ~~(6) The applicant has entered into a contractual~~  
20 ~~relationship with one or more licensed manufacturers,~~  
21 ~~importers or vendors of record for the distribution in this~~  
22 ~~Commonwealth of a brand or brands of liquor regardless of~~  
23 ~~whether the contractual relationship is contingent upon the~~  
24 ~~board issuing a wine and spirits wholesale license to the~~  
25 ~~applicant.~~

26 ~~(7) The physical facilities proposed to be used in the~~  
27 ~~applicant's wholesale operations are located and designed to:~~

28 ~~(i) assure that all warehouses are located within~~  
29 ~~this Commonwealth and licensed for the storage of liquor;~~

30 ~~(ii) function as a self contained unit, with limited~~

1 ~~customer access;~~

2 ~~(iii) not have any interior connection with any~~  
3 ~~other business or with any residential building without~~  
4 ~~prior department or board approval;~~

5 ~~(iv) provide adequate security to protect the~~  
6 ~~applicant's inventory from unauthorized sale or~~  
7 ~~diversion; and~~

8 ~~(v) protect the public interest.~~

9 ~~(c) Assistance with investigations. The board may enter~~  
10 ~~into an agreement with the Pennsylvania State Police or the~~  
11 ~~Office of Inspector General to assist the board in conducting~~  
12 ~~investigations under this section and to provide for the~~  
13 ~~reimbursement of actual costs incurred for providing the~~  
14 ~~assistance. The board may establish, charge and collect fees~~  
15 ~~from an applicant to recover the costs of investigation.~~

16 ~~Section 324 A. Issuance of licenses.~~

17 ~~(a) Notification. Upon completion of the investigation~~  
18 ~~under section 323 A, the board shall inform the department of~~  
19 ~~the results of its investigation. The board shall inform the~~  
20 ~~applicant in writing of its decision to approve or deny the~~  
21 ~~application.~~

22 ~~(b) Approval. If the application is approved, the~~  
23 ~~department shall require the successful applicant to pay the~~  
24 ~~license fee, as required under section 321.1 A, based on the~~  
25 ~~brand licensing fees established under section 321.1 A for the~~  
26 ~~brands of liquor approved for the applicant.~~

27 ~~(c) Denial.~~

28 ~~(1) If an application is denied, the board shall provide~~  
29 ~~the applicant with the specific reasons for the denial in the~~  
30 ~~written notification required under subsection (a).~~

1       ~~(2) The applicant shall be entitled to a hearing on the~~  
2       ~~denial, if a hearing is requested within 10 days of the~~  
3       ~~board's notification and the request is in writing on a form~~  
4       ~~and in a manner determined by the board.~~

5       ~~(3) A hearing under this subsection shall be conducted~~  
6       ~~in accordance with 2 Pa.C.S. Ch. 5 Subch. A (relating to~~  
7       ~~practice and procedure of Commonwealth agencies).~~

8       ~~(d) Issuance. After approval of an application, the board~~  
9       ~~shall issue a wine and spirits wholesale license to the~~  
10       ~~applicant for the exclusive privilege to sell approved brands of~~  
11       ~~liquor in this Commonwealth, if the applicant has completed all~~  
12       ~~of the following:~~

13       ~~(1) Paid the wine and spirits wholesale license fee~~  
14       ~~required under this article. Payment must be made by~~  
15       ~~certified check or wire transfer to a designated restricted~~  
16       ~~account in The State Stores Fund.~~

17       ~~(2) Paid outstanding application or investigation fees.~~

18       ~~(3) Executed and delivered to the board the statement of~~  
19       ~~conditions required under section 325 A.~~

20       ~~(4) Repurchased from the board remaining marketable~~  
21       ~~inventory of the brands authorized under its license which~~  
22       ~~are owned by the board at the board's purchase order cost and~~  
23       ~~paid applicable taxes due and an administrative fee~~  
24       ~~determined by the board. The wine and spirits wholesale~~  
25       ~~licensee shall coordinate, at its own cost, the removal of~~  
26       ~~remaining product owned by the board.~~

27       ~~(5) Fulfilled any other conditions required by the~~  
28       ~~department or the board or provided for under this article.~~

29       ~~(e) License as privilege.~~

30       ~~(1) Nothing under this article is intended or may be~~

1 ~~construed to create an entitlement to a wine and spirits~~  
2 ~~wholesale license.~~

3 ~~(2) The authorization to participate in the distribution~~  
4 ~~and sale of liquor as a wine and spirits wholesale licensee~~  
5 ~~is a privilege conditioned upon this article.~~

6 ~~(f) Termination of board's authority.~~

7 ~~(1) Except as set forth in paragraph (2), if a wine and~~  
8 ~~spirits wholesale license has been issued for a particular~~  
9 ~~brand of liquor, the board may not engage in the sale of that~~  
10 ~~brand of liquor.~~

11 ~~(2) The board may coordinate the repurchase of remaining~~  
12 ~~board inventory of brands as provided under Subarticle D.~~

13 ~~(3) The board's Bureau of Licensing shall provide~~  
14 ~~adequate notice to the board's Bureau of Supply Chain that a~~  
15 ~~wine and spirits wholesale license application is ready for~~  
16 ~~license approval to insure that appropriate inventory~~  
17 ~~reduction can be effectuated without causing a shortage of~~  
18 ~~the brand at issue.~~

19 ~~Section 325 A. Wine and spirits wholesale licensee statement of~~  
20 ~~conditions.~~

21 ~~(a) Statement of conditions. The department, in~~  
22 ~~consultation with the board, shall develop a statement of~~  
23 ~~conditions to be executed by each wine and spirits wholesale~~  
24 ~~licensee governing the operation of the wine and spirits~~  
25 ~~wholesale licensee.~~

26 ~~(b) Conditions, restrictions and prohibited acts. In~~  
27 ~~addition to any other conditions the department, in consultation~~  
28 ~~with the board, deems necessary or appropriate for a specific~~  
29 ~~wine and spirits wholesale licensee or which may be mandated for~~  
30 ~~all licensees through regulations of the department or the~~

1 ~~board, the statement of conditions under subsection (a) shall~~  
2 ~~include the following:~~

3 ~~(1) A wine and spirits wholesale licensee may not sell~~  
4 ~~liquor to a person, except a person specified in section~~  
5 ~~321.1 A(a) (1).~~

6 ~~(2) A wine and spirits wholesale licensee must serve all~~  
7 ~~licensees eligible to purchase and resell liquor under this~~  
8 ~~act and must make liquor available for sale to those~~  
9 ~~licensees under the same pricing structure.~~

10 ~~(3) Except for a wine and spirits wholesale licensee~~  
11 ~~that holds an importing distributor license under section~~  
12 ~~431, a wine and spirits wholesale licensee may not sell malt~~  
13 ~~or brewed beverages.~~

14 ~~(4) A wine and spirits wholesale licensee may not engage~~  
15 ~~in conduct that would constitute any of the following:~~

16 ~~(i) Variable pricing.~~

17 ~~(ii) Unfair or deceptive trade practices proscribed~~  
18 ~~under Federal or State law or regulation.~~

19 ~~(iii) Intentional exclusion of competing brands of~~  
20 ~~liquor from the marketplace.~~

21 ~~(5) A wine and spirits wholesale licensee may only sell~~  
22 ~~and distribute liquor products in this Commonwealth that are~~  
23 ~~subject to a contractual relationship between the wine and~~  
24 ~~spirits wholesale licensee and one or more licensed~~  
25 ~~manufacturers or importers of wine and spirits.~~

26 ~~(6) (i) A wine and spirits wholesale licensee shall do~~  
27 ~~all of the following:~~

28 ~~(A) Acquire liquor exclusively from:~~

29 ~~(I) a licensed manufacturer or importer of~~  
30 ~~wine and spirits with whom the wine and spirits~~



~~wholesale licensee has the contractual authority  
to sell at wholesale as provided under this act;  
or~~

~~(II) an entity affiliated with the wine and  
spirits wholesale licensee.~~

~~(B) Keep a detailed log of wholesale liquor  
transactions, including acquisitions of liquor from  
an entity listed under clause (A) and sales to  
licensees under this act.~~

~~(ii) If liquor is acquired from an entity affiliated  
with the wine and spirits wholesale licensee, the entity  
shall, for taxation purposes, be considered a licensed  
manufacturer or importer of wine and spirits.~~

~~(7) A wine and spirits wholesale licensee's licensed  
premises and all facilities involved in its wholesale  
operations, including any changes to the facilities during  
the term of the license, shall be subject to the inspection,  
investigation and approval of the department or the board or  
the enforcement bureau.~~

~~(8) A wine and spirits wholesale licensee shall maintain  
adequate security to protect the licensee's inventory from  
unauthorized sale, removal or theft and prevent its  
unauthorized distribution.~~

~~(9) As follows:~~

~~(i) Except as provided under paragraph (1), a wine  
and spirits wholesale licensee may not engage in a  
separate business activity on a premises on which  
wholesale liquor operations are conducted without prior  
approval of the board.~~

~~(ii) A wine and spirits wholesale licensee which~~

~~holds an importing distributor license may engage in sales of malt or brewed beverages under this act.~~

~~(10) A wine and spirits wholesale licensee shall collect and remit to the Department of Revenue all applicable taxes.~~

~~(11) A wine and spirits wholesale licensee shall be considered a State liquor store for the purpose of collecting and remitting taxes under Article II of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, from persons licensed to sell liquor for consumption on the premises under Article IV.~~

~~(12) A wine and spirits wholesale licensee shall notify the board within 15 days of a change in a person holding a controlling interest in the licensee.~~

~~(13) A wine and spirits wholesale licensee shall notify the board within 15 days of becoming aware of an arrest, criminal indictment or conviction by the licensee, an affiliate of the licensee or an executive officer, director or general or limited partner of the licensee or person holding a controlling interest in the licensee.~~

~~(14) A wine and spirits wholesale licensee shall notify the board within 15 days of becoming aware of a violation of this act by the licensee, an affiliate of the licensee or an executive officer, director or general or limited partner of the licensee, person holding a controlling interest in the licensee or employee of the licensee.~~

~~(15) As follows:~~

~~(i) A wine and spirits wholesale licensee may not operate in a manner which constitutes a violation of Federal or State law, including antitrust or other unfair trade practices, or creates a monopolistic liquor~~

1 ~~distribution system in this Commonwealth.~~

2 ~~(ii) If a wine and spirits wholesale licensee seeks~~  
3 ~~to be approved by the department or the board to~~  
4 ~~distribute additional brands of liquor which would give~~  
5 ~~the licensee a control of more than 50% of the liquor~~  
6 ~~distributed in the wholesale market of this Commonwealth,~~  
7 ~~in terms of gross dollar sales, the board shall convene a~~  
8 ~~hearing to determine whether approval of the proposed~~  
9 ~~application for additional brands would constitute a~~  
10 ~~violation of antitrust or other unfair trade practice~~  
11 ~~laws, or would create a monopolistic liquor distribution~~  
12 ~~system in this Commonwealth.~~

13 ~~(iii) The board is authorized to promulgate~~  
14 ~~regulations providing for the procedure for hearings~~  
15 ~~under subparagraph (ii).~~

16 ~~(16) A wine and spirits wholesale licensee shall make~~  
17 ~~the licensed premises, all of the facilities involved in the~~  
18 ~~wholesale operation and all of the business and financial~~  
19 ~~books and records of the wholesale operation available at any~~  
20 ~~time for inspection and audit by the department, the board or~~  
21 ~~the enforcement bureau. The board shall promulgate~~  
22 ~~regulations regarding the records that a licensee must~~  
23 ~~maintain on its premises.~~

24 ~~(17) A wine and spirits wholesale licensee shall~~  
25 ~~cooperate fully in an inquiry or investigation by the~~  
26 ~~department or the board or the enforcement bureau and provide~~  
27 ~~information requested by the department, the board or the~~  
28 ~~enforcement bureau.~~

29 ~~(18) A wine and spirits wholesale licensee which is a~~  
30 ~~corporation, a limited liability company, limited~~

~~partnership, partnership, association or other legal entity  
must be organized under the laws of this Commonwealth.~~

~~(19) A wine and spirits wholesale licensee which is a  
natural person must be a citizen of the United States and a  
resident of this Commonwealth.~~

~~(c) Sanctions. A wine and spirits wholesale licensee that  
fails to abide by a condition contained in the licensee's  
statement of conditions or commits a violation of this act or  
Federal or State law:~~

~~(1) shall be subject to citation by the enforcement  
bureau; and~~

~~(2) may be subject to:~~

~~(i) a fine, suspension or license revocation;~~

~~(ii) nonrenewal of the license or revocation of  
temporary operating authority; or~~

~~(iii) other penalties authorized under sections 471  
and 494.~~

~~Section 326 A. Loss of rights to wholesale brands of liquor.~~

~~The department, in consultation with the board, shall  
establish procedures and standards governing the relationship  
between wine and spirits wholesale licensees and manufacturers  
and the ability and terms upon which that relationship may be  
terminated. The procedures and standards shall incorporate the  
following principles:~~

~~(1) As follows:~~

~~(i) A manufacturer having a contract, including all  
written or oral agreements, understandings or other  
arrangements with a wine and spirits wholesale licensee  
for the distribution in this Commonwealth of a brand of  
liquor may terminate the distribution rights and transfer~~

~~the rights to another wine and spirits wholesale licensee upon the voluntary agreement of both licensees.~~

~~(ii) If a voluntary termination and transfer occurs, the manufacturer shall provide written notice to the board indicating that affected wine and spirits wholesale licensees have both agreed to the termination and transfer. A copy of the notification to the board shall be provided to both licensees.~~

~~(2) If a wine and spirits wholesale licensee does not agree to the termination or transfer of its distribution rights, the manufacturer may only terminate or transfer the rights upon payment to the terminated licensee of the blended brand valuation of the products for which the wine and spirits wholesale licensee will no longer hold distribution rights.~~

~~(3) A voluntary or involuntary termination and transfer of the right to distribute the brand of liquor shall comply with this section.~~

~~Section 327 A. Transfer of brands of liquor.~~

~~(a) Prohibition. No brand of liquor offered for sale in this Commonwealth may be transferred to a different wine and spirits wholesale licensee without prior approval from the board.~~

~~(b) Transfer fee. An application to the board to transfer the right to distribute a brand of liquor shall be subject to an application fee equal to 1% of the initial license fee attributable to the brand of liquor or \$1,000, whichever is greater.~~

~~SUBARTICLE D~~

~~CLOSURE OF STATE LIQUOR STORES~~

1 ~~AND ASSISTANCE FOR DISPLACED EMPLOYEES~~

2 ~~Section 331 A. Closure of State liquor stores.~~

3 ~~(a) Process for closure.~~

4 ~~(1) The board shall review the viability of a store~~  
5 ~~located within a county where the number of privately owned~~  
6 ~~and privately operated wine and spirits retail licenses plus~~  
7 ~~the number of grocery store licenses equal the number of~~  
8 ~~Heritage State Stores.~~

9 ~~(2) Where the number of Heritage State Stores equals the~~  
10 ~~number of privately owned and privately operated wine and~~  
11 ~~spirits retail licenses plus the grocery store licenses, the~~  
12 ~~board shall provide a rationale to the department for the~~  
13 ~~continued operation or closure of a store located in a~~  
14 ~~county.~~

15 ~~(3) A Heritage State Store designated for closure shall~~  
16 ~~cease operations within 60 days.~~

17 ~~(4) Where the number of privately owned and privately~~  
18 ~~operated wine and spirits retail licenses plus the grocery~~  
19 ~~store licenses exceed the number of Heritage State Stores by~~  
20 ~~a factor of two, the Heritage State Stores within a county~~  
21 ~~must close within six months.~~

22 ~~(5) The board may not operate fewer than 100 Heritage~~  
23 ~~State Stores within this Commonwealth.~~

24 ~~(b) Disposition of liquor. The board shall arrange for the~~  
25 ~~disposition of the liquor remaining in inventory at a designated~~  
26 ~~store. In order to effectuate this subsection, the board may, in~~  
27 ~~consultation with the department, do any of the following:~~

28 ~~(1) Coordinate with the vendor of record for the~~  
29 ~~repurchase products by the vendor of record.~~

30 ~~(2) Sell products to newly licensed wine and spirits~~

1 ~~retail licensees.~~

2 ~~(3) Transport products for sale at another operating~~  
3 ~~State liquor store.~~

4 ~~(c) Disposition of nonliquor State owned property. The~~  
5 ~~department, in consultation with the board, shall establish a~~  
6 ~~procedure for the sale of the nonliquor inventory, property and~~  
7 ~~fixtures of all State liquor stores consistent with 62 Pa.C.S.~~  
8 ~~Ch. 15 (relating to supply management). Wine and spirits retail~~  
9 ~~licensees shall have the opportunity to bid on the items to be~~  
10 ~~sold or otherwise participate in the sale. All proceeds from the~~  
11 ~~sales shall be deposited into The State Stores Fund.~~

12 ~~(d) Pennsylvania Liquor Store leases. The board shall~~  
13 ~~provide immediate notice to the lessor upon receipt of the~~  
14 ~~department's notice to close a designated Pennsylvania Liquor~~  
15 ~~Store.~~

16 ~~(e) Hiring restrictions.~~

17 ~~(1) Notwithstanding any other provision of this act, the~~  
18 ~~board may not hire additional salaried or wage employees for~~  
19 ~~the purpose of staffing its retail operations, including its~~  
20 ~~bureau of marketing and retail operations, unless explicitly~~  
21 ~~authorized by the department.~~

22 ~~(2) Paragraph (1) shall not prohibit the board from~~  
23 ~~hiring personnel, with approval from the department, to~~  
24 ~~adequately staff its Bureau of Supply Chain for the purpose~~  
25 ~~of transitioning its retail and wholesale operations to~~  
26 ~~licensees of this article.~~

27 ~~Section 331.1 A. Licensee service centers.~~

28 ~~The board shall work collaboratively with the department to~~  
29 ~~ensure that an adequate number of stores designated for sales to~~  
30 ~~licensees or licensee service center locations are maintained~~

1 ~~during the retail and wholesale divestiture process so that~~  
2 ~~licensees are able to timely acquire products sold by the board.~~  
3 ~~Section 332 A. Transition assistance committee.~~

4 ~~(a) Formation.~~

5 ~~(1) On the effective date of this section, the~~  
6 ~~department shall designate individuals to serve on a~~  
7 ~~committee for the purpose of managing the staffing transition~~  
8 ~~and displacement of employees during the divestiture process.~~

9 ~~(2) The committee, which shall be chaired by a~~  
10 ~~representative from the department, shall involve the~~  
11 ~~participation of the Office of Administration, the Civil~~  
12 ~~Service Commission, the Department of Labor and Industry and~~  
13 ~~the board's bureau of human resources, to ensure a~~  
14 ~~coordinated approach to allocating personnel and assisting~~  
15 ~~displaced employees during the transition to find an~~  
16 ~~appropriate position.~~

17 ~~(3) The department shall contract with advisors~~  
18 ~~necessary to assist the department and the board in~~  
19 ~~administering the duties under paragraph (2). The contracts~~  
20 ~~shall not be subject to the provisions of 62 Pa.C.S. Ch. 5~~  
21 ~~(relating to source selection and contract formation).~~

22 ~~(b) Counseling and placement. The committee shall~~  
23 ~~coordinate with the Office of Administration to provide~~  
24 ~~counseling and other general assistance to employees of the~~  
25 ~~board who are displaced to transition the employees to other~~  
26 ~~employment in either the public or private sector.~~

27 ~~(c) Transition funding. The costs for the programs provided~~  
28 ~~under this subarticle shall be paid for out of the proceeds from~~  
29 ~~the divestiture of the board's wholesale and retail operations.~~

30 ~~Section 333 A. Preference in public employment hiring.~~



1 ~~(a) Civil service examinations.~~

2 ~~(1) A displaced employee who successfully passes a civil~~  
3 ~~service appointment examination shall be marked or graded an~~  
4 ~~additional three points above the mark or grade credited for~~  
5 ~~the examination if all of the following apply:~~

6 ~~(i) The examination is for a paid position~~  
7 ~~administered under the act of August 5, 1941 (P.L.752,~~  
8 ~~No.286), known as the Civil Service Act, and in the~~  
9 ~~classified service existing under the commission's~~  
10 ~~jurisdiction.~~

11 ~~(ii) The employee establishes the qualifications~~  
12 ~~required by law for appointment to the position.~~

13 ~~(2) The total mark or grade, including the mark up under~~  
14 ~~paragraph (1), obtained by the displaced employee shall~~  
15 ~~represent the final mark or grade of the employee and shall~~  
16 ~~determine the employee's standing on any eligibility list~~  
17 ~~certified or furnished to the appointing power.~~

18 ~~(3) The three additional points awarded under paragraph~~  
19 ~~(1) shall be in addition to any points that shall be afforded~~  
20 ~~to a veteran meeting the requirements of 51 Pa.C.S. § 7103~~  
21 ~~(relating to additional points in grading civil service~~  
22 ~~examinations).~~

23 ~~(b) Certification. The commission shall require the board~~  
24 ~~to certify a list of displaced employees under subsection (a).~~  
25 ~~Placement on the list by the board shall establish eligibility~~  
26 ~~for the preference granted under subsection (a).~~

27 ~~(c) Noncivil service positions. If a paid State position~~  
28 ~~does not require a civil service examination, a displaced~~  
29 ~~employee, possessing the requisite qualifications and who is~~  
30 ~~eligible for appointment to a paid State position in offices~~

~~1 under the Governor's jurisdiction within the executive branch  
2 shall be given a preference in the appointment by the appointing  
3 authority over nonveteran candidates.~~

~~4 (d) (Reserved).~~

~~5 (e) Eligibility.~~

~~6 (1) A displaced employee's eligibility for the mark up  
7 provided under subsection (a) and for the preference for  
8 noncivil service positions provided under subsection (c)  
9 shall cease upon the occurrence of one of the following:~~

~~10 (i) The displaced employee's appointment or hiring  
11 into a position in the classified service existing under  
12 the commission's jurisdiction or into a paid State  
13 position where no civil service examination is required.~~

~~14 (ii) Four years from the effective date of this  
15 section.~~

~~16 (2) In order to be eligible for the mark up provided  
17 under subsection (a) and for the preference for noncivil  
18 service positions provided under subsection (c), a displaced  
19 worker must be terminated as a sole and direct result of the  
20 decision to cease wholesale and retail operations under this  
21 article and must work until the final day set by the board  
22 for that employee's job function.~~

~~23 Section 334 A. Career training and post secondary education  
24 grant eligibility.~~

~~25 (a) Eligibility. A displaced employee shall be eligible for  
26 a two year grant for attending a program of instruction at an  
27 institution of higher education, including career training and  
28 adult education courses of study, within one year of the date of  
29 displacement from State service in the following amount:~~

~~30 (1) two thousand dollars per year for attendance on a~~

1 ~~full time basis; or~~

2 ~~(2) one thousand dollars per year for attendance on a~~  
3 ~~part time basis.~~

4 ~~(b) Certification. The board shall certify the list of~~  
5 ~~displaced employees to the Pennsylvania Higher Education~~  
6 ~~Assistance Agency.~~

7 ~~(c) Grant award. The agency shall make a determination of~~  
8 ~~grant eligibility and shall pay the grant directly to the~~  
9 ~~institution of higher education attended by the displaced~~  
10 ~~employee in a manner consistent with the Pennsylvania Higher~~  
11 ~~Education Assistance Agency's regulations.~~

12 ~~Section 335 A. Reemployment tax credit.~~

13 ~~(a) Eligibility.~~

14 ~~(1) A displaced employee shall be eligible for a two~~  
15 ~~year reemployment tax credit voucher in the amount of \$2,000~~  
16 ~~per taxable year.~~

17 ~~(2) The voucher under paragraph (1) shall be made~~  
18 ~~available to each displaced employee upon termination of~~  
19 ~~employment.~~

20 ~~(3) Each voucher under paragraph (1) shall be certified~~  
21 ~~by the board before the voucher is provided to the displaced~~  
22 ~~employee.~~

23 ~~(4) The Department of Revenue shall be informed of each~~  
24 ~~displaced employee to whom a voucher under paragraph (1) has~~  
25 ~~been provided.~~

26 ~~(b) Transfer of voucher. An employer in this Commonwealth~~  
27 ~~who employs a displaced employee on a full time basis may, upon~~  
28 ~~transfer of the voucher from the employee to the employer, use~~  
29 ~~the voucher as a credit against the State tax liability of the~~  
30 ~~employer, if the employer can demonstrate the following:~~

1 ~~(1) The employee for whom the tax credit is being sought~~  
2 ~~was displaced from the board within 12 months of being~~  
3 ~~employed by the employer.~~

4 ~~(2) The former board employee has been employed by the~~  
5 ~~employer seeking the tax credit on a full time basis for a~~  
6 ~~period not less than one year.~~

7 ~~(c) Voucher submittal. The employer shall submit the tax~~  
8 ~~credit voucher to the Department of Revenue with the information~~  
9 ~~required under subsection (b) (1) and (2) to claim a tax credit~~  
10 ~~against the employer's liability for a tax identified under~~  
11 ~~subsection (d) (2).~~

12 ~~(d) Amount of credit.~~

13 ~~(1) An employer may claim a reemployment tax credit for~~  
14 ~~each job filled by a displaced employee of \$2,000 per taxable~~  
15 ~~year for a maximum of two taxable years.~~

16 ~~(2) An employer may apply the reemployment tax credit to~~  
17 ~~100% of the employer's:~~

18 ~~(i) State corporate net income tax, capital stock~~  
19 ~~and franchise tax or the personal tax of a shareholder of~~  
20 ~~the company if the company is a Pennsylvania S-~~  
21 ~~corporation.~~

22 ~~(ii) Insurance premiums tax, gross receipts tax,~~  
23 ~~bank and trust company shares tax, mutual thrift~~  
24 ~~institutions tax or title insurance companies shares tax.~~

25 ~~(iii) Any combination of the taxes under~~  
26 ~~subparagraphs (i) and (ii).~~

27 ~~(3) A displaced employee whose subsequent employment is~~  
28 ~~terminated with an employer and who has utilized the~~  
29 ~~reemployment tax credit voucher to claim a one year \$2,000~~  
30 ~~tax credit may transfer the voucher to a new employer who may~~

1 ~~use the remaining \$2,000 tax credit as a claim against the~~  
2 ~~employer's tax liability for taxes identified under paragraph~~  
3 ~~(2).~~

4 ~~(4) The term of the reemployment tax credit voucher may~~  
5 ~~not exceed two years from the date the voucher is provided to~~  
6 ~~the qualified displaced employee.~~

7 ~~Section 336 A. Protection of existing benefits.~~

8 ~~(a) Contract benefits. Nothing under this section shall be~~  
9 ~~deemed to affect:~~

10 ~~(1) Pension benefits accrued prior to the date of~~  
11 ~~separation occurring as a sole and direct result of the~~  
12 ~~divestiture of the board's wholesale and retail operations~~  
13 ~~under this article.~~

14 ~~(2) Payment of an accrued benefit derived from the terms~~  
15 ~~of a preexisting collective bargaining agreement payable upon~~  
16 ~~separation from employment.~~

17 ~~(b) Collective bargaining. As a result of the preferential~~  
18 ~~hiring benefits, the tax credit for subsequent employers and the~~  
19 ~~protection of benefits arising from an employee's pension or~~  
20 ~~from a preexisting collective bargaining agreement under this~~  
21 ~~section, the board shall be deemed to have satisfied all~~  
22 ~~obligations to bargain over the impact of the decision to cease~~  
23 ~~wholesale and retail operations under this article which may~~  
24 ~~arise under the act of July 23, 1970 (P.L.563, No.195), known as~~  
25 ~~the Public Employe Relations Act.~~

26 ~~(c) Local regulation. This article supersedes a local~~  
27 ~~regulation, ordinance or resolution of a political subdivision~~  
28 ~~regarding notice to displaced workers.~~

29 ~~SUBARTICLE E~~

30 ~~MISCELLANEOUS PROVISIONS~~

1 ~~Section 341 A. License renewals.~~

2 ~~(a) Renewal.~~

3 ~~(1) Wine and spirits licenses issued under this article~~  
4 ~~shall be subject to renewal every two years, with validation.~~

5 ~~(2) The application for renewal shall be submitted on a~~  
6 ~~form provided by the board at least 30 days prior to the~~  
7 ~~expiration of the wine and spirits license and shall include,~~  
8 ~~at a minimum, an update of the information contained in the~~  
9 ~~initial and prior renewal applications and the payment of any~~  
10 ~~renewal fee required under this article.~~

11 ~~(3) A wine and spirits license for which a completed~~  
12 ~~renewal application and fee has been received by the board~~  
13 ~~shall continue to be valid until the board sends written~~  
14 ~~notification to the licensee that the board has denied the~~  
15 ~~renewal of the license.~~

16 ~~(b) Fee.~~

17 ~~(1) A renewal fee of \$1,000 shall be due upon~~  
18 ~~application for the renewal or validation of a wine and~~  
19 ~~spirits retail license.~~

20 ~~(2) A renewal fee of \$5,000 shall be due upon~~  
21 ~~application for the renewal or validation of a wine and~~  
22 ~~spirits wholesale license.~~

23 ~~(3) The board may adjust the renewal fee to ensure that~~  
24 ~~the fee adequately recovers the costs associated with~~  
25 ~~investigating the renewal application.~~

26 ~~(c) Renewal hearings. The director of the board's Bureau of~~  
27 ~~Licensing may object to the renewal of licenses issued under~~  
28 ~~this article pursuant to the same authority granted under~~  
29 ~~section 470. Hearings and appeals arising from the objections~~  
30 ~~shall be conducted in accordance with section 464.~~

1 ~~(d) Revocation of operating authority.~~

2 ~~(1) The board may revoke the operating authority of a~~  
3 ~~wine and spirits license issued under this article if it~~  
4 ~~finds that the licensee or any of its affiliates, executive~~  
5 ~~officers, directors or general or limited partners or persons~~  
6 ~~holding a controlling interest in the licensee:~~

7 ~~(i) is in violation of any provision of this act;~~

8 ~~(ii) has furnished the board with false or~~  
9 ~~misleading information; or~~

10 ~~(iii) is no longer reputable or suitable for~~  
11 ~~licensure.~~

12 ~~(2) If a wine and spirits license is revoked or not~~  
13 ~~renewed, the wine and spirits licensee's authorization to~~  
14 ~~conduct business as a wine and spirits licensee shall~~  
15 ~~immediately cease until the board notifies the licensee that~~  
16 ~~the operating authority has been reinstated.~~

17 ~~(e) Affirmative duty. Nothing under this section shall~~  
18 ~~relieve a wine and spirits licensee of the affirmative duty to~~  
19 ~~notify the board of changes relating to the status of its~~  
20 ~~license or to other information contained in the application~~  
21 ~~materials filed with the board.~~

22 ~~Section 342 A. Revocation, suspension and fines.~~

23 ~~(a) Authority of enforcement bureau. The enforcement bureau~~  
24 ~~shall have the authority to issue a citation against a wine and~~  
25 ~~spirits licensee in the same manner as under section 471. The~~  
26 ~~bureau may issue a citation to the licensee based on the~~  
27 ~~following conduct:~~

28 ~~(1) The licensee violated any of the following:~~

29 ~~(i) A provision of this act.~~

30 ~~(ii) The regulations of the board.~~

1 ~~(iii) The licensee's signed statement of conditions.~~

2 ~~(iv) The licensee violated any other law of this~~  
3 ~~Commonwealth.~~

4 ~~(2) The licensee knowingly presented to the board false,~~  
5 ~~incomplete or misleading information.~~

6 ~~(3) The licensee pleaded guilty, entered a plea of nolo~~  
7 ~~contendere or has been found guilty of a felony by a judge or~~  
8 ~~jury in a Federal or State court.~~

9 ~~(4) The licensee failed to operate the business or to~~  
10 ~~provide a reasonable level of consumer service.~~

11 ~~(5) The licensee failed to remit taxes as required.~~

12 ~~(b) Administrative Law Judge. Enforcement matters shall be~~  
13 ~~heard by an administrative law judge in the same manner as under~~  
14 ~~section 471. The administrative law judge may issue a fine and~~  
15 ~~either suspend or revoke the license. Appeals may be taken in~~  
16 ~~the same manner as under section 471.~~

17 ~~(c) Sales prohibited. No person may sell liquor at a~~  
18 ~~premises if any of the following apply:~~

19 ~~(1) The wine and spirits license applicable to that~~  
20 ~~premises has been suspended or revoked or has expired.~~

21 ~~(2) The operating authority for the wine and spirits~~  
22 ~~license has been revoked.~~

23 ~~(d) Public sale. If a wine and spirits retail license is~~  
24 ~~revoked, forfeited or surrendered under this article, the board~~  
25 ~~shall conduct a sale of the license, consistent with this~~  
26 ~~article.~~

27 ~~Section 343 A. Sale, assignment or transfer of license.~~

28 ~~(a) Prohibition. No person may sell, assign or transfer~~  
29 ~~their interest in a wine and spirits license granted under this~~  
30 ~~article to another person until the board has received,~~



1 ~~investigated and approved a transfer application. If the license~~  
2 ~~is a wine and spirits retail license, the wine and spirits~~  
3 ~~licensee must have been in continuous operation for at least one~~  
4 ~~year prior to the date of the application to transfer the~~  
5 ~~license.~~

6 ~~(b) Compliance. Any person to whom a wine and spirits~~  
7 ~~license is transferred must comply with this article prior to~~  
8 ~~the transfer of the license.~~

9 ~~(c) Transfer fee.~~

10 ~~(1) The transfer of a wine and spirits license shall be~~  
11 ~~subject to a transfer fee equal to 1% of the license fee paid~~  
12 ~~for the license and shall be paid as a condition of the~~  
13 ~~transfer of the license.~~

14 ~~(2) The transfer fee applicable to the transfer of~~  
15 ~~brands of liquor under section 327 A(b) shall not apply to~~  
16 ~~the transfer of a wine and spirits wholesale license.~~

17 ~~(3) A wine and spirits retail license may not be~~  
18 ~~transferred to another location outside the county in which~~  
19 ~~it was initially issued.~~

20 ~~(d) Change of control. For the purposes of this section, a~~  
21 ~~change of control of a wine and spirits wholesale or retail~~  
22 ~~licensee shall be deemed to be a sale, assignment or transfer of~~  
23 ~~a wine and spirits wholesale or retail license. A wine and~~  
24 ~~spirits wholesale or retail licensee must notify the board~~  
25 ~~immediately upon becoming aware of a proposed or contemplated~~  
26 ~~change of control.~~

27 ~~Section 344 A. The State Stores Fund.~~

28 ~~All fees, assessments, bid amounts or other charges paid by~~  
29 ~~wine and spirits license applicants or licensees shall be paid~~  
30 ~~or transferred into a restricted account which is hereby~~

~~1 established in The State Stores Fund. Funds in the restricted  
2 account shall be used for programs under Subarticle D and any  
3 other use specified by statute. Any fines collected by the  
4 administrative law judge from the licensees shall be remitted to  
5 the enforcement bureau for continued enforcement efforts.~~

~~6 Section 345 A. Return of fee or bid.~~

~~7 (a) Wine and spirits wholesale license fee. The entire wine  
8 and spirits wholesale license fee paid by a wine and spirits  
9 wholesale licensee under section 324 A(d) (1) shall be returned  
10 if this article is amended or otherwise altered by an act of the  
11 General Assembly within five years of the effective date of this  
12 section to change provisions relating to the loss of rights to  
13 wholesale brands of liquors under section 326 A.~~

~~14 (b) Wine and spirits retail licensee fee or bid amount. The  
15 entire wine and spirits retail license fee or retail bid amount  
16 paid by a wine and spirits retail licensee shall be returned if  
17 this article is amended or otherwise altered by an act of the  
18 General Assembly within five years of the effective date of this  
19 section to authorize additional wine and spirits retail licenses  
20 under section 311 A.~~

~~21 Section 12. Section 401 of the act, amended December 22,  
22 2011 (P.L.530, No.113), is amended to read:~~

~~23 Section 401. Authority to Issue Liquor Licenses to Hotels,  
24 Restaurants and Clubs. (a) Subject to the provisions of this  
25 act and regulations promulgated under this act, the board shall  
26 have authority to issue a retail liquor license for any premises  
27 kept or operated by a hotel, restaurant or club and specified in  
28 the license entitling the hotel, restaurant or club to purchase  
29 liquor from a Pennsylvania Liquor Store or a wine and spirits  
30 wholesale licensee and to keep on the premises such liquor and,~~

1 ~~subject to the provisions of this act and the regulations made~~  
2 ~~thereunder, to sell the same and also malt or brewed beverages~~  
3 ~~to guests, patrons or members for consumption on the hotel,~~  
4 ~~restaurant or club premises. Such licensees, other than clubs,~~  
5 ~~shall be permitted to sell malt or brewed beverages for~~  
6 ~~consumption off the premises where sold in quantities of not~~  
7 ~~more than one hundred ninety two fluid ounces in a single sale~~  
8 ~~to one person as provided for in section 407 unless the licensee~~  
9 ~~acquires a retail package reform permit issued by the board~~  
10 ~~under section 407(c). Such licenses shall be known as hotel~~  
11 ~~liquor licenses, restaurant liquor licenses and club liquor~~  
12 ~~licenses, respectively. No person who holds any public office~~  
13 ~~that involves the duty to enforce any of the penal laws of the~~  
14 ~~United States, this Commonwealth or of any political subdivision~~  
15 ~~of this Commonwealth may have any interest in a hotel or~~  
16 ~~restaurant liquor license. This prohibition applies to anyone~~  
17 ~~with arrest authority, including, but not limited to, United~~  
18 ~~States attorneys, State attorneys general, district attorneys,~~  
19 ~~sheriffs and police officers. This prohibition shall also apply~~  
20 ~~to magisterial district judges, judges or any other individuals~~  
21 ~~who can impose a criminal sentence. This prohibition does not~~  
22 ~~apply to members of the General Assembly, township supervisors,~~  
23 ~~city councilpersons, mayors without arrest authority and any~~  
24 ~~other public official who does not have the ability to arrest or~~  
25 ~~the ability to impose a criminal sentence. This section does not~~  
26 ~~apply if the proposed premises are located outside the~~  
27 ~~jurisdiction of the individual in question.~~

28 ~~(b) The board may issue to any club which caters to groups~~  
29 ~~of non members, either privately or for functions, a catering~~  
30 ~~license, and the board shall, by its rules and regulations,~~

1 ~~define what constitutes catering under this subsection except~~  
2 ~~that any club which is issued a catering license shall not be~~  
3 ~~prohibited from catering on Sundays during the hours which the~~  
4 ~~club may lawfully serve liquor, malt or brewed beverages.~~

5 ~~Section 13. The act is amended by adding sections to read:~~

6 ~~Section 401.1. Authority to Issue Liquor Licenses to Grocery~~  
7 ~~Stores. (a) Subject to the provisions of this act and~~  
8 ~~regulations promulgated under this act, the board shall have~~  
9 ~~authority to issue a retail liquor license for any premises kept~~  
10 ~~or operated by a grocery store and specified in the license~~  
11 ~~entitling the grocery store to:~~

12 ~~(1) Purchase wine from a Pennsylvania liquor wholesale~~  
13 ~~licensee, a wine and spirits store and any person licensed by~~  
14 ~~the board as a producer of wine and subject to section 505.2.~~

15 ~~(2) Keep on the premises such wine and, subject to the~~  
16 ~~provisions of this act and the regulations made hereunder, to~~  
17 ~~sell the same to patrons for consumption off the licensed~~  
18 ~~premises.~~

19 ~~(b) Licenses issued under this section shall be known as~~  
20 ~~grocery store retail liquor licenses.~~

21 ~~(c) No individual who holds any public office that involves~~  
22 ~~the duty to enforce any of the penal laws of the United States,~~  
23 ~~this Commonwealth or of any political subdivision of this~~  
24 ~~Commonwealth may have any interest in a grocery store retail~~  
25 ~~liquor license. This prohibition applies to an individual with~~  
26 ~~arrest authority, including, but not limited to, United States~~  
27 ~~attorneys, State attorneys general, district attorneys, sheriffs~~  
28 ~~and police officers. This prohibition shall also apply to~~  
29 ~~magisterial district judges, judges or any other individuals who~~  
30 ~~may impose a criminal sentence. This prohibition does not apply~~

1 ~~to members of the General Assembly, township supervisors, city~~  
2 ~~councilpersons, mayors without arrest authority and any other~~  
3 ~~public official who does not have the ability to arrest or the~~  
4 ~~ability to impose a criminal sentence. An individual subject to~~  
5 ~~this prohibition may have an interest in a grocery store retail~~  
6 ~~liquor license if the proposed premises are located outside the~~  
7 ~~jurisdiction of the individual.~~

8 ~~Section 403.1. Applications for Grocery Store Retail~~  
9 ~~License. (a) Every applicant for a grocery store retail~~  
10 ~~license or for the transfer of an existing license to another~~  
11 ~~premises not then licensed shall file a written application with~~  
12 ~~the board in such form and containing such information as the~~  
13 ~~board shall from time to time prescribe, which shall be~~  
14 ~~accompanied by a filing fee and an annual license fee as set~~  
15 ~~forth in section 406.1 of this act. Every such application shall~~  
16 ~~contain a description of that part of the grocery store for~~  
17 ~~which the applicant desires a license and shall set forth such~~  
18 ~~other material information, description or plan of that part of~~  
19 ~~the grocery store where it is proposed to keep and sell liquor~~  
20 ~~as may be required by the regulations of the board. The~~  
21 ~~descriptions, information and plans referred to in this~~  
22 ~~subsection shall show the grocery store, or the proposed~~  
23 ~~location for the construction of a grocery store, at the time~~  
24 ~~the application is made, and shall show any alterations proposed~~  
25 ~~to be made thereto, or the new building proposed to be~~  
26 ~~constructed after the approval by the board of the application~~  
27 ~~for a license or for the transfer of an existing license to~~  
28 ~~another premises not then licensed. No physical alterations,~~  
29 ~~improvements or changes shall be required to be made to any~~  
30 ~~grocery store, nor shall any new building for any such purpose~~

~~1 be required to be constructed until approval of the application  
2 for license or for the transfer of an existing license to  
3 another premises not then licensed by the board. After approval  
4 of the application, the licensee shall make the physical  
5 alterations, improvements and changes to the licensed premises,  
6 or shall construct the new building in the manner specified by  
7 the board at the time of approval, and the licensee shall not  
8 transact any business under the license until the board has  
9 approved the completed physical alterations, improvements and  
10 changes to the licensed premises, or the completed construction  
11 of the new building as conforming to the specifications required  
12 by the board at the time of issuance or transfer of the license,  
13 and is satisfied that the establishment is a grocery store as  
14 defined by this act. The board may require that all such  
15 alterations or construction or conformity to definition be  
16 completed within six months from the time of issuance or  
17 transfer of the license. Failure to comply with these  
18 requirements shall be considered cause for revocation of the  
19 license. No such license shall be transferable between the time  
20 of issuance or transfer of the license and the approval of the  
21 completed alterations or construction by the board and full  
22 compliance by the licensee with the requirements of this act  
23 unless full compliance is impossible for reasons beyond the  
24 licensee's control, in which event, the license may be  
25 transferred by the board as provided in this act.~~

~~26 (b) If the applicant is a natural person, the applicant's  
27 application must show that the applicant is a citizen of the  
28 United States and has been a resident of this Commonwealth for  
29 at least two years immediately preceding the applicant's  
30 application.~~

1 ~~(c) If the applicant is a corporation, the application must~~  
2 ~~show that the corporation was created under the laws of this~~  
3 ~~Commonwealth or holds a certificate of authority to transact~~  
4 ~~business in this Commonwealth, that all officers, directors and~~  
5 ~~stockholders are citizens of the United States and that the~~  
6 ~~manager of the grocery store retail license is a citizen of the~~  
7 ~~United States.~~

8 ~~(d) Each application shall be signed and verified by oath or~~  
9 ~~affirmation by the owner, if a natural person, or, in the case~~  
10 ~~of an association, by a member or partner thereof, or, in the~~  
11 ~~case of a corporation, by an executive officer thereof or any~~  
12 ~~person specifically authorized by the corporation to sign the~~  
13 ~~application, to which shall be attached written evidence of his~~  
14 ~~authority.~~

15 ~~(e) Every applicant for a new license or for the transfer of~~  
16 ~~an existing license shall post, for a period of at least thirty~~  
17 ~~days beginning with the day the application is filed with the~~  
18 ~~board, in a conspicuous place on the outside of the premises or~~  
19 ~~at the proposed new location for which the license is applied, a~~  
20 ~~notice of such application. The notice shall be in such form, be~~  
21 ~~of such size and contain such provisions as the board may~~  
22 ~~require by its regulations. Proof of the posting of such notice~~  
23 ~~shall be filed with the board. The posting requirement imposed~~  
24 ~~by this subsection shall not apply to license applications~~  
25 ~~submitted for public venues.~~

26 ~~(f) If any false statement is intentionally made in any part~~  
27 ~~of the application, the affiant shall be deemed guilty of a~~  
28 ~~misdemeanor and, upon conviction, shall be subject to the~~  
29 ~~penalties provided by this article.~~

30 ~~(g) Upon receipt of an application for a new license or~~

1 ~~transfer of an existing license to a new location, the board~~  
2 ~~shall immediately notify, in writing, the municipality in which~~  
3 ~~the premises proposed to be licensed are located.~~

4 Section 14. ~~Section 404 of the act, amended January 6, 2006~~  
5 ~~(P.L.1, No.1), is amended to read:~~

6 Section 404. ~~Issuance, Transfer or Extension of Hotel,~~  
7 ~~Restaurant and Club Liquor Licenses. Upon receipt of the~~  
8 ~~application and the proper fees, and upon being satisfied of the~~  
9 ~~truth of the statements in the application that the applicant is~~  
10 ~~the only person in any manner pecuniarily interested in the~~  
11 ~~business so asked to be licensed and that no other person will~~  
12 ~~be in any manner pecuniarily interested therein during the~~  
13 ~~continuance of the license, except as hereinafter permitted, and~~  
14 ~~that the applicant is a person of good repute, that the premises~~  
15 ~~applied for meet all the requirements of this act and the~~  
16 ~~regulations of the board, that the applicant seeks a license for~~  
17 ~~a hotel, restaurant or club, as defined in this act, and that~~  
18 ~~the issuance of such license is not prohibited by any of the~~  
19 ~~provisions of this act, the board shall, in the case of a hotel~~  
20 ~~or restaurant, grant and issue to the applicant a liquor~~  
21 ~~license, and in the case of a club may, in its discretion, issue~~  
22 ~~or refuse a license: Provided, however, That in the case of any~~  
23 ~~new license or the transfer of any license to a new location or~~  
24 ~~the extension of an existing license to cover an additional area~~  
25 ~~the board may, in its discretion, grant or refuse such new~~  
26 ~~license, transfer or extension if such place proposed to be~~  
27 ~~licensed is within three hundred feet of any church, hospital,~~  
28 ~~charitable institution, school, or public playground, or if such~~  
29 ~~new license, transfer or extension is applied for a place which~~  
30 ~~is within two hundred feet of any other premises which is~~



~~1 licensed by the board: And provided further, That the board's  
2 authority to refuse to grant a license because of its proximity  
3 to a church, hospital, charitable institution, public playground  
4 or other licensed premises shall not be applicable to license  
5 applications submitted for public venues or performing arts  
6 facilities: And provided further, That the board shall refuse  
7 any application for a new license, the transfer of any license  
8 to a new location or the extension of an existing license to  
9 cover an additional area if, in the board's opinion, such new  
10 license, transfer or extension would be detrimental to the  
11 welfare, health, peace and morals of the inhabitants of the  
12 neighborhood within a radius of five hundred feet of the place  
13 proposed to be licensed: And provided further, That the board  
14 shall have the discretion to refuse a license to any person or  
15 to any corporation, partnership or association if such person,  
16 or any officer or director of such corporation, or any member or  
17 partner of such partnership or association shall have been  
18 convicted or found guilty of a felony within a period of five  
19 years immediately preceding the date of application for the said  
20 license. [The board shall refuse any application for a new  
21 license, the transfer of any license to a new location or the  
22 extension of any license to cover an additional area where the  
23 sale of liquid fuels or oil is conducted.] The board may enter  
24 into an agreement with the applicant concerning additional  
25 restrictions on the license in question. If the board and the  
26 applicant enter into such an agreement, such agreement shall be  
27 binding on the applicant. Failure by the applicant to adhere to  
28 the agreement will be sufficient cause to form the basis for a  
29 citation under section 471 and for the nonrenewal of the license  
30 under section 470. If the board enters into an agreement with an~~

~~1 applicant concerning additional restrictions, those restrictions~~  
~~2 shall be binding on subsequent holders of the license until the~~  
~~3 license is transferred to a new location or until the board~~  
~~4 enters into a subsequent agreement removing those restrictions.~~  
~~5 If the application in question involves a location previously~~  
~~6 licensed by the board, then any restrictions imposed by the~~  
~~7 board on the previous license at that location shall be binding~~  
~~8 on the applicant unless the board enters into a new agreement~~  
~~9 rescinding those restrictions. The board may, in its discretion,~~  
~~10 refuse an application for an economic development license under~~  
~~11 section 461(b.1) or an application for an intermunicipal~~  
~~12 transfer of a license if the board receives a protest from the~~  
~~13 governing body of the receiving municipality. The receiving~~  
~~14 municipality of an intermunicipal transfer or an economic~~  
~~15 development license under section 461(b.1) may file a protest~~  
~~16 against the transfer of a license into its municipality, and the~~  
~~17 receiving municipality shall have standing in a hearing to~~  
~~18 present testimony in support of or against the issuance or~~  
~~19 transfer of a license. Upon any opening in any quota, an~~  
~~20 application for a new license shall only be filed with the board~~  
~~21 for a period of six months following said opening.~~

22 Section 15. The act is amended by adding a section to read:

23 Section 404.1. Issuance or Transfer of Grocery Store Liquor  
24 Licenses. Upon receipt of the application and the proper fees,  
25 and upon being satisfied of the truth of the statements in the  
26 application that the applicant is the only person in any manner  
27 pecuniarily interested in the business so asked to be licensed  
28 and that no other person will be in any manner pecuniarily  
29 interested therein during the continuance of the license, except  
30 as hereinafter permitted, and that the applicant is a person of

1 ~~good repute, that the premises applied for meet all the~~  
2 ~~requirements of this act and the regulations of the board, that~~  
3 ~~the applicant seeks a license for a grocery store, as defined in~~  
4 ~~this act, and that the issuance of such license is not~~  
5 ~~prohibited by any of the provisions of this act, the board shall~~  
6 ~~grant and issue to the applicant a liquor license: Provided,~~  
7 ~~however, That in the case of any new license or the transfer of~~  
8 ~~any license to a new location the board may, in its discretion,~~  
9 ~~grant or refuse such new license, transfer or extension if such~~  
10 ~~place proposed to be licensed is within three hundred feet of~~  
11 ~~any church, hospital, charitable institution, school, or public~~  
12 ~~playground, or if such new license, transfer or extension is~~  
13 ~~applied for a place which is within two hundred feet of any~~  
14 ~~other premises which is licensed by the board: And provided~~  
15 ~~further, That the board shall refuse any application for a new~~  
16 ~~license, the transfer of any license to a new location or the~~  
17 ~~extension of an existing license to cover an additional area if,~~  
18 ~~in the board's opinion, such new license, transfer or extension~~  
19 ~~would be detrimental to the welfare, health, peace and morals of~~  
20 ~~the inhabitants of the neighborhood within a radius of five~~  
21 ~~hundred feet of the place proposed to be licensed: And provided~~  
22 ~~further, That the board shall have the discretion to refuse a~~  
23 ~~license to any person or to any corporation, partnership or~~  
24 ~~association if such person, or any officer or director of such~~  
25 ~~corporation, or any member or partner of such partnership or~~  
26 ~~association shall have been convicted or found guilty of a~~  
27 ~~felony within a period of five years immediately preceding the~~  
28 ~~date of application for the said license. The board may enter~~  
29 ~~into an agreement with the applicant concerning additional~~  
30 ~~restrictions on the license in question. If the board and the~~

~~1 applicant enter into such an agreement, such agreement shall be  
2 binding on the applicant. Failure by the applicant to adhere to  
3 the agreement will be sufficient cause to form the basis for a  
4 citation under section 471 and for the nonrenewal of the license  
5 under section 470. If the board enters into an agreement with an  
6 applicant concerning additional restrictions, those restrictions  
7 shall be binding on subsequent holders of the license until the  
8 license is transferred to a new location or until the board  
9 enters into a subsequent agreement removing those restrictions.  
10 If the application in question involves a location previously  
11 licensed by the board, then any restrictions imposed by the  
12 board on the previous license at that location shall be binding  
13 on the applicant unless the board enters into a new agreement  
14 rescinding those restrictions.~~

15 Section 16. ~~Section 405(c) of the act, amended April 29,  
16 1994 (P.L.212, No.30), is amended to read:~~

17 ~~Section 405. License Fees. \* \* \*~~

18 ~~(c) All license fees authorized under this section shall be  
19 collected by the board for the use of the municipalities in  
20 which such fees were collected[.] if the municipalities receive  
21 services from a municipal police department. Fees collected in  
22 municipalities that do not receive service from a municipal  
23 police department must be transferred to the enforcement bureau  
24 for continued enforcement efforts.~~

25 ~~\* \* \*~~

26 ~~Section 17. Section 406(a)(3) and (e)(1) of the act, amended  
27 December 22, 2011 (P.L.530, No.113), are amended and subsection  
28 (e) is amended by adding a paragraph to read:~~

29 ~~Section 406. Sales by Liquor Licensees; Restrictions. (a)~~

30 ~~\* \* \*~~

1       ~~(3) Hotel and restaurant liquor licensees, municipal golf~~  
2 ~~course restaurant liquor licensees and privately owned public~~  
3 ~~golf course restaurant licensees may sell liquor and malt or~~  
4 ~~brewed beverages on Sunday between the hours of [eleven] nine~~  
5 ~~o'clock antemeridian and two o'clock antemeridian Monday upon~~  
6 ~~purchase of a special permit from the board at an annual fee as~~  
7 ~~prescribed in section 614 A of the act of April 9, 1929~~  
8 ~~(P.L.177, No.175), known as "The Administrative Code of 1929."~~  
9 ~~Notwithstanding this provision, a licensee holding such a permit~~  
10 ~~may begin selling liquor and malt or brewed beverages on Sunday~~  
11 ~~between the hours of nine o'clock antemeridian and eleven~~  
12 ~~o'clock antemeridian provided that the licensee offers a meal~~  
13 ~~beginning at nine o'clock antemeridian. Airport restaurant~~  
14 ~~liquor licensees may sell liquor and malt or brewed beverages on~~  
15 ~~Sunday between the hours of seven o'clock antemeridian and two~~  
16 ~~o'clock antemeridian Monday upon purchase of a special permit~~  
17 ~~from the board at an annual fee as prescribed in section 614 A~~  
18 ~~of the act of April 9, 1929 (P.L.177, No.175), known as "The~~  
19 ~~Administrative Code of 1929."~~

20       \* \* \*

21       ~~(c) (1) The holder of a hotel license or the holder of a~~  
22 ~~restaurant license located in a hotel may allow persons to~~  
23 ~~transport liquor or malt or brewed beverages from the licensed~~  
24 ~~portion of the premises to the unlicensed portion of the~~  
25 ~~premises, so long as the liquor or malt or brewed beverages~~  
26 ~~remain on the hotel property. In addition, a holder of a~~  
27 ~~restaurant or club license located on a golf course may sell,~~  
28 ~~furnish or give liquor or malt or brewed beverages on the~~  
29 ~~unlicensed portion of the golf course so long as the liquor or~~  
30 ~~malt or brewed beverages remain on the restaurant, club or golf~~

1 ~~course. The holder of a restaurant license located immediately~~  
2 ~~adjacent to and under the same roof of a bowling center may~~  
3 ~~allow persons to transport liquor or malt or brewed beverages~~  
4 ~~from the licensed portion of the premises to the unlicensed~~  
5 ~~portion of the premises, so long as the liquor or malt or brewed~~  
6 ~~beverages remain within the bowling center. In addition, the~~  
7 ~~holder of a hotel license or a restaurant license may allow~~  
8 ~~persons who have purchased but only partially consumed a bottle~~  
9 ~~of wine on the premises to remove the bottle from the premises~~  
10 ~~so long as the bottle was purchased in conjunction with a meal~~  
11 ~~which was consumed on the premises and so long as the bottle is~~  
12 ~~resealed. Notwithstanding this paragraph, the holder of a hotel~~  
13 ~~license or a restaurant license may sell up to six bottles of~~  
14 ~~wine for consumption off the licensed premises so long as the~~  
15 ~~bottles remain sealed and the holder has obtained a wine to go~~  
16 ~~permit as authorized under section 493(35). In addition, the~~  
17 ~~holder of a hotel license or a restaurant license may sell up to~~  
18 ~~one bottle of spirits for consumption off the licensed premises~~  
19 ~~so long as the bottle remains sealed and the holder has obtained~~  
20 ~~a spirits to go permit as authorized under section 493(39). For~~  
21 ~~purposes of this subsection, "wine" shall have the meaning given~~  
22 ~~to it under section 488(i). For purposes of this section and~~  
23 ~~section 432, "meal" shall mean food prepared on the premises,~~  
24 ~~sufficient to constitute breakfast, lunch or dinner; it shall~~  
25 ~~not mean a snack, such as pretzels, popcorn, chips or similar~~  
26 ~~food.~~

27 \* \* \*

28 ~~(3) The holder of a restaurant license whose premises has an~~  
29 ~~interior connection to a grocery store may allow a purchase of~~  
30 ~~beer and wine for consumption off the premises to be paid for at~~

~~1 a point of sale other than a point of sale located on the  
2 licensed premises. The purchase of beer or wine may not occur at  
3 a point of sale where the customer scans his own purchases. All  
4 sales of beer and wine shall occur at a point of sale manned by  
5 a sales clerk who is at least eighteen years of age.~~

6 Section 18. The act is amended by adding a section to read:

~~7 Section 406.2. Sales by Grocery Store Retail Licensees and  
8 Restrictions. (a) Every grocery store retail licensee may sell  
9 wine for consumption off the licensed premises from any location  
10 within the licensed premises. Educational information regarding  
11 the types of products sold by the grocery store retail licensee  
12 and regarding the responsible consumption of alcohol shall be  
13 displayed and readily available wherever wine is displayed.  
14 Grocery store retail licensees may display the alcohol products  
15 they offer for sale on shelving units and systems, and in or on  
16 refrigerated cases and equipment, within the discretion of the  
17 licensee, provided that such displays are not designed to  
18 attract minors and, provided further, that the manner and method  
19 of display allows access by all customers, including the  
20 physically dependent.~~

~~21 (b) Grocery store retail licensees may sell no more than  
22 twelve bottles of wine in a single sale for consumption off the  
23 licensed premises.~~

~~24 (c) Grocery store retail licensees may not charge a  
25 membership fee in order for customers to make purchases from the  
26 grocery store.~~

~~27 (d) Sales by grocery store retail licensees shall be made  
28 via grocery store registers, well designated with signage and  
29 manned by sales clerks who are at least eighteen years of age  
30 and have been trained in the Responsible Alcohol Management~~

1 ~~Program and utilizing a transaction scan device for any~~  
2 ~~purchases. At no time shall the purchase of wine occur at a~~  
3 ~~point of sale where the customer scans his own purchases. All~~  
4 ~~sales of wine shall occur at a point of sale manned by a sales~~  
5 ~~clerk at all times.~~

6 ~~(c) Grocery store retail licensees may store alcohol in a~~  
7 ~~storage area or storage areas not accessible to the public~~  
8 ~~provided such storage areas are:~~

9 ~~(1) locked at all times when not being accessed by the~~  
10 ~~licensees' employes; and~~

11 ~~(2) identified by dimensions and location on forms submitted~~  
12 ~~in advance to the board.~~

13 ~~(f) Grocery store retail licensees may sell wine from seven~~  
14 ~~o'clock antemeridian until eleven o'clock postmeridian every day~~  
15 ~~except Sunday.~~

16 ~~(g) Grocery store retail licensees may sell wine from nine~~  
17 ~~o'clock antemeridian until eleven o'clock postmeridian on~~  
18 ~~Sundays upon submission to the board of a Sunday sales permit~~  
19 ~~application and fee of one thousand five hundred dollars~~  
20 ~~(\$1,500) per year.~~

21 ~~(h) Grocery store retail licensees shall be permitted to~~  
22 ~~hold:~~

23 ~~(1) Tastings at any location in the grocery store, provided~~  
24 ~~the tastings are in compliance with the provisions and~~  
25 ~~regulations regarding tastings held on restaurant licensed~~  
26 ~~premises.~~

27 ~~(2) Educational classes, including cooking classes, how to~~  
28 ~~classes, seminars and the like, regarding the proper or~~  
29 ~~recommended use, consumption, identification, pairing,~~  
30 ~~appellation, aging, storage, characteristics, service,~~



1 ~~presentation and the like, of the alcohol products that they~~  
2 ~~offer for sale, during which classes the incidental consumption~~  
3 ~~of alcohol by registered participants of lawful age shall be~~  
4 ~~permitted; such classes may be free of charge to participants or~~  
5 ~~may be at fee.~~

6 ~~(i) Grocery store retail licensees shall be permitted to~~  
7 ~~hold restaurant licenses issued for areas within the same~~  
8 ~~building for which the grocery store retail license has been~~  
9 ~~issued or for a different building. Grocery store retail~~  
10 ~~licenses and restaurant licenses issued for areas within the~~  
11 ~~same grocery stores may be issued for areas that are adjacent,~~  
12 ~~abutting and contiguous and the board shall approve interior~~  
13 ~~connections between such areas. In the event that a grocery~~  
14 ~~store retail license and a restaurant license are issued for the~~  
15 ~~same grocery store, wine may only be sold for off premises~~  
16 ~~consumption in the area licensed for grocery store retail sales.~~

17 ~~(j) Grocery store retail licensees may not sell wine at a~~  
18 ~~price less than its underlying cost.~~

19 ~~(k) Grocery store retail licensees shall buy wine sold~~  
20 ~~pursuant to their grocery store retail license from the board, a~~  
21 ~~wine and spirits wholesale licensee or a winery licensed by the~~  
22 ~~Commonwealth.~~

23 ~~(l) All products purchased by grocery store retail licensees~~  
24 ~~and all products purchased by restaurant and eating place~~  
25 ~~licensees owned by the same individual or company must be~~  
26 ~~separately purchased from the board or a wine and spirits~~  
27 ~~wholesale licensee as required by this act and may not be~~  
28 ~~purchased from another retail licensee. Separate records must be~~  
29 ~~maintained for all purchases and sales by all grocery store~~  
30 ~~retail licensees and restaurant or eating place licensees,~~

1 ~~whether or not located within the same building or owned by the~~  
2 ~~same individual or company.~~

3 ~~(m) The following shall apply:~~

4 ~~(1) The retail license fee payable one time upon application~~  
5 ~~to the board for issuance of the license, shall be as follows:~~

6 ~~(i) For grocery stores located in counties of the first~~  
7 ~~class or counties of the second class, one hundred sixty five~~  
8 ~~thousand dollars (\$165,000).~~

9 ~~(ii) For grocery stores located in counties of the second~~  
10 ~~class A or counties of the third class, one hundred eighty seven~~  
11 ~~thousand five hundred dollars (\$187,500).~~

12 ~~(iii) For grocery stores located in counties of the fourth~~  
13 ~~class or fifth class, one hundred forty two thousand five~~  
14 ~~hundred dollars (\$142,500).~~

15 ~~(iv) For grocery stores located in counties of the sixth~~  
16 ~~class or seventh class, one hundred twenty thousand dollars~~  
17 ~~(\$120,000).~~

18 ~~(v) For grocery stores located in counties of the eighth~~  
19 ~~class, ninety seven thousand five hundred dollars (\$97,500).~~

20 ~~(2) Grocery store retail licenses shall be renewed every two~~  
21 ~~years. The renewal fee submitted each year shall be:~~

22 ~~(i) For grocery stores located in counties of the fifth~~  
23 ~~class, counties of the sixth class, counties of the seventh~~  
24 ~~class or counties of the eighth class, two thousand dollars~~  
25 ~~(\$2,000).~~

26 ~~(ii) For grocery stores located in counties of the first~~  
27 ~~class, counties of the second class, counties of the second~~  
28 ~~class A, counties of the third class or counties of the fourth~~  
29 ~~class, four thousand dollars (\$4,000).~~

30 ~~(3) The board may accept applications to transfer grocery~~

1 ~~store retail licenses to new locations, for the same owner, upon~~  
2 ~~submission of transfer applications and fees submitted to the~~  
3 ~~board in the following amounts:~~

4 ~~(i) For transfers to counties of the fifth class, counties~~  
5 ~~of the sixth class, counties of the seventh class or counties of~~  
6 ~~the eighth class, five thousand dollars (\$5,000).~~

7 ~~(ii) For transfers to counties of the first class, counties~~  
8 ~~of the second class, counties of the second class A, counties of~~  
9 ~~the third class or counties of the fourth class, ten thousand~~  
10 ~~dollars (\$10,000).~~

11 ~~(n) (1) Grocery store licensees selling wine for off-~~  
12 ~~premises consumption shall be required to obtain a sales tax~~  
13 ~~license from the Department of Revenue.~~

14 ~~(2) A grocery store licensee selling wine for off premises~~  
15 ~~consumption shall be considered a Pennsylvania Liquor Store for~~  
16 ~~purposes of collecting and remitting taxes under Article II of~~  
17 ~~the act of March 4, 1971 (P.L.6, No.2), known as the "Tax Reform~~  
18 ~~Code of 1971." A grocery store licensee selling wine for off-~~  
19 ~~premises consumption may not be required to pay the sales tax~~  
20 ~~when making wholesale purchases but shall collect the tax at~~  
21 ~~retail.~~

22 Section 19. Section 407 of the act, amended July 7, 2006  
23 (P.L.584, No.84), November 29, 2006 (P.L.1421, No.155) and June  
24 28, 2011 (P.L.55, No.11), is amended to read:

25 Section 407. Sale of Malt or Brewed Beverages by Liquor  
26 Licensees. (a) Every liquor license issued to a hotel,  
27 restaurant, club, or a railroad, pullman or steamship company  
28 under this subdivision (A) for the sale of liquor shall  
29 authorize the licensee to sell malt or brewed beverages at the  
30 same places but subject to the same restrictions and penalties

1 ~~as apply to sales of liquor, except that licensees other than~~  
2 ~~clubs may sell malt or brewed beverages for consumption off the~~  
3 ~~premises where sold in quantities of not more than one hundred~~  
4 ~~ninety two fluid ounces in a single sale to one person unless~~  
5 ~~the licensee acquires a retail package permit issued by the~~  
6 ~~board under subsection (c). The sales may be made in either open~~  
7 ~~or closed containers, Provided, however, That a municipality may~~  
8 ~~adopt an ordinance restricting open containers in public places.~~  
9 ~~No licensee under this subdivision (A) shall at the same time be~~  
10 ~~the holder of any other class of license, except a retail~~  
11 ~~dispenser's license authorizing the sale of malt or brewed~~  
12 ~~beverages only.~~

13 ~~(b) (1) Notwithstanding any other provision of law or any~~  
14 ~~existing permit authorizing the sale of malt or brewed beverages~~  
15 ~~for consumption off the premises, a restaurant licensee located~~  
16 ~~in a city of the first class who is otherwise permitted to sell~~  
17 ~~malt or brewed beverages for consumption off the premises may~~  
18 ~~not do so after October 31, 2007, unless it acquires a permit~~  
19 ~~from the board.~~

20 ~~(2) The application for a permit to sell malt or brewed~~  
21 ~~beverages for consumption off the premises shall be on forms~~  
22 ~~designated by the board and contain such information as the~~  
23 ~~board may require. The application and renewal fee shall be as~~  
24 ~~prescribed in section 614 A(27) of the act of April 9, 1929~~  
25 ~~(P.L.177, No.175), known as "The Administrative Code of 1929."~~  
26 ~~However, no applicant who currently has a permit shall be~~  
27 ~~required to pay any additional fees under section 614 A(27) of~~  
28 ~~"The Administrative Code of 1929" in order to continue selling~~  
29 ~~malt or brewed beverages for consumption off the premises at its~~  
30 ~~currently licensed location for the licensing term beginning~~

1 ~~November 1, 2007, and ending October 31, 2008.~~

2 ~~(3) The application for a permit to sell malt or brewed~~  
3 ~~beverages for consumption off the premises must be accompanied~~  
4 ~~by a copy of the approval of such request by the hearing board~~  
5 ~~authorized by this section.~~

6 ~~(4) A city of the first class shall create a hearing board~~  
7 ~~within its Department of Licenses and Inspections to hear~~  
8 ~~requests from licensees who are seeking a permit from the~~  
9 ~~hearing board authorizing the licensee to sell malt or brewed~~  
10 ~~beverages for consumption off the premises. Each hearing board~~  
11 ~~shall consist of three persons appointed by the mayor of the~~  
12 ~~city of the first class, who are subject to approval by the city~~  
13 ~~council of the city of the first class. Each person so appointed~~  
14 ~~shall serve at the pleasure of the appointing authority. The~~  
15 ~~hearing board may, in its discretion, hold hearings to adduce~~  
16 ~~testimony regarding a request. The hearing board must render a~~  
17 ~~decision within ninety days of receipt of a request for approval~~  
18 ~~of a permit to sell malt or brewed beverages for consumption off~~  
19 ~~the premises. The hearing board must approve the request unless~~  
20 ~~it finds that doing so would adversely affect the welfare,~~  
21 ~~health, peace and morals of the city or its residents. A~~  
22 ~~decision by the hearing board to deny a request may be appealed~~  
23 ~~to the court of common pleas in the county in which the city is~~  
24 ~~located. The failure to render a decision by the hearing board~~  
25 ~~within the required time period shall be deemed approval of the~~  
26 ~~permit.~~

27 ~~(5) Upon being satisfied that the applicant has fulfilled~~  
28 ~~all the requirements of this act and the board's regulations,~~  
29 ~~the board shall approve the application. Such permits shall~~  
30 ~~expire upon the transfer of the license to a new entity or to a~~

1 ~~new location, or both; otherwise, such permits shall expire at~~  
2 ~~the same time as the expiration of the underlying license.~~

3 ~~(c) (1) The board may issue a retail package reform permit~~  
4 ~~to a restaurant, hotel or retail dispenser licensee that applies~~  
5 ~~and pays the requisite fee for use at the same place that the~~  
6 ~~restaurant, hotel or retail dispenser maintains for the sale of~~  
7 ~~malt or brewed beverages. The permit must allow the holder to~~  
8 ~~sell in a single transaction not more than twenty four original~~  
9 ~~containers totaling not more than three hundred eighty four~~  
10 ~~fluid ounces of malt and brewed beverages so long as the~~  
11 ~~original containers are in a package prepared for sale of~~  
12 ~~distribution by the manufacturer of not more than twelve~~  
13 ~~original containers.~~

14 ~~(2) For the permit issued under paragraph (1), the board~~  
15 ~~shall require an annual fee of five hundred dollars (\$500).~~

16 Section 20. Section 408.12 (g) and (h) of the act, added July  
17 1, 1994 (P.L.402, No.61), are amended to read:

18 Section 408.12. Wine Auction Permits. \* \* \*

19 (g) ~~Any wine sold under this section shall be purchased from~~  
20 ~~a Pennsylvania Liquor Store, a wine and spirits retail licensee,~~  
21 ~~a Pennsylvania limited winery or any seller authorized to sell~~  
22 ~~wine by the bottle or case in this Commonwealth, including a~~  
23 ~~grocery store licensee, restaurant liquor licensee or hotel~~  
24 ~~liquor licensee, or shall be donated by a person who is neither~~  
25 ~~a licensee nor a permittee who has legally acquired the wine and~~  
26 ~~legally possesses it in this Commonwealth.~~

27 (h) ~~If any wine sold under this section is purchased from a~~  
28 ~~seller other than a Pennsylvania Liquor Store, wine and spirits~~  
29 ~~retail licensee, grocery store licensee, restaurant liquor~~  
30 ~~licensee, hotel liquor licensee or [a] Pennsylvania limited~~

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

7 \* \* \*

8 Section 21. ~~Section 410(e) of the act is amended to read:~~

9 ~~Section 410. Liquor Importers' Licenses; Fees; Privileges;~~  
10 ~~Restrictions. \* \* \*~~

11 ~~(e) Importers' licenses shall permit the holders thereof to~~  
12 ~~bring or import liquor from other states, foreign countries, or~~  
13 ~~insular possessions of the United States, and purchase liquor~~  
14 ~~from manufacturers located within this Commonwealth, to be sold~~  
15 ~~outside of this Commonwealth or to Pennsylvania Liquor Stores or~~  
16 ~~wine and spirits wholesale licensees within this Commonwealth,~~  
17 ~~or when in original containers of ten gallons or greater~~  
18 ~~capacity, to licensed manufacturers within this Commonwealth.~~

19 ~~All importations of liquor into Pennsylvania by the licensed~~  
20 ~~importer shall be consigned to the board or the principal place~~  
21 ~~of business or authorized place of storage maintained by the~~  
22 ~~licensee or a wine and spirits wholesale licensee.~~

23 \* \* \*

24 Section 22. ~~Section 411 of the act is amended by adding a~~  
25 ~~subsection to read:~~

26 ~~Section 411. Interlocking Business Prohibited. \* \* \*~~

27 ~~(f) (1) Notwithstanding any other provision of law, a~~  
28 ~~manufacturer or licensee and its officers, directors,~~  
29 ~~shareholders, servants, agents or employes may contribute, and a~~  
30 ~~manufacturer or licensee and its officers, directors,~~

1 ~~shareholders, servants, agents or employes may accept moneys or~~  
2 ~~other things of value solely for the administration of a~~  
3 ~~Responsible Alcohol Management Training Program for alcohol~~  
4 ~~service personnel as provided for under section 471.1 of this~~  
5 ~~act. The moneys or other things of value may be provided by or~~  
6 ~~to a manufacturer or licensee and its officers, directors,~~  
7 ~~shareholders, servants, agents or employes directly or by or to~~  
8 ~~a trade organization consisting, in whole or in part, of a group~~  
9 ~~of licensees.~~

10 ~~(2) The manufacturer, licensee and trade organization~~  
11 ~~associated with the person providing the moneys or other things~~  
12 ~~of value must keep a record of the value of the moneys or other~~  
13 ~~things of value provided, the date provided and the entity to~~  
14 ~~whom it was provided, as part of the records required under~~  
15 ~~section 493(12) of this act.~~

16 ~~(3) The manufacturer, licensee and trade organization~~  
17 ~~associated with the person receiving moneys or other things of~~  
18 ~~value must keep a record of the value of the moneys or other~~  
19 ~~things of value used, as part of the records required under~~  
20 ~~section 493(12) of this act.~~

21 ~~Section 23. Section 431(b) of the act, amended December 8,~~  
22 ~~2004 (P.L.1810, No.239), is amended to read:~~

23 ~~Section 431. Malt and Brewed Beverages Manufacturers',~~  
24 ~~Distributors' and Importing Distributors' Licenses. \* \* \*~~

25 ~~(b) The board shall issue to any reputable person who~~  
26 ~~applies therefor, and pays the license fee hereinafter~~  
27 ~~prescribed, a distributor's or importing distributor's license~~  
28 ~~for the place which such person desires to maintain for the sale~~  
29 ~~of malt or brewed beverages, not for consumption on the premises~~  
30 ~~where sold, and in quantities of not less than a case or~~



~~1 original containers containing one hundred twenty eight ounces  
2 or more which may be sold separately as prepared for the market  
3 by the manufacturer at the place of manufacture. The board shall  
4 have the discretion to refuse a license to any person or to any  
5 corporation, partnership or association if such person, or any  
6 officer or director of such corporation, or any member or  
7 partner of such partnership or association shall have been  
8 convicted or found guilty of a felony within a period of five  
9 years immediately preceding the date of application for the said  
10 license: And provided further, That, in the case of any new  
11 license or the transfer of any license to a new location, the  
12 board may, in its discretion, grant or refuse such new license  
13 or transfer if such place proposed to be licensed is within  
14 three hundred feet of any church, hospital, charitable  
15 institution, school or public playground, or if such new license  
16 or transfer is applied for a place which is within two hundred  
17 feet of any other premises which is licensed by the board: And  
18 provided further, That the board shall refuse any application  
19 for a new license or the transfer of any license to a new  
20 location if, in the board's opinion, such new license or  
21 transfer would be detrimental to the welfare, health, peace and  
22 morals of the inhabitants of the neighborhood within a radius of  
23 five hundred feet of the place proposed to be licensed. [The  
24 board shall refuse any application for a new license or the  
25 transfer of any license to a location where the sale of liquid  
26 fuels or oil is conducted.] The board may enter into an  
27 agreement with the applicant concerning additional restrictions  
28 on the license in question. If the board and the applicant enter  
29 into such an agreement, such agreement shall be binding on the  
30 applicant. Failure by the applicant to adhere to the agreement~~

1 ~~will be sufficient cause to form the basis for a citation under~~  
2 ~~section 471 and for the nonrenewal of the license under section~~  
3 ~~470. If the board enters into an agreement with an applicant~~  
4 ~~concerning additional restrictions, those restrictions shall be~~  
5 ~~binding on subsequent holders of the license until the license~~  
6 ~~is transferred to a new location or until the board enters into~~  
7 ~~a subsequent agreement removing those restrictions. If the~~  
8 ~~application in question involves a location previously licensed~~  
9 ~~by the board, then any restrictions imposed by the board on the~~  
10 ~~previous license at that location shall be binding on the~~  
11 ~~applicant unless the board enters into a new agreement~~  
12 ~~rescinding those restrictions. The board shall require notice to~~  
13 ~~be posted on the property or premises upon which the licensee or~~  
14 ~~proposed licensee will engage in sales of malt or brewed~~  
15 ~~beverages. This notice shall be similar to the notice required~~  
16 ~~of hotel, restaurant and club liquor licensees.~~

17 ~~Except as hereinafter provided, such license shall authorize~~  
18 ~~the holder thereof to sell or deliver malt or brewed beverages~~  
19 ~~in quantities above specified anywhere within the Commonwealth~~  
20 ~~of Pennsylvania, which, in the case of distributors, have been~~  
21 ~~purchased only from persons licensed under this act as~~  
22 ~~manufacturers or importing distributors, and in the case of~~  
23 ~~importing distributors, have been purchased from manufacturers~~  
24 ~~or persons outside this Commonwealth engaged in the legal sale~~  
25 ~~of malt or brewed beverages or from manufacturers or importing~~  
26 ~~distributors licensed under this article. If the holder of a~~  
27 ~~distributor license applies for and receives a wine and spirits~~  
28 ~~retail license issued pursuant to Article III A, that~~  
29 ~~distributor shall be authorized to sell wine and/or spirits on~~  
30 ~~the same premises where malt or brewed beverages are sold, and~~

~~1 if a distributor licensee applies for and receives a distributor  
2 package reform permit issued pursuant to section 431.2, that  
3 distributor shall be authorized to sell malt or brewed beverages  
4 in quantities enumerated in section 431.2. In the case of an  
5 importing distributor, the holder of such a license shall be  
6 authorized to store and repackage malt or brewed beverages owned  
7 by a manufacturer at a segregated portion of a warehouse or  
8 other storage facility authorized by section 441(d) and operated  
9 by the importing distributor within its appointed territory and  
10 deliver such beverages to another importing distributor who has  
11 been granted distribution rights by the manufacturer as provided  
12 herein. The importing distributor shall be permitted to receive  
13 a fee from the manufacturer for any related storage, repackaging  
14 or delivery services. In the case of a bailee for hire hired by  
15 a manufacturer, the holder of such a permit shall be authorized:  
16 to receive, store and repackage malt or brewed beverages  
17 produced by that manufacturer for sale by that manufacturer to  
18 importing distributors to whom that manufacturer has given  
19 distribution rights pursuant to this subsection or to purchasers  
20 outside this Commonwealth for delivery outside this  
21 Commonwealth; or to ship to that manufacturer's storage  
22 facilities outside this Commonwealth. The bailee for hire shall  
23 be permitted to receive a fee from the manufacturer for any  
24 related storage, repackaging or delivery services. The bailee  
25 for hire shall, as required in Article V of this act, keep  
26 complete and accurate records of all transactions, inventory,  
27 receipts and shipments and make all records and the licensed  
28 areas available for inspection by the board and for the  
29 Pennsylvania State Police, Bureau of Liquor Control Enforcement,  
30 during normal business hours.~~

1       ~~Each out of State manufacturer of malt or brewed beverages~~  
2 ~~whose products are sold and delivered in this Commonwealth shall~~  
3 ~~give distributing rights for such products in designated~~  
4 ~~geographical areas to specific importing distributors, and such~~  
5 ~~importing distributor shall not sell or deliver malt or brewed~~  
6 ~~beverages manufactured by the out of State manufacturer to any~~  
7 ~~person issued a license under the provisions of this act whose~~  
8 ~~licensed premises are not located within the geographical area~~  
9 ~~for which he has been given distributing rights by such~~  
10 ~~manufacturer. Should a licensee accept the delivery of such malt~~  
11 ~~or brewed beverages in violation of this section, said licensee~~  
12 ~~shall be subject to a suspension of his license for at least~~  
13 ~~thirty days: Provided, That the importing distributor holding~~  
14 ~~such distributing rights for such product shall not sell or~~  
15 ~~deliver the same to another importing distributor without first~~  
16 ~~having entered into a written agreement with the said secondary~~  
17 ~~importing distributor setting forth the terms and conditions~~  
18 ~~under which such products are to be resold within the territory~~  
19 ~~granted to the primary importing distributor by the~~  
20 ~~manufacturer.~~

21       ~~When a Pennsylvania manufacturer of malt or brewed beverages~~  
22 ~~licensed under this article names or constitutes a distributor~~  
23 ~~or importing distributor as the primary or original supplier of~~  
24 ~~his product, he shall also designate the specific geographical~~  
25 ~~area for which the said distributor or importing distributor is~~  
26 ~~given distributing rights, and such distributor or importing~~  
27 ~~distributor shall not sell or deliver the products of such~~  
28 ~~manufacturer to any person issued a license under the provisions~~  
29 ~~of this act whose licensed premises are not located within the~~  
30 ~~geographical area for which distributing rights have been given~~

1 ~~to the distributor and importing distributor by the said~~  
2 ~~manufacturer: Provided, That the importing distributor holding~~  
3 ~~such distributing rights for such product shall not sell or~~  
4 ~~deliver the same to another importing distributor without first~~  
5 ~~having entered into a written agreement with the said secondary~~  
6 ~~importing distributor setting forth the terms and conditions~~  
7 ~~under which such products are to be resold within the territory~~  
8 ~~granted to the primary importing distributor by the~~  
9 ~~manufacturer. Nothing herein contained shall be construed to~~  
10 ~~prevent any manufacturer from authorizing the importing~~  
11 ~~distributor holding the distributing rights for a designated~~  
12 ~~geographical area from selling the products of such manufacturer~~  
13 ~~to another importing distributor also holding distributing~~  
14 ~~rights from the same manufacturer for another geographical area,~~  
15 ~~providing such authority be contained in writing and a copy~~  
16 ~~thereof be given to each of the importing distributors so~~  
17 ~~affected.~~

18 \* \* \*

19 Section 24. ~~The act is amended by adding a section to read:~~

20 ~~Section 431.2. Distributor Package Reform Permit. (a) The~~  
21 ~~board may issue a distributor package reform permit to a~~  
22 ~~currently licensed distributor who makes application and pays~~  
23 ~~the requisite permit fee for use at the same place the~~  
24 ~~distributor maintains for the sale of malt and brewed beverages.~~

25 ~~(b) For a permit under subsection (a), the board shall~~  
26 ~~require an annual fee of one thousand dollars (\$1,000).~~

27 ~~(c) Notwithstanding any other provision of this act, the~~  
28 ~~permit shall allow the holder to:~~

29 ~~(1) Break the bulk of a case and sell a unit of that case in~~  
30 ~~quantities not less than sixty ounces so long as the holder only~~

1 ~~sells a package prepared for sale by the manufacturer of no more~~  
2 ~~than twelve original containers.~~

3 ~~(2) Sell a growler filled with malt or brewed beverages.~~

4 ~~(d) Before the holder of an enhanced distributor license~~  
5 ~~breaks the bulk of a case of malt or brewed beverages for the~~  
6 ~~purpose of selling units of the case, the licensee shall inspect~~  
7 ~~such case for damage and appropriate production date. When the~~  
8 ~~licensee breaks the bulk of a case of malt or brewed beverages~~  
9 ~~for the purpose of selling units of the case, the licensee shall~~  
10 ~~bear all the risk of loss and shall be responsible for the~~  
11 ~~destruction of any malt or brewed beverages which violate the~~  
12 ~~manufacturer's specifications relating to sales by a certain~~  
13 ~~date or within a number of days of the production date.~~

14 ~~(e) As used in this section:~~

15 ~~"Unit" shall mean an undamaged bottle, can from a case or a~~  
16 ~~growler.~~

17 ~~Section 25. Section 432(d) and (f) of the act, amended~~  
18 ~~January 6, 2006 (P.L.1, No.1) and December 22, 2011 (P.L.530,~~  
19 ~~No.113), are amended and the section is amended by adding a~~  
20 ~~subsection to read:~~

21 ~~Section 432. Malt and Brewed Beverages Retail Licenses. \* \*~~

22 \*

23 ~~(d) The board shall, in its discretion, grant or refuse any~~  
24 ~~new license, the transfer of any license to a new location or~~  
25 ~~the extension of an existing license to cover an additional area~~  
26 ~~if such place proposed to be licensed is within three hundred~~  
27 ~~feet of any church, hospital, charitable institution, school, or~~  
28 ~~public playground, or if such new license, transfer or extension~~  
29 ~~is applied for a place which is within two hundred feet of any~~  
30 ~~other premises which is licensed by the board. The board shall~~

~~1 refuse any application for a new license, the transfer of any  
2 license to a new location or the extension of an existing  
3 license to cover an additional area if, in the board's opinion,  
4 such new license, transfer or extension would be detrimental to  
5 the welfare, health, peace and morals of the inhabitants of the  
6 neighborhood within a radius of five hundred feet of the place  
7 to be licensed. The board may enter into an agreement with the  
8 applicant concerning additional restrictions on the license in  
9 question. If the board and the applicant enter into such an  
10 agreement, such agreement shall be binding on the applicant.  
11 Failure by the applicant to adhere to the agreement will be  
12 sufficient cause to form the basis for a citation under section  
13 471 and for the nonrenewal of the license under section 470. If  
14 the board enters into an agreement with an applicant concerning  
15 additional restrictions, those restrictions shall be binding on  
16 subsequent holders of the license until the license is  
17 transferred to a new location or until the board enters into a  
18 subsequent agreement removing those restrictions. If the  
19 application in question involves a location previously licensed  
20 by the board, then any restrictions imposed by the board on the  
21 previous license at that location shall be binding on the  
22 applicant unless the board enters into a new agreement  
23 rescinding those restrictions[. The board shall refuse any  
24 application for a new license, the transfer of any license to a  
25 location where the sale of liquid fuels or oil is conducted or  
26 the extension of an existing license to cover an additional  
27 area]: And provided further, That the board shall have the  
28 discretion to refuse a license to any person or to any  
29 corporation, partnership or association if such person, or any  
30 officer or director of such corporation, or any member or~~

1 ~~partner of such partnership or association shall have been~~  
2 ~~convicted or found guilty of a felony within a period of five~~  
3 ~~years immediately preceding the date of application for the said~~  
4 ~~license. The board may, in its discretion, refuse an application~~  
5 ~~for an economic development license under section 461(b.1) or an~~  
6 ~~application for an intermunicipal transfer or a license if the~~  
7 ~~board receives a protest from the governing body of the~~  
8 ~~receiving municipality. The receiving municipality of an~~  
9 ~~intermunicipal transfer or an economic development license under~~  
10 ~~section 461(b.1) may file a protest against the approval for~~  
11 ~~issuance of a license for economic development or an~~  
12 ~~intermunicipal transfer of a license into its municipality, and~~  
13 ~~such municipality shall have standing in a hearing to present~~  
14 ~~testimony in support of or against the issuance or transfer of a~~  
15 ~~license. Upon any opening in any quota, an application for a new~~  
16 ~~license shall only be filed with the board for a period of six~~  
17 ~~months following said opening.~~

18       ~~\* \* \*~~

19       ~~(f) Hotel, eating places, or municipal golf course retail~~  
20 ~~dispenser licensees may sell malt or brewed beverages between~~  
21 ~~the hours of [eleven] nine o'clock antemeridian on Sunday and~~  
22 ~~two o'clock antemeridian on Monday upon purchase of a special~~  
23 ~~permit from the board at an annual fee as prescribed in section~~  
24 ~~614 A of the act of April 9, 1929 (P.L.177, No.175), known as~~  
25 ~~"The Administrative Code of 1929," which shall be in addition to~~  
26 ~~any other license fees. Notwithstanding this provision, a~~  
27 ~~licensee holding such a special permit may begin selling malt or~~  
28 ~~brewed beverages on Sunday between the hours of nine o'clock~~  
29 ~~antemeridian and eleven o'clock antemeridian provided that the~~  
30 ~~licensee offers a meal, as that term is defined in section 406,~~



1 ~~beginning at nine o'clock antemeridian.~~

2 ~~(g) The board may issue to any retail dispenser licensee a~~  
3 ~~restaurant license in exchange for the retail dispenser license~~  
4 ~~in any municipality which has approved the granting of liquor~~  
5 ~~licenses.~~

6 ~~(1) An applicant under this section shall surrender his~~  
7 ~~retail dispenser license for cancellation prior to the issuance~~  
8 ~~of the new restaurant license.~~

9 ~~(2) The applicant for such an exchange of license shall file~~  
10 ~~an application for a restaurant liquor license and shall post~~  
11 ~~notice of such application in the manner provided in section~~  
12 ~~403. In determining whether the exchange shall be granted the~~  
13 ~~board shall have the same discretion as provided in section 404~~  
14 ~~in the case of any new license.~~

15 ~~(3) The provisions of section 461 pertaining to a quota do~~  
16 ~~not pertain to this section for exchange purposes.~~

17 ~~(4) The board shall charge a one time upgrade fee of not~~  
18 ~~more than thirty thousand dollars (\$30,000).~~

19 ~~Section 26. Sections 436(e) and 437(e) of the act are~~  
20 ~~amended to read:~~

21 ~~Section 436. Application for Distributors', Importing~~  
22 ~~Distributors' and Retail Dispensers' Licenses. \* \* \*~~

23 ~~(e) That the applicant is not, or in case of a partnership~~  
24 ~~or association, that the members or partners are not, and in the~~  
25 ~~case of a corporation, that the officers and directors are not,~~  
26 ~~in any manner pecuniarily interested, either directly or~~  
27 ~~indirectly, in the profits of any other class of business~~  
28 ~~regulated under this article, except as hereinafter permitted.~~  
29 ~~The requirements of this section shall not prohibit a~~  
30 ~~distributor from holding a wine and spirits retail license, or~~

1 ~~an importing distributor from holding a wine and spirits~~  
2 ~~wholesale license, under the conditions provided under Article~~  
3 ~~III A.~~

4 \* \* \*

5 ~~Section 437. Prohibitions Against the Grant of Licenses. \*~~

6 \* \*

7 ~~(e) No distributor's or importing distributor's license~~  
8 ~~shall be issued for any premises in any part of which there is~~  
9 ~~operated any retail license for the sale of liquor or malt or~~  
10 ~~brewed beverages. The requirements of this section shall not~~  
11 ~~prohibit a distributor from holding a wine and spirits retail~~  
12 ~~license or an importing distributor from holding a wine and~~  
13 ~~spirits wholesale license, under the conditions provided under~~  
14 ~~Article III A.~~

15 \* \* \*

16 ~~Section 27. Section 438 of the act, amended June 25, 2010-~~  
17 ~~(P.L.217, No.35), is amended to read:~~

18 ~~Section 438. Number and Kinds of Licenses Allowed Same~~  
19 ~~Licensee. (a) Any retail dispenser may be granted licenses to~~  
20 ~~maintain, operate or conduct any number of places for the sale~~  
21 ~~of malt or brewed beverages, but a separate license must be~~  
22 ~~secured for each place where malt or brewed beverages are sold.~~

23 ~~(b) [No person shall possess or be issued more than one~~  
24 ~~distributor's or importing distributor's license.] A person may~~  
25 ~~not possess or be issued more than five distributor licenses or~~  
26 ~~more than one distributor license in a county.~~

27 ~~(c) No person shall possess more than one class of license,~~  
28 ~~except that a holder of a retail dispenser's license may also be~~  
29 ~~a holder of a retail liquor license or a wine and spirits retail~~  
30 ~~license consistent with the restrictions contained in Article~~

1 ~~III A: Provided, however, That nothing contained in this section~~  
2 ~~shall be construed to prohibit a member of the governing board~~  
3 ~~of a public authority created under subdivision (n) of Article~~  
4 ~~XXIII of the act of August 9, 1955 (P.L.323, No.130), known as~~  
5 ~~"The County Code," from having an interest in a distributor or~~  
6 ~~importing distributor license notwithstanding the fact that the~~  
7 ~~public authority has an interest in one or more retail licenses~~  
8 ~~or acts as a landlord for one or more retail licenses: And,~~  
9 ~~provided further, That, notwithstanding any other provision of~~  
10 ~~this section, an entity may acquire both a manufacturer's~~  
11 ~~license or a limited winery license and a hotel, restaurant or~~  
12 ~~retail dispenser license for use at the same location and more~~  
13 ~~than one location may be so licensed. The licenses and a~~  
14 ~~person's interest in the licenses or in the entity holding the~~  
15 ~~licenses shall not be subject to this section.~~

16 Section 28. ~~Section 441 of the act, amended May 31, 1996~~  
17 ~~(P.L.312, No.49), December 20, 1996 (P.L.1513, No.196), June 18,~~  
18 ~~1998 (P.L.664, No.86), December 9, 2002 (P.L.1653, No.212), June~~  
19 ~~28, 2011 (P.L.55, No.11) and December 22, 2011 (P.L.530,~~  
20 ~~No.113), is amended to read:~~

21 Section 441. ~~Distributors' and Importing Distributors'~~  
22 ~~Restrictions on Sales, Storage, Etc. (a) No distributor or~~  
23 ~~importing distributor shall purchase, receive or resell any malt~~  
24 ~~or brewed beverages except:~~

25 ~~(1) in the original containers as prepared for the market by~~  
26 ~~the manufacturer at the place of manufacture;~~

27 ~~(2) in the case of identical containers repackaged in the~~  
28 ~~manner described by subsection (f); or~~

29 ~~(3) as provided in section 431(b).~~

30 ~~(b) No distributor or importing distributor, except for a~~

~~1 distributor that also holds a distributor package reform permit  
2 under section 431.2, shall sell any malt or brewed beverages in  
3 quantities of less than a case or original containers containing  
4 one hundred twenty eight ounces or more which may be sold  
5 separately: Provided, That no malt or brewed beverages sold or  
6 delivered shall be consumed upon the premises of the distributor  
7 or importing distributor, or in any place provided for such  
8 purpose by such distributor or importing distributor.  
9 Notwithstanding any other provision of this section or act, malt  
10 or brewed beverages which are part of a tasting conducted  
11 pursuant to the board's regulations may be consumed on licensed  
12 premises.~~

~~13 (c) No distributor or importing distributor shall maintain  
14 or operate any place where sales are made other than that for  
15 which the license is granted.~~

~~16 (d) (1) No distributor shall maintain any place for the  
17 storage of malt or brewed beverages except in the same  
18 municipality in which the licensed premises is located and  
19 unless the same has been approved by the board. In the event  
20 there is no place of cold storage in the same municipality, the  
21 board may approve a place of cold storage in the nearest  
22 municipality.~~

~~23 (2) No importing distributor shall maintain any place for  
24 the storage of malt or brewed beverages except in the franchise  
25 territory in which the licensed premises is located and unless  
26 the same has been approved by the board. The board shall issue  
27 no more than one storage facility license to an importing  
28 distributor. The storage location shall be designated solely as  
29 a storage facility, from which only sales to other licensees are  
30 permitted. Retail sales may be made at the licensed location~~

~~1 pursuant to subsection (c). If the importing distributor  
2 maintains a storage location for cold storage in the same  
3 municipality in which the importing distributor is licensed or a  
4 nearby municipality, the importing distributor may continue to  
5 maintain that cold storage location in addition to another  
6 storage location within their franchise territory.~~

~~7 (e) No distributor or importing distributor shall purchase,  
8 sell, resell, receive or deliver any malt or brewed beverages,  
9 except in strict compliance with the provisions of subsection  
10 (b) of section 431 of this act.~~

~~11 (f) (1) To salvage one or more salable cases from one or  
12 more damaged cases, cartons or packages of malt or brewed  
13 beverages, a distributor or importing distributor may repackage  
14 consequent to inadvertent damage and sell a case, carton or  
15 package of identical units of malt or brewed beverages.~~

~~16 (2) Repackaging is permissible only to the extent made  
17 necessary by inadvertent damage. Repackaging not consequent to  
18 damage is prohibited.~~

~~19 (3) The term "identical units" as used in this subsection  
20 means undamaged bottles or cans of identical brand, package and  
21 volume.~~

~~22 (g) All malt or brewed beverages purchased by an importing  
23 distributor from a Pennsylvania manufacturer of malt or brewed  
24 beverages or from any person located outside this Commonwealth  
25 for resale shall be invoiced to the importing distributor, shall  
26 come physically into the possession of such importing  
27 distributor and shall be unloaded into and distributed from the  
28 licensed premises of such importing distributor. The board may  
29 act to further define and control the storage and distribution  
30 of malt or brewed beverages in conformity with this section and~~

1 ~~this act.~~

2 ~~(h) As used in this section, the term "franchise territory"~~  
3 ~~shall mean the geographically contiguous area in which an~~  
4 ~~importing distributor has been given rights for the sale or~~  
5 ~~resale of malt or brewed beverages.~~

6 ~~(i) Notwithstanding any other provision to the contrary,~~  
7 ~~when making a sale of malt or brewed beverages to a private~~  
8 ~~individual, no distributor or importing distributor may be~~  
9 ~~required to collect the name, address or any other identifying~~  
10 ~~information of the private individual for the purpose of keeping~~  
11 ~~a record of the quantity of cases or volume of malt or brewed~~  
12 ~~beverages purchased.~~

13 ~~(j) No distributor shall engage in the sale of wine without~~  
14 ~~first obtaining a wine and spirits retail license under Article~~  
15 ~~III A. Sales of wine may only be made on premises licensed for~~  
16 ~~the sale of malt or brewed beverages.~~

17 ~~Section 29. Section 442 of the act, amended December 9, 2002~~  
18 ~~(P.L.1653, No.212), December 16, 2002 (P.L.1806, No.221), May 8,~~  
19 ~~2003 (P.L.1, No.1), July 17, 2003 (P.L.63, No.15), November 29,~~  
20 ~~2006 (P.L.1421, No.155), June 28, 2011 (P.L.55, No.11), December~~  
21 ~~22, 2011 (P.L.530, No.113) and July 5, 2012 (P.L.1007, No.116),~~  
22 ~~is amended to read:~~

23 ~~Section 442. Retail Dispensers' Restrictions on Purchases~~  
24 ~~and Sales. (a) (1) No retail dispenser shall purchase or~~  
25 ~~receive any malt or brewed beverages except in original~~  
26 ~~containers as prepared for the market by the manufacturer at the~~  
27 ~~place of manufacture. The retail dispenser may thereafter break~~  
28 ~~the bulk upon the licensed premises and sell or dispense the~~  
29 ~~same for consumption on or off the premises so licensed. No~~  
30 ~~retail dispenser may sell malt or brewed beverages for~~

1 ~~consumption off the premises in quantities in excess of one~~  
2 ~~hundred ninety two fluid ounces[.] unless the licensee acquires~~  
3 ~~a retail package reform permit issued by the board under section~~  
4 ~~407(c).~~ Sales may be made in open or closed containers,  
5 Provided, however, That a municipality may adopt an ordinance  
6 restricting open containers in public places. No club licensee  
7 may sell any malt or brewed beverages for consumption off the  
8 premises where sold or to persons not members of the club.

9 (2) ~~Notwithstanding any other provision of law or any~~  
10 ~~existing permit authorizing the sale of malt or brewed beverages~~  
11 ~~for consumption off the premises, a retail dispenser licensee~~  
12 ~~located in a city of the first class who is otherwise permitted~~  
13 ~~to sell malt or brewed beverages for consumption off the~~  
14 ~~premises may not do so after October 31, 2007, unless it~~  
15 ~~acquires a permit from the board.~~

16 (3) ~~The application for a permit to sell malt or brewed~~  
17 ~~beverages for consumption off the premises shall be on forms~~  
18 ~~designated by the board and contain such information as the~~  
19 ~~board may require. The application and renewal fee shall be as~~  
20 ~~prescribed in section 614 A(28) of the act of April 9, 1929~~  
21 ~~(P.L.177, No.175), known as "The Administrative Code of 1929."~~  
22 ~~However, no applicant who currently has a permit shall be~~  
23 ~~required to pay any additional fees under section 614 A(28) of~~  
24 ~~"The Administrative Code of 1929" in order to continue selling~~  
25 ~~malt or brewed beverages for consumption off the premises at its~~  
26 ~~currently licensed location for the licensing term beginning~~  
27 ~~November 1, 2007, and ending October 31, 2008.~~

28 (4) ~~The application for a permit to sell malt or brewed~~  
29 ~~beverages for consumption off the premises must be accompanied~~  
30 ~~by a copy of the approval of such request by the hearing board~~

1 authorized by this section.

2 ~~(5) A city of the first class shall create a hearing board~~  
3 ~~within its Department of Licenses and Inspections to hear~~  
4 ~~requests from licensees who are seeking a permit from the~~  
5 ~~hearing board authorizing the licensee to sell malt or brewed~~  
6 ~~beverages for consumption off the premises. Each hearing board~~  
7 ~~shall consist of three persons appointed by the mayor of the~~  
8 ~~city of the first class, who are subject to approval by the city~~  
9 ~~council of the city of the first class. Each person so appointed~~  
10 ~~shall serve at the pleasure of the appointing authority. The~~  
11 ~~hearing board may, in its discretion, hold hearings to adduce~~  
12 ~~testimony regarding a request. The hearing board must render a~~  
13 ~~decision within ninety days of receipt of a request for approval~~  
14 ~~of a permit to sell malt or brewed beverages for consumption off~~  
15 ~~the premises. The hearing board must approve the request unless~~  
16 ~~it finds that doing so would adversely affect the welfare,~~  
17 ~~health, peace and morals of the city or its residents. A~~  
18 ~~decision by the hearing board to deny a request may be appealed~~  
19 ~~to the court of common pleas in the county in which the city is~~  
20 ~~located. The failure to render a decision by the hearing board~~  
21 ~~within the required time period shall be deemed approval of the~~  
22 ~~permit.~~

23 ~~(6) Upon being satisfied that the applicant has fulfilled~~  
24 ~~all the requirements of this act and the board's regulations,~~  
25 ~~the board shall approve the application. Such permits shall~~  
26 ~~expire upon the transfer of the license to a new entity or to a~~  
27 ~~new location, or both; otherwise, such permits shall expire at~~  
28 ~~the same time as the expiration of the underlying license.~~

29 ~~(b) No retail dispenser shall sell any malt or brewed~~  
30 ~~beverages for consumption on the licensed premises except in a~~



1 ~~room or rooms or place on the licensed premises at all times~~  
2 ~~accessible to the use and accommodation of the general public,~~  
3 ~~but this section shall not be interpreted to prohibit a retail~~  
4 ~~dispenser from selling malt or brewed beverages in a hotel or~~  
5 ~~club house in any room of such hotel or club house occupied by a~~  
6 ~~bona fide registered guest or member entitled to purchase the~~  
7 ~~same or to prohibit a retail dispenser from selling malt or~~  
8 ~~brewed beverages in a bowling alley where the licensed premises~~  
9 ~~and bowling alley are immediately adjacent and under the same~~  
10 ~~roof.~~

11 ~~(c) For the purpose of this section any person who is an~~  
12 ~~active member of another club which is chartered by the same~~  
13 ~~state or national organization shall have the same rights and~~  
14 ~~privileges as members of the particular club.~~

15 ~~(d) For the purposes of this section, any person who is an~~  
16 ~~active member of any volunteer firefighting company, association~~  
17 ~~or group of this Commonwealth, whether incorporated or~~  
18 ~~unincorporated, shall upon the approval of any club composed of~~  
19 ~~volunteer firemen licensed under this act, have the same social~~  
20 ~~rights and privileges as members of such licensed club.~~

21 ~~(e) (1) The holder of a retail dispenser license located in~~  
22 ~~a hotel may allow persons to transport malt or brewed beverages~~  
23 ~~from the licensed portion of the premises to the unlicensed~~  
24 ~~portion of the premises so long as the malt or brewed beverages~~  
25 ~~remain on the hotel property.~~

26 ~~(2) In addition, the holder of a retail dispenser license~~  
27 ~~located on a golf course may allow its patrons to order malt or~~  
28 ~~brewed beverages on licensed premises for subsequent delivery by~~  
29 ~~the licensee on nonlicensed portions of the premises, including~~  
30 ~~the golf course.~~

1       ~~(3) In addition, a holder of a restaurant or club license~~  
2 ~~located on a golf course may sell, furnish or give liquor or~~  
3 ~~malt or brewed beverages on the unlicensed portion of the golf~~  
4 ~~course so long as the liquor or malt or brewed beverages remain~~  
5 ~~on the restaurant, club or golf course.~~

6       ~~(4) The holder of a restaurant license located immediately~~  
7 ~~adjacent to and under the same roof of a bowling center may~~  
8 ~~allow persons to transport liquor or malt or brewed beverages~~  
9 ~~from the licensed portion of the premises to the unlicensed~~  
10 ~~portion of the premises so long as the liquor or malt or brewed~~  
11 ~~beverages remain within the bowling center.~~

12       ~~(f) The holder of an eating place retail dispenser license~~  
13 ~~may obtain an off premises catering permit under section 493(33)~~  
14 ~~to hold a catered function off of the licensed premises and on~~  
15 ~~otherwise unlicensed premises where the licensee may sell malt~~  
16 ~~or brewed beverages by the glass, open bottle or any other~~  
17 ~~container, together with food, for consumption on those premises~~  
18 ~~solely used for catering premises. Functions conducted under the~~  
19 ~~authority of the permit shall be subject to the following:~~

20       ~~(1) malt or brewed beverages may only be provided during the~~  
21 ~~days and hours that the license holder may otherwise sell malt~~  
22 ~~or brewed beverages;~~

23       ~~(2) each catered function shall last no longer than one day~~  
24 ~~and not more than fifty catered functions may be held each~~  
25 ~~calendar year by each license holder for use with a particular~~  
26 ~~license;~~

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

30       ~~(4) a permit shall not be issued to an applicant whose~~

1 ~~license is in safekeeping;~~

2 ~~(5) a permit shall not be issued to a location that is~~  
3 ~~subject to a pending objection by the director of the Bureau of~~  
4 ~~Licensing or the board under section 470(a.1);~~

5 ~~(6) a permit shall not be issued to a location that is~~  
6 ~~subject to a pending license suspension under section 471 or the~~  
7 ~~one year prohibition on the issuance or transfer of a license~~  
8 ~~under section 471(b);~~

9 ~~(7) no malt or brewed beverages may be taken from the~~  
10 ~~permitted location by a patron, but the applicant may transport~~  
11 ~~malt or brewed beverages to and from its licensed premises to~~  
12 ~~the proposed premises;~~

13 ~~(8) written notice of the catered function as enumerated in~~  
14 ~~paragraph (9) shall be provided to the local police and the~~  
15 ~~enforcement bureau at least seven days in advance of the event;~~

16 ~~(9) written notice shall be provided to the board at least~~  
17 ~~thirty days prior to a catered function. Written notice must~~  
18 ~~include the location of the function, time of the function, host~~  
19 ~~of the function, general information regarding the guests~~  
20 ~~expected at the function as well as any information the board~~  
21 ~~shall from time to time prescribe. The board may, in its~~  
22 ~~discretion, accept notice in an electronic format. The board~~  
23 ~~may, in its discretion, waive the thirty day notice period for a~~  
24 ~~catered function if:~~

25 ~~(i) the applicant has previously conducted functions that~~  
26 ~~meet the requirements of this act;~~

27 ~~(ii) the applicant is a licensee in good standing with the~~  
28 ~~board;~~

29 ~~(iii) notification was received at least fourteen days prior~~  
30 ~~to the catered function; and~~

1 ~~(iv) the applicant pays a late fee of one hundred dollars~~  
2 ~~(\$100);~~

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

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

15 ~~(12) all servers at the off premises catered function shall~~  
16 ~~be in compliance with the responsible alcohol management~~  
17 ~~provisions under section 471.1 of this act;~~

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

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

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

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

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

4 ~~(15) catered functions held on unlicensed premises shall be~~  
5 ~~subject to section 493(34) of this act;~~

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

8 ~~(17) a permit may not be issued to a licensee who is subject~~  
9 ~~to objection under the board's nuisance bar program;~~

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

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

14 ~~(g) Notwithstanding any other provision of law or~~  
15 ~~regulation, the holder of a retail dispenser license may hold~~  
16 ~~happy hours up to four consecutive or nonconsecutive hours per~~  
17 ~~day and up to fourteen hours per week during which the holder~~  
18 ~~discounts the price of alcoholic beverages. No discounts may be~~  
19 ~~given between the hours of midnight and the legal closing time.~~  
20 ~~Notice of all happy hours shall be visibly posted on the~~  
21 ~~licensed premises seven days prior to the happy hour. Except as~~  
22 ~~provided in this subsection, a licensee shall comply with the~~  
23 ~~provisions of 40 Pa. Code § 13.102 (relating to discount pricing~~  
24 ~~practices). Events conducted under the authority of 40 Pa. Code~~  
25 ~~§ 13.102(b) shall not be counted against the four hours per day~~  
26 ~~or fourteen hours per week.~~

27 ~~Section 30. Section 443(b) of the act, amended May 31, 1996~~  
28 ~~(P.L.312, No.49), is amended and the section is amended by~~  
29 ~~adding a subsection to read:~~

30 ~~Section 443. Interlocking Business Prohibited. \* \* \*~~

1       ~~(b) No distributor or importing distributor and no officer~~  
2 ~~or director of any distributor or importing distributor shall at~~  
3 ~~the same time be a manufacturer, a retail dispenser or a liquor~~  
4 ~~licensee, or be an officer, director, stockholder or creditor of~~  
5 ~~a manufacturer, a retail dispenser or a liquor licensee, or,~~  
6 ~~directly or indirectly, own any stock of, or have any financial~~  
7 ~~interest in, or be the owner, proprietor or lessor of, any place~~  
8 ~~covered by any other malt or brewed beverage or liquor license.~~  
9 ~~The requirements of this section or any other provision of law,~~  
10 ~~shall not prohibit the holder of a distributor license from~~  
11 ~~holding a wine and spirits retail license issued pursuant to~~  
12 ~~Article III A, or an importing distributor from also holding a~~  
13 ~~wine and spirits wholesale license issued pursuant to Article~~  
14 ~~III A.~~

15       \* \* \*

16       ~~(h) (1) Notwithstanding any other provision of law, a~~  
17 ~~manufacturer or licensee and its officers, directors,~~  
18 ~~shareholders, servants, agents or employes may contribute and a~~  
19 ~~manufacturer or licensee and its officers, directors,~~  
20 ~~shareholders, servants, agents or employes may accept moneys or~~  
21 ~~other things of value solely for the administration of a~~  
22 ~~responsible alcohol management training program for alcohol~~  
23 ~~service personnel as provided under section 471.1. The moneys or~~  
24 ~~other things of value may be provided by or to a manufacturer or~~  
25 ~~licensee and its officers, directors, shareholders, servants,~~  
26 ~~agents or employes directly of, by or to a trade organization~~  
27 ~~consisting, in whole or in part, of a group of licensees.~~

28       ~~(2) The manufacturer, licensee and trade organization~~  
29 ~~associated with the person providing moneys or other things of~~  
30 ~~value must keep a record of the value of the moneys or other~~

~~1 things of value provided, the date provided and the entity to  
2 whom the moneys or other things of value were provided, as part  
3 of the records required under section 493(12).~~

~~4 (3) The manufacturer, licensee and trade organization  
5 associated with the person receiving the moneys or other things  
6 of value must keep a record of the value of the moneys or other  
7 things of value received, the date provided, the entity from  
8 whom the moneys or other things of value were received and the  
9 manner in which the moneys or other things of value were used,  
10 as part of the records required under section 493(12) of this  
11 act.~~

~~12 Section 31. Section 446(a)(1) of the act, amended December  
13 22, 2011 (P.L.530, No.113), is amended to read:~~

~~14 Section 446. Breweries. (a) Holders of a brewery license  
15 may:~~

~~16 (1) Sell malt or brewed beverages produced and owned by the  
17 brewery under such conditions and regulations as the board may  
18 enforce, to individuals for consumption on the licensed premises  
19 in any container or package of any volume and to hotel,  
20 restaurant, club, grocery stores and public service liquor  
21 licensees.~~

~~22 \* \* \*~~

~~23 Section 32. Section 461(a) of the act, amended October 24,  
24 2012 (P.L.1203, No.149), is amended and the section is amended  
25 by adding a subsection to read:~~

~~26 Section 461. Limiting Number of Retail Licenses To Be Issued  
27 In Each County. (a) No additional restaurant, eating place  
28 retail dispenser or club licenses shall be issued within a  
29 county if the total number of restaurant and eating place retail  
30 dispenser licenses is greater than one license for each three~~

~~1 thousand inhabitants in the county, except the board may issue  
2 licenses to public venues, performing arts facilities,  
3 continuing care retirement communities, airport restaurants,  
4 municipal golf courses, hotels, privately owned private golf  
5 courses, privately owned public golf courses, racetracks,  
6 automobile racetracks, nonprimary pari mutuel wagering  
7 locations, privately owned ski resorts, grocery stores and to  
8 any other entity which this act specifically exempts from the  
9 limitations provided in this section, and the board may issue a  
10 license to a club situated in a borough having a population less  
11 than eight thousand inhabitants which is located in a county of  
12 the second class A whose application is filed on or before  
13 February 28, 2001. In addition, the board may issue an eating  
14 place retail dispenser license for on premises sales only to the  
15 owner or operator of a facility having a minimum of a one half  
16 mile asphalt track and having a permanent seating capacity of at  
17 least six thousand people used principally for holding  
18 automobile races, regardless of the number of restaurant and  
19 eating place retail dispenser licenses already issued in that  
20 county. When determining the number of restaurant and eating  
21 place retail dispenser licenses issued in a county for the  
22 purposes of this section, licenses exempted from this limitation  
23 and club licenses shall not be considered. Inhabitants of dry  
24 municipalities shall be considered when determining the  
25 population in a county. Licenses shall not be issued or  
26 transferred into municipalities where such licenses are  
27 prohibited pursuant to local referendum in accordance with  
28 section 472. Licenses approved for intermunicipal transfer may  
29 not be transferred from the receiving municipality for a period  
30 of five years after the date that the licensed premises are~~



1 operational in the receiving municipality.

2 ~~(a.1) An additional grocery store retail license may not be~~  
3 ~~issued within a county if the total number of grocery store~~  
4 ~~retail licenses is greater than one license for every fifteen~~  
5 ~~thousand inhabitants in the county, provided that a total of two~~  
6 ~~such licenses may be granted in a county in this Commonwealth.~~

7 \* \* \*

8 Section 33. ~~Section 468(a) and (c) of the act, amended or~~  
9 ~~added December 20, 2000 (P.L.992, No.141), February 21, 2002~~  
10 ~~(P.L.103, No.10), June 28, 2011 (P.L.55, No.11) and December 22,~~  
11 ~~2011 (P.L.530, No.113), are amended to read:~~

12 Section 468. ~~Licenses Not Assignable; Transfers. (a) (1)~~  
13 ~~Licenses issued under this article may not be assigned. The~~  
14 ~~board, upon payment of the transfer filing fee, is hereby~~  
15 ~~authorized to transfer any license issued by it under the~~  
16 ~~provisions of this article from one person to another or from~~  
17 ~~one place to another, or both. Except for restaurant liquor and~~  
18 ~~eating place retail dispenser licenses transferred under section~~  
19 ~~461(b.4), if the license is a retail license, the new location~~  
20 ~~must be within the same county as the existing location or, if~~  
21 ~~the municipality is located in more than one county, within the~~  
22 ~~same municipality as the existing location.~~

23 ~~(2) In the case of distributor and importing distributor~~  
24 ~~licenses, the board may transfer any such license from its place~~  
25 ~~in a municipality to a place in any other municipality within~~  
26 ~~the same county, or from one place to another place within the~~  
27 ~~same municipality, or exchange a distributor license for an~~  
28 ~~importing distributor license or an importing distributor~~  
29 ~~license for a distributor license, if the building for which the~~  
30 ~~license is to be issued has, in the case of an importing~~

~~1 distributor license, an area under one roof of two thousand five-~~  
~~2 hundred square feet and, in the case of a distributor license,~~  
~~3 an area under one roof of one thousand square feet: And-~~  
~~4 provided, That, in the case of all transfers of distributor or-~~  
~~5 importing distributor licenses, whether from a place within the-~~  
~~6 same municipality to another place within the same municipality~~  
~~7 or from a place in a municipality to a place in any other-~~  
~~8 municipality within the same county, and, in the case of an-~~  
~~9 exchange of a distributor license for an importing distributor-~~  
~~10 license or an importing distributor license for a distributor-~~  
~~11 license, the premises to be affected by the transfer or exchange-~~  
~~12 shall contain an office separate and apart from the remainder of-~~  
~~13 the premises to be licensed for the purpose of keeping records,~~  
~~14 required by the board, adequate toilet facilities for employes-~~  
~~15 of the licensee and an entrance on a public thoroughfare:—~~  
~~16 Provided, however, That in the event that the majority of the-~~  
~~17 voting electors of a municipality, at an election held under the-~~  
~~18 provisions of any law so empowering them to do, shall vote-~~  
~~19 against the issuance of distributor or importing distributor-~~  
~~20 licenses in such municipality, the board is hereby authorized to-~~  
~~21 transfer any such distributor or importing distributor license-~~  
~~22 from its place in such municipality to a place in any other-~~  
~~23 municipality within the same county, upon application prior to-~~  
~~24 the expiration of any such license and upon payment of the-~~  
~~25 transfer filing fee and the execution of a new bond; but no-~~  
~~26 transfer shall be made to a person who would not have been-~~  
~~27 eligible to receive the license originally nor for the-~~  
~~28 transaction of business at a place for which the license could-~~  
~~29 not lawfully have been issued originally, nor, except as herein-~~  
~~30 provided, to a place as to which a license has been revoked.~~

1       ~~(3) [No license shall be transferred to any place or~~  
2 ~~property upon which is located as a business the sale of liquid~~  
3 ~~fuels and oil.] Except in cases of emergency such as death,~~  
4 ~~serious illness, or circumstances beyond the control of the~~  
5 ~~licensee, as the board may determine such circumstances to~~  
6 ~~justify its action, transfers of licenses may be made only at~~  
7 ~~times fixed by the board. In the case of the death of a~~  
8 ~~licensee, the board may transfer the license to the surviving~~  
9 ~~spouse or personal representative or to a person designated by~~  
10 ~~him. From any refusal to grant a transfer or upon the grant of~~  
11 ~~any transfer, the party aggrieved shall have the right of appeal~~  
12 ~~to the proper court in the manner hereinbefore provided.~~

13       ~~(4) In the event the license to be transferred has been~~  
14 ~~ordered to serve a suspension under section 471 and has not~~  
15 ~~served the suspension at the time the board considers the~~  
16 ~~application and all appeals regarding the suspension have been~~  
17 ~~exhausted, the board may require the transferee to serve the~~  
18 ~~suspension as a condition for approval of the transfer. Further,~~  
19 ~~the board may convert the outstanding suspension into a fine and~~  
20 ~~require the transferee to pay the fine as a condition for~~  
21 ~~approval of the transfer. If the board converts the outstanding~~  
22 ~~suspension to a fine, the fine need not comply with the minimum~~  
23 ~~and maximum amounts set forth in section 471 for the underlying~~  
24 ~~citation.~~

25       ~~\* \* \*~~

26       ~~(e) Notwithstanding any other provision of law, the board~~  
27 ~~may not approve an interior connection that is greater than ten~~  
28 ~~feet wide between a licensed business and another business. This~~  
29 ~~subsection shall not prohibit the board from approving a renewal~~  
30 ~~application of a license, even if the licensed business has an~~

1 ~~interior connection that is greater than ten feet wide to an~~  
2 ~~unlicensed business, if the board had approved the interior~~  
3 ~~connection prior to the effective date of this subsection. This~~  
4 ~~subsection shall not apply to the holder of a grocery store~~  
5 ~~retail license.~~

6 Section 34. ~~Section 470(a) of the act, amended December 22,~~  
7 ~~2011 (P.L.530, No.113), is amended to read:~~

8 Section 470. ~~Renewal of Licenses; Temporary Provisions for~~  
9 ~~Licensees in Armed Service. (a) All applications for renewal~~  
10 ~~or validation of licenses under the provisions of this article~~  
11 ~~shall be filed with tax clearance from the Department of Revenue~~  
12 ~~and the Department of Labor and Industry and requisite license~~  
13 ~~and filing fees, including an application surcharge of seven~~  
14 ~~hundred dollars (\$700), at least sixty days before the~~  
15 ~~expiration date of same: Provided, however, That the board, in~~  
16 ~~its discretion, may accept nunc pro tunc a renewal application~~  
17 ~~filed less than sixty days before the expiration date of the~~  
18 ~~license with the required fees, upon reasonable cause shown and~~  
19 ~~the payment of an additional filing fee of one hundred dollars~~  
20 ~~(\$100.00) for late filing: And provided further, That except~~  
21 ~~where the failure to file a renewal application on or before the~~  
22 ~~expiration date has created a license quota vacancy after said~~  
23 ~~expiration date which has been filled by the issuance of a new~~  
24 ~~license, after such expiration date, but before the board has~~  
25 ~~received a renewal application nunc pro tunc within the time~~  
26 ~~prescribed herein the board, in its discretion, may, after~~  
27 ~~hearing, accept a renewal application filed within two years~~  
28 ~~after the expiration date of the license with the required fees~~  
29 ~~upon the payment of an additional filing fee of two hundred~~  
30 ~~fifty dollars (\$250.00) for late filing. Where any such renewal~~

~~1 application is filed less than sixty days before the expiration  
2 date, or subsequent to the expiration date, no license shall  
3 issue upon the filing of the renewal application until the  
4 matter is finally determined by the board and if an appeal is  
5 taken from the board's action the courts shall not order the  
6 issuance of the renewal license until final determination of the  
7 matter by the courts. The board may enter into an agreement with  
8 the applicant concerning additional restrictions on the license  
9 in question. If the board and the applicant enter into such an  
10 agreement, such agreement shall be binding on the applicant.  
11 Failure by the applicant to adhere to the agreement will be  
12 sufficient cause to form the basis for a citation under section  
13 471 and for the nonrenewal of the license under this section. A  
14 renewal application will not be considered filed unless  
15 accompanied by the requisite filing and license fees and any  
16 additional filing fee required by this section. Unless the board  
17 shall have given ten days' previous notice to the applicant of  
18 objections to the renewal of his license, based upon violation  
19 by the licensee or his servants, agents or employes of any of  
20 the laws of the Commonwealth or regulations of the board  
21 relating to the manufacture, transportation, use, storage,  
22 importation, possession or sale of liquors, alcohol or malt or  
23 brewed beverages, or the conduct of a licensed establishment, or  
24 unless the applicant has by his own act become a person of ill-  
25 repute, or unless the premises do not meet the requirements of  
26 this act or the regulations of the board, the license of a  
27 licensee shall be renewed. Notwithstanding any other provision  
28 of this act, a noise violation shall not be the sole basis for  
29 objection by the board to the renewal of a license unless the  
30 licensee has received six prior adjudicated noise citations~~

1 ~~within a twenty four month period.~~

2 ~~\* \* \*~~

3 ~~Section 35. Section 471(b) and (e) of the act, amended or~~  
4 ~~added July 6, 2005 (P.L.135, No.39) and April 13, 2006 (P.L.78,~~  
5 ~~No.26), are amended to read:~~

6 ~~Section 471. Revocation and Suspension of Licenses; Fines.~~

7 ~~\* \* \*~~

8 ~~(b) Hearing on such citations shall be held in the same~~  
9 ~~manner as provided herein for hearings on applications for~~  
10 ~~license. Upon such hearing, if satisfied that any such violation~~  
11 ~~has occurred or for other sufficient cause, the administrative~~  
12 ~~law judge shall immediately suspend or revoke the license, or~~  
13 ~~impose a fine of not less than [fifty dollars (\$50)] two hundred~~  
14 ~~fifty dollars (\$250) nor more than [one thousand dollars~~  
15 ~~(\$1,000)] five thousand dollars (\$5,000), or both, notifying the~~  
16 ~~licensee by registered letter addressed to his licensed~~  
17 ~~premises. If the licensee has been cited and found to have~~  
18 ~~violated section 493(1) insofar as it relates to sales to minors~~  
19 ~~or sales to a visibly intoxicated person, section 493(10)~~  
20 ~~insofar as it relates to lewd, immoral or improper entertainment~~  
21 ~~or section 493(14), (16) or (21), or has been found to be a~~  
22 ~~public nuisance pursuant to section 611, or if the owner or~~  
23 ~~operator of the licensed premises or any authorized agent of the~~  
24 ~~owner or operator has been convicted of any violation of the act~~  
25 ~~of April 14, 1972 (P.L.233, No.64), known as "The Controlled~~  
26 ~~Substance, Drug, Device and Cosmetic Act," or of 18 Pa.C.S. §~~  
27 ~~5902 (relating to prostitution and related offenses) or 6301~~  
28 ~~(relating to corruption of minors), at or relating to the~~  
29 ~~licensed premises, the administrative law judge shall~~  
30 ~~immediately suspend or revoke the license, or impose a fine of~~

1 ~~not less than [one thousand dollars (\$1,000)] five thousand~~  
2 ~~dollars (\$5,000) nor more than [five thousand dollars (\$5,000)]~~  
3 ~~ten thousand dollars (\$10,000), or both. However, if a licensee~~  
4 ~~has been cited and found to have violated section 493(1) as it~~  
5 ~~relates to sales to minors or sales to a visibly intoxicated~~  
6 ~~person but at the time of the sale the licensee was in~~  
7 ~~compliance with the requirements set forth in section 471.1 and~~  
8 ~~the licensee had not sold to minors or visibly intoxicated~~  
9 ~~persons in the previous four years, then the administrative law~~  
10 ~~judge shall immediately suspend or revoke the license, or impose~~  
11 ~~a fine of not less than [fifty dollars (\$50)] one thousand~~  
12 ~~dollars (\$1,000) nor more than [one thousand dollars (\$1,000)]~~  
13 ~~five thousand dollars (\$5,000), or both. The administrative law~~  
14 ~~judge shall notify the licensee by registered mail, addressed to~~  
15 ~~the licensed premises, of such suspension, revocation or fine.~~  
16 ~~In the event the fine is not paid within twenty days of the~~  
17 ~~adjudication, the administrative law judge shall suspend or~~  
18 ~~revoke the license, notifying the licensee by registered mail~~  
19 ~~addressed to the licensed premises. Suspensions and revocations~~  
20 ~~shall not go into effect until thirty days have elapsed from the~~  
21 ~~date of the adjudication during which time the licensee may take~~  
22 ~~an appeal as provided for in this act, except that revocations~~  
23 ~~mandated in section 481(c) shall go into effect immediately. Any~~  
24 ~~licensee whose license is revoked shall be ineligible to have a~~  
25 ~~license under this act until the expiration of three years from~~  
26 ~~the date such license was revoked. In the event a license is~~  
27 ~~revoked, no license shall be granted for the premises or~~  
28 ~~transferred to the premises in which the said license was~~  
29 ~~conducted for a period of at least one year after the date of~~  
30 ~~the revocation of the license conducted in the said premises,~~

~~1 except in cases where the licensee or a member of his immediate  
2 family is not the owner of the premises, in which case the board  
3 may, in its discretion, issue or transfer a license within the  
4 said year. In the event the bureau or the person who was fined  
5 or whose license was suspended or revoked shall feel aggrieved  
6 by the adjudication of the administrative law judge, there shall  
7 be a right to appeal to the board. The appeal shall be based  
8 solely on the record before the administrative law judge. The  
9 board shall only reverse the decision of the administrative law  
10 judge if the administrative law judge committed an error of law,  
11 abused its discretion or if its decision is not based on  
12 substantial evidence. In the event the bureau or the person who  
13 was fined or whose license was suspended or revoked shall feel  
14 aggrieved by the decision of the board, there shall be a right  
15 to appeal to the court of common pleas in the same manner as  
16 herein provided for appeals from refusals to grant licenses.  
17 Each of the appeals shall act as a supersedeas unless, upon  
18 sufficient cause shown, the reviewing authority shall determine  
19 otherwise; however, if the licensee has been cited and found to  
20 have violated section 493(1) insofar as it relates to sales to  
21 minors or sales to a visibly intoxicated person, section 493(10)  
22 insofar as it relates to lewd, immoral or improper entertainment  
23 or section 493(14), (16) or (21), or has been found to be a  
24 public nuisance pursuant to section 611, or if the owner or  
25 operator of the licensed premises or any authorized agent of the  
26 owner or operator has been convicted of any violation of "The  
27 Controlled Substance, Drug, Device and Cosmetic Act," or of 18  
28 Pa.C.S. § 5902 or 6301, at or relating to the licensed premises,  
29 or if the license has been revoked under section 481(c), its  
30 appeal shall not act as a supersedeas unless the reviewing~~



1 ~~authority determines otherwise upon sufficient cause shown. In~~  
2 ~~any hearing on an application for a supersedeas under this~~  
3 ~~section, the reviewing authority may consider, in addition to~~  
4 ~~other relevant evidence, documentary evidence, including records~~  
5 ~~of the bureau, showing the prior history of citations, fines,~~  
6 ~~suspensions or revocations against the licensee; and the~~  
7 ~~reviewing authority may also consider, in addition to other~~  
8 ~~relevant evidence, evidence of any recurrence of the unlawful~~  
9 ~~activity occurring between the date of the citation which is the~~  
10 ~~subject of the appeal and the date of the hearing. If the~~  
11 ~~reviewing authority is the board, no hearing shall be held on~~  
12 ~~the application for a supersedeas; however, a decision shall be~~  
13 ~~made based on the application, answer and documentary evidence~~  
14 ~~under this subsection. If the application for a supersedeas is~~  
15 ~~for a license that has been revoked under section 481(c), the~~  
16 ~~reviewing authority shall grant the supersedeas only if it finds~~  
17 ~~that the licensee will likely prevail on the merits. No penalty~~  
18 ~~provided by this section shall be imposed for any violations~~  
19 ~~provided for in this act unless the bureau notifies the licensee~~  
20 ~~of its nature within thirty days of the completion of the~~  
21 ~~investigation.~~

22       ~~\* \* \*~~

23       ~~(e) If a licensee has been cited and found to have violated~~  
24 ~~section 493(1) for a second or subsequent offense as it relates~~  
25 ~~to sales to minors or sales to a visibly intoxicated person, the~~  
26 ~~administrative law judge, in addition to the penalties set forth~~  
27 ~~in subsection (b), shall impose a suspension of at least two~~  
28 ~~consecutive weekend days when the offense is a second offense or~~  
29 ~~two consecutive Saturdays of operation if the licensee does not~~  
30 ~~hold a Sunday sales permit, and a suspension of at least seven~~

1 ~~consecutive days of operation when the offense is a third or~~  
2 ~~subsequent offense. The mandatory suspension provision shall not~~  
3 ~~apply to licensees which also hold a license issued by the~~  
4 ~~Pennsylvania Gaming Control Board for the use of their premises.~~  
5 ~~Further, the administrative law judge may, in such instances,~~  
6 ~~require the licensee to comply with the requirements set forth~~  
7 ~~in section 471.1 pertaining to responsible alcohol management.~~  
8 ~~Such compliance may be required for a period of up to one year.~~  
9 ~~Failure to adhere with such an order is sufficient cause for the~~  
10 ~~issuance of a citation under subsection (a).~~

11 \* \* \*

12 Section 36. ~~Section 471.1(a) of the act, added December 20,~~  
13 ~~2000 (P.L.992, No.141), is amended to read:~~

14 Section 471.1. Responsible Alcohol Management. ~~(a) The~~  
15 ~~board is authorized to offer a responsible alcohol service~~  
16 ~~program to licensees. The program shall consist of four parts:~~  
17 ~~new employe orientation, training for alcohol service personnel,~~  
18 ~~manager/owner training and the displaying of responsible alcohol~~  
19 ~~service signage. New employe orientation shall consist of~~  
20 ~~orienting newly hired alcohol service personnel as to~~  
21 ~~Pennsylvania law relating to the sale, furnishing or serving of~~  
22 ~~alcoholic beverages to minors and visibly intoxicated persons.~~  
23 ~~It shall also mean orienting newly hired alcohol service~~  
24 ~~personnel to responsible server practices, as the term is~~  
25 ~~defined by the board, through regulation. Training for alcohol~~  
26 ~~service personnel shall be as set forth by the board, but at~~  
27 ~~minimum it shall consist of training to prevent service of~~  
28 ~~alcohol to minors and to visibly intoxicated persons.~~  
29 ~~Manager/owner training shall be as set forth by the board, but~~  
30 ~~at a minimum it shall consist of training on how to monitor~~

1 ~~employees, proper service of alcohol and how to develop an~~  
2 ~~appropriate alcohol service policy. The responsible alcohol~~  
3 ~~service signage shall be as set forth by the board and shall~~  
4 ~~consist of signage dealing with the licensee's policy against~~  
5 ~~sales to minors and visibly intoxicated persons. Alcohol service~~  
6 ~~personnel training [may] shall be conducted by [the board or by~~  
7 ~~an entity] entities certified by the board to conduct such~~  
8 ~~training.~~

9 ~~\* \* \*~~

10 ~~Section 37. Section 472(a) of the act, amended February 21,~~  
11 ~~2002 (P.L.103, No.10), is amended to read:~~

12 ~~Section 472. Local Option. (a) In any municipality or any~~  
13 ~~part of a municipality where such municipality is split so that~~  
14 ~~each part thereof is separated by another municipality, an~~  
15 ~~election may be held, subject to subsection (c), on the date of~~  
16 ~~the primary election immediately preceding any municipal~~  
17 ~~election, but not oftener than once in four years, to determine~~  
18 ~~the will of the electors with respect to the granting of liquor~~  
19 ~~licenses to hotels, restaurants, resort facilities and clubs,~~  
20 ~~not oftener than once in four years, to determine the will of~~  
21 ~~the electors with respect to the granting of liquor licenses to~~  
22 ~~public venues, to performing arts facilities, to continuing care~~  
23 ~~retirement communities, to hotels located on property owned by~~  
24 ~~an accredited college or university, to privately owned private~~  
25 ~~golf courses or to privately owned public golf courses, not~~  
26 ~~oftener than once in four years, to determine the will of the~~  
27 ~~electors with respect to the granting of licenses to retail~~  
28 ~~dispensers of malt and brewed beverages, not oftener than once~~  
29 ~~in four years, to determine the will of the electors with~~  
30 ~~respect to granting of licenses to wholesale distributors and~~

~~1 importing distributors, not more than once in two years, to  
2 determine the will of the electors with respect to the granting  
3 of club liquor licenses or club retail dispenser licenses to  
4 incorporated units of national veterans' organizations, not  
5 oftener than once in two years to determine the will of the  
6 electors with respect to the granting of special occasion  
7 permits to qualified organizations, not more than once in two  
8 years, to determine the will of the electors with respect to  
9 granting of licenses to grocery stores, or not more than once in  
10 four years, to determine the will of the electors with respect  
11 to the establishment[, operation and maintenance by the board of  
12 Pennsylvania liquor stores] of wine and spirits retail  
13 licensees, within the limits of such municipality or part of a  
14 split municipality, under the provisions of this act: Provided,  
15 however, Where an election shall have been held at the primary  
16 preceding a municipal election in any year, another election may  
17 be held under the provisions of this act at the primary  
18 occurring the fourth year after such prior election: And  
19 provided further, That an election on the question of  
20 establishing and operating a State liquor store shall be  
21 initiated only in those municipalities, or that part of a split  
22 municipality that shall have voted against the granting of  
23 liquor licenses; and that an election on the question of  
24 granting wholesale distributor and importing distributor  
25 licenses shall be initiated only in those municipalities or  
26 parts of split municipalities that shall have at a previous  
27 election voted against the granting of dispenser's licenses.  
28 Whenever electors equal to at least twenty five per centum of  
29 the highest vote cast for any office in the municipality or part  
30 of a split municipality at the last preceding general election~~

1 shall file a petition with the county board of elections of the  
2 county for a referendum on the question of granting any of said  
3 classes of licenses [or the establishment of Pennsylvania liquor  
4 stores], the said county board of elections shall cause a  
5 question to be placed on the ballots or on the voting machine  
6 board and submitted at the primary immediately preceding the  
7 municipal election. Separate petitions must be filed for each  
8 question to be voted on. Said proceedings shall be in the manner  
9 and subject to the provisions of the election laws which relate  
10 to the signing, filing and adjudication of nomination petitions,  
11 insofar as such provisions are applicable.

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

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

17 When the question is in respect to the granting of liquor  
18 licenses to resort facilities in those municipalities that do  
19 not already allow the retail sale of liquor, it shall be in the  
20 following form:

21 Do you favor the granting of liquor licenses to resort  
22 facilities for the sale of liquor in the.....? Yes  
23 of.....? No

24 When the question is in respect to the granting of restaurant  
25 liquor licenses for use at public venues in those municipalities  
26 that do not already allow the retail sale of liquor, it shall be  
27 in the following form:

28 Do you favor the granting of liquor licenses to public  
29 venues for the sale of liquor in the.....? Yes  
30 of.....? No

1 ~~When the question is in respect to the granting of restaurant~~  
2 ~~liquor licenses for use at performing arts facilities in those~~  
3 ~~municipalities that do not already allow the retail sale of~~  
4 ~~alcohol, it shall be in the following form:~~

5 ~~Do you favor the granting of liquor licenses to~~  
6 ~~performing arts facilities for the sale of liquor in~~  
7 ~~the..... Yes~~  
8 ~~of.....? No~~

9 ~~When the question is in respect to the granting of liquor~~  
10 ~~licenses for hotels located on property owned by an accredited~~  
11 ~~college or university in those municipalities that do not~~  
12 ~~already allow the granting of liquor licenses, it shall be in~~  
13 ~~the following form:~~

14 ~~Do you favor the granting of liquor licenses to hotels~~  
15 ~~on property owned by an accredited college or university~~  
16 ~~in the..... Yes~~  
17 ~~of.....? No~~

18 ~~When the question is in respect to the granting of liquor~~  
19 ~~licenses, for privately owned private golf courses, it shall be~~  
20 ~~in the following form:~~

21 ~~Do you favor the granting of liquor licenses for~~  
22 ~~privately owned private golf courses for the sale of~~  
23 ~~liquor in.....by..... Yes~~  
24 ~~of.....? No~~

25 ~~When the question is in respect to the granting of liquor~~  
26 ~~licenses, for privately owned public golf courses, it shall be~~  
27 ~~in the following form:~~

28 ~~Do you favor the granting of liquor licenses for~~ Yes  
29 ~~privately owned public golf courses for the sale of~~ No  
30 ~~liquor in.....by.....~~

1 of.....?

2 ~~When the question is in respect to the granting of liquor~~  
3 ~~licenses to continuing care retirement communities in those~~  
4 ~~municipalities that have not already approved the granting of~~  
5 ~~liquor licenses, it shall be in the following form:~~

6 ~~Do you favor the granting of liquor licenses for~~  
7 ~~continuing care retirement communities~~  
8 ~~in.....by..... Yes~~  
9 ~~of.....? No~~

10 ~~When the question is in respect to the granting of licenses~~  
11 ~~to retail dispensers of malt and brewed beverages, it shall be~~  
12 ~~in the following form:~~

13 ~~Do you favor the granting of malt and brewed beverage~~  
14 ~~retail dispenser licenses for consumption on premises~~  
15 ~~where sold in the..... Yes~~  
16 ~~of.....? No~~

17 ~~When the question is in respect to the granting of grocery~~  
18 ~~store licenses for the sale of wine for consumption off the~~  
19 ~~premises, it shall be in the following form:~~

20 ~~Do you favor the granting of licenses for grocery stores~~  
21 ~~for the sale of wine for consumption off the premises~~  
22 ~~in.....by..... Yes~~  
23 ~~of.....? No~~

24 ~~When the question is in respect to the granting of licenses~~  
25 ~~to wholesale distributors of malt or brewed beverages and~~  
26 ~~importing distributors, it shall be in the following form:~~

27 ~~Do you favor the granting of malt and brewed beverage~~  
28 ~~wholesale distributor's and importing distributor's~~  
29 ~~licenses not for consumption on premises where sold in~~  
30 ~~the..... Yes~~

1 of.....? No

2 ~~When the question is in respect to the granting of club~~  
3 ~~liquor licenses to incorporated units of national veterans'~~  
4 ~~organizations, it shall be in the following form:~~

5 ~~Do you favor the granting of club liquor licenses to~~  
6 ~~incorporated units of national veterans' organizations~~  
7 ~~in the.....~~ Yes

8 of.....? No

9 ~~When the question is in respect to the granting of club~~  
10 ~~retail dispenser licenses to incorporated units of national~~  
11 ~~veterans' organizations, it shall be in the following form:~~

12 ~~Do you favor the granting of club retail dispenser~~  
13 ~~licenses to incorporated units of national veterans'~~  
14 ~~organizations in the.....~~ Yes

15 of.....? No

16 ~~When the question is in respect to the granting of special~~  
17 ~~occasion permits allowing the sale of liquor by qualified~~  
18 ~~organizations in municipalities that do not already allow the~~  
19 ~~retail sale of liquor, it shall be in the following form:~~

20 ~~Do you favor the granting of special occasion permits to~~  
21 ~~allow the sale of liquor by qualified organizations in~~  
22 ~~the.....~~ Yes

23 of.....? No

24 ~~When the question is in respect to the granting of special~~  
25 ~~occasion permits allowing the sale of malt or brewed beverages~~  
26 ~~only by qualified organizations in municipalities that do not~~  
27 ~~already allow the retail sale of malt or brewed beverages, it~~  
28 ~~shall be in the following form:~~

29 ~~Do you favor the granting of special occasion permits to~~ Yes  
30 ~~allow the sale of malt or brewed beverages only by~~ No



1 ~~qualified organizations in the.....~~  
2 ~~of.....?~~

3 ~~When the question is in respect to the [establishment,~~  
4 ~~operation and maintenance of Pennsylvania liquor stores]~~  
5 ~~granting of licenses to wine and spirits retail operators for~~  
6 ~~the sale of liquor for consumption off the premises,~~ it shall be  
7 ~~in the following form:~~

8	<del>Do you favor the [establishment, operation and</del>	Yes
9	<del>maintenance of Pennsylvania liquor stores] <u>granting of</u></del>	No
10	<del><u>wine and spirits retail licenses for the sale of liquor</u></del>	
11	<del><u>for consumption off the premises in</u></del>	
12	<del>the.....</del>	
13	<del>of.....?</del>	

14 ~~In case of a tie vote, the status quo shall obtain. If a~~  
15 ~~majority of the voting electors on any such question vote "yes,"~~  
16 ~~then liquor licenses shall be granted by the board to hotels,~~  
17 ~~restaurants, resort facilities and clubs, or liquor licenses~~  
18 ~~shall be granted by the board to public venues, to performing~~  
19 ~~arts facilities, to continuing care retirement communities, to~~  
20 ~~hotels located on property owned by an accredited college or~~  
21 ~~university, to privately owned private golf courses or to~~  
22 ~~privately owned public golf courses, or malt and brewed beverage~~  
23 ~~retail dispenser licenses or wholesale distributor's and~~  
24 ~~importing distributor's license for the sale of malt or brewed~~  
25 ~~beverages shall be granted by the board, or club liquor licenses~~  
26 ~~or club retail dispenser licenses shall be granted by the board~~  
27 ~~to incorporated units of national veterans' organizations, or~~  
28 ~~special occasion permits may be issued to qualified~~  
29 ~~organizations, or [the board may establish, operate and maintain~~  
30 ~~Pennsylvania liquor stores] licenses to grocery stores or to~~

1 ~~wine and spirits retail licensees, as the case may be, in such~~  
2 ~~municipality or part of a split municipality, as provided by~~  
3 ~~this act; but if a majority of the electors voting on any such~~  
4 ~~question vote "no," then the board shall have no power to grant~~  
5 ~~or to renew upon their expiration any licenses of the class so~~  
6 ~~voted upon in such municipality or part of a split~~  
7 ~~municipality[; or if the negative vote is on the question in~~  
8 ~~respect to the establishment, operation and maintenance of~~  
9 ~~Pennsylvania liquor stores, the board shall not open and operate~~  
10 ~~a Pennsylvania liquor store in such municipality or part of a~~  
11 ~~split municipality, nor continue to operate a then existing~~  
12 ~~Pennsylvania liquor store in the municipality or part of a split~~  
13 ~~municipality for more than two years thereafter or after the~~  
14 ~~expiration of the term of the lease on the premises occupied by~~  
15 ~~such store, whichever period is less, unless and until at a~~  
16 ~~later election a majority of the voting electors vote "yes" on~~  
17 ~~such question].~~

18       ~~\* \* \*~~

19       ~~Section 38. Section 491 of the act, amended October 5, 1994~~  
20 ~~(P.L.522, No.77), February 21, 2002 (P.L.103, No.10), December~~  
21 ~~9, 2002 (P.L.1653, No.212), July 17, 2003 (P.L.63, No.15),~~  
22 ~~December 22, 2011 (P.L.530, No.113) and July 5, 2012 (P.L.1007,~~  
23 ~~No.116), is amended to read:~~

24       ~~Section 491. Unlawful Acts Relative to Liquor, Alcohol and~~  
25 ~~Liquor Licensees.—~~

26       ~~It shall be unlawful—~~

27       ~~(1) Sales of Liquor. For any person, by himself or by an~~  
28 ~~employe or agent, to expose or keep for sale, or directly or~~  
29 ~~indirectly, or upon any pretense or upon any device, to sell or~~  
30 ~~offer to sell any liquor within this Commonwealth, except in~~

~~1 accordance with the provisions of this act and the regulations  
2 of the board. This clause shall not be construed to prohibit  
3 hospitals, physicians, dentists or veterinarians who are  
4 licensed and registered under the laws of this Commonwealth from  
5 administering liquor in the regular course of their professional  
6 work and taking into account the cost of the liquor so  
7 administered in making charges for their professional service,  
8 or a pharmacist duly licensed and registered under the laws of  
9 this Commonwealth from dispensing liquor on a prescription of a  
10 duly licensed physician, dentist or veterinarian, or selling  
11 medical preparations containing alcohol, or using liquor in  
12 compounding prescriptions or medicines and making a charge for  
13 the liquor used in such medicines, or a manufacturing pharmacist  
14 or chemist from using liquor in manufacturing preparations unfit  
15 for beverage purposes and making a charge for the liquor so  
16 used. All such liquors so administered or sold by hospitals,  
17 physicians, dentists, veterinarians, pharmacists or chemists  
18 shall conform to the Pharmacopoeia of the United States, the  
19 National Formulary, or the American Homeopathic Pharmacopoeia.  
20 This clause shall not be construed to prohibit an executor or an  
21 administrator of a decedent's estate from selling privately or  
22 at public auction liquor which was an asset of the decedent. The  
23 board shall establish regulations to ensure that State taxes  
24 from the sales will be paid by the estate from the proceeds of  
25 the sale. The board may not prohibit a sale of liquor for the  
26 reason that it was not lawfully acquired prior to January 1,  
27 1934 or has not been purchased from a Pennsylvania Liquor Store  
28 or in compliance with Pennsylvania law.~~

~~29 (2) Possession or Transportation of Liquor or Alcohol. For  
30 any person, except a manufacturer or the board or the holder of~~

1 ~~a sacramental wine license or of an importer's license or a wine~~  
2 ~~and spirits retail licensee, to possess or transport any liquor~~  
3 ~~or alcohol within this Commonwealth which was not lawfully~~  
4 ~~acquired prior to January first, one thousand nine hundred and~~  
5 ~~thirty four, or has not been purchased from a Pennsylvania~~  
6 ~~Liquor Store, a wine and spirits wholesale licensee or a~~  
7 ~~licensed limited winery in Pennsylvania, except in accordance~~  
8 ~~with section 488 or the board's regulations. In addition, it~~  
9 ~~shall be lawful for anyone to possess miniatures totaling less~~  
10 ~~than one gallon purchased in another state or a foreign country.~~  
11 ~~The burden shall be upon the person possessing or transporting~~  
12 ~~such liquor or alcohol to prove that it was so acquired.~~  
13 ~~Notwithstanding this section or any other provision of the law,~~  
14 ~~wine may be produced by any person without a license if the wine~~  
15 ~~is not produced for sale and total production does not exceed~~  
16 ~~two hundred gallons per calendar year. Wine produced in~~  
17 ~~accordance with this clause may be used at organized affairs,~~  
18 ~~exhibitions, competitions, contests, tastings or judgments if it~~  
19 ~~is not sold or offered for sale.~~

20 ~~None of the provisions herein contained shall prohibit nor~~  
21 ~~shall it be unlawful for any person to import into Pennsylvania,~~  
22 ~~transport or have in his possession, an amount of liquor not~~  
23 ~~exceeding one gallon in volume upon which a State tax has not~~  
24 ~~been paid, if it can be shown to the satisfaction of the board~~  
25 ~~that such person purchased the liquor in a foreign country or~~  
26 ~~United States territory and was allowed to bring it into the~~  
27 ~~United States. Neither shall the provisions contained herein~~  
28 ~~prohibit nor make it unlawful for (i) any member of the armed~~  
29 ~~forces on active duty, or (ii) any retired member of the armed~~  
30 ~~forces, or (iii) any totally disabled veteran, or (iv) the~~

1 ~~spouse of any person included in the foregoing classes of~~  
2 ~~persons to import into Pennsylvania, transport or have in his~~  
3 ~~possession an amount of liquor not exceeding one gallon per~~  
4 ~~month in volume upon which the State tax has not been paid, so~~  
5 ~~long as such liquor has been lawfully purchased from a package~~  
6 ~~store established and maintained under the authority of the~~  
7 ~~United States and is in containers identified in accordance with~~  
8 ~~regulations issued by the Department of Defense. Such liquor~~  
9 ~~shall not be possessed, offered for sale or sold on any licensed~~  
10 ~~premises. The term "package store" as used in this clause shall~~  
11 ~~mean those retail operations located on any of the United States~~  
12 ~~military installations, including an installation of the Army,~~  
13 ~~Navy, Air Force, Marine Corps or Coast Guard.~~

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

23 ~~Any person violating the provisions of this clause for a~~  
24 ~~first offense involving the possession or transportation in~~  
25 ~~Pennsylvania of any liquor in a package (bottle or other~~  
26 ~~receptacle) or wine not purchased from a Pennsylvania Liquor~~  
27 ~~Store, a wine and spirits wholesale licensee, a wine and spirits~~  
28 ~~retail licensee or from a licensed limited winery in~~  
29 ~~Pennsylvania, with respect to which satisfactory proof is~~  
30 ~~produced that the required Federal tax has been paid and which~~

1 ~~was purchased, procured or acquired legally outside of~~  
2 ~~Pennsylvania shall upon conviction thereof in a summary~~  
3 ~~proceeding be sentenced to pay a fine of twenty five dollars~~  
4 ~~(\$25) for each such package, plus costs of prosecution, or~~  
5 ~~undergo imprisonment for a term not exceeding ninety (90) days.~~  
6 ~~Each full quart or major fraction thereof shall be considered a~~  
7 ~~separate package (bottle or other receptacle) for the purposes~~  
8 ~~of this clause. Such packages of liquor shall be forfeited to~~  
9 ~~the Commonwealth in the manner prescribed in Article VI of this~~  
10 ~~act but the vehicle, boat, vessel, animal or aircraft used in~~  
11 ~~the illegal transportation of such packages shall not be subject~~  
12 ~~to forfeiture: Provided, however, That if it is a second or~~  
13 ~~subsequent offense or if it is established that the illegal~~  
14 ~~possession or transportation was in connection with a commercial~~  
15 ~~transaction, then the other provisions of this act providing for~~  
16 ~~prosecution as a misdemeanor and for the forfeiture of the~~  
17 ~~vehicle, boat, vessel, animal or aircraft shall apply.~~

18 ~~(3) Purchase of Liquor or Alcohol. For any person within~~  
19 ~~this Commonwealth, by himself or by an employe or agent, to~~  
20 ~~attempt to purchase, or directly or indirectly, or upon any~~  
21 ~~pretense or device whatsoever, to purchase any liquor or alcohol~~  
22 ~~from any person or source [other than a Pennsylvania Liquor~~  
23 ~~Store], except in accordance with the provisions of this act or~~  
24 ~~the regulations of the board.~~

25 ~~(4) Possession and Use of Decanters. For any person to use~~  
26 ~~decanters of alcoholic beverages except that the use of~~  
27 ~~decanters or other similar receptacles by licensees shall be~~  
28 ~~permitted in the case of wines and then only in accordance with~~  
29 ~~the regulations of the board, but nothing herein contained shall~~  
30 ~~prohibit the manufacture and possession of wine as provided in~~

1 ~~clause (2) of this section.~~

2 ~~(5) Failure to Properly Dispose of Empty Liquor Containers.~~

3 ~~For any restaurant, hotel or club licensee, his servants, agents~~  
4 ~~or employes, to fail to break any package in which liquors were~~  
5 ~~contained, except those decanter packages that the board~~  
6 ~~determines to be decorative, within twenty four hours after the~~  
7 ~~original contents were removed therefrom, unless the licensee~~  
8 ~~participates in either a municipal recycling program, in~~  
9 ~~accordance with the act of July 28, 1988 (P.L.556, No.101),~~  
10 ~~known as the "Municipal Waste Planning, Recycling and Waste~~  
11 ~~Reduction Act," or a voluntary recycling program. The licensee~~  
12 ~~shall provide proof in writing of the participation in a~~  
13 ~~recycling program upon the demand of the Bureau of Liquor~~  
14 ~~Control Enforcement of the Pennsylvania State Police. The proof~~  
15 ~~of participation shall be provided in a manner as prescribed by~~  
16 ~~the Pennsylvania Liquor Control Board.~~

17 ~~(6) Sales by Restaurant and Hotel Liquor Licensees. For any~~  
18 ~~restaurant or hotel licensee, his servants, agents or employes,~~  
19 ~~to sell any liquor or malt or brewed beverages for consumption~~  
20 ~~on the licensed premises except in a room or rooms or place on~~  
21 ~~the licensed premises at all times accessible to the use and~~  
22 ~~accommodation of the general public, but this section shall not~~  
23 ~~be interpreted to prohibit a restaurant liquor licensee from~~  
24 ~~providing private affairs the primary function of which is for~~  
25 ~~catering only to weddings or special occasions arranged twenty~~  
26 ~~four hours in advance, nor to prohibit a hotel licensee, or a~~  
27 ~~restaurant licensee when the restaurant is located in a hotel,~~  
28 ~~from selling liquor or malt or brewed beverages in any room of~~  
29 ~~such hotel occupied by a bona fide guest or to prohibit a~~  
30 ~~restaurant licensee from selling liquor or malt or brewed~~

1 ~~beverages in a bowling alley where the restaurant and bowling~~  
2 ~~alley are immediately adjacent and under the same roof.~~

3 ~~(7) Sales of Liquor by Manufacturers and Licensed Importers.~~

4 ~~For any manufacturer or licensed importer of liquor in this~~  
5 ~~Commonwealth, his agents, servants or employes, to sell or offer~~  
6 ~~to sell any liquor in this Commonwealth except to the board for~~  
7 ~~use in Pennsylvania Liquor Stores, a wine and spirits wholesale~~  
8 ~~licensee, and in the case of a manufacturer, to the holder of a~~  
9 ~~sacramental wine license or an importer's license.~~

10 ~~Notwithstanding any other provision of this act, a manufacturer~~  
11 ~~or licensed importer may sell or offer to sell liquor for~~  
12 ~~delivery outside of this Commonwealth.~~

13 ~~(8) Importation and Sales of Alcohol. For any person, to~~  
14 ~~import alcohol into this Commonwealth, or to sell alcohol to any~~  
15 ~~person, except in accordance with section 488 and the provisions~~  
16 ~~of this act or the regulations of the board.~~

17 ~~(9) Possession of Alcohol. For any person, to have alcohol~~  
18 ~~in his possession, except in accordance with the provisions of~~  
19 ~~this act and the regulations of the board.~~

20 ~~(10) Fortifying, Adulterating or Contaminating Liquor. For~~  
21 ~~any licensee or any employe or agent of a licensee or of the~~  
22 ~~board, to fortify, adulterate or contaminate any liquor, except~~  
23 ~~as permitted by the regulations of the board, or to refill~~  
24 ~~wholly or in part, with any liquid or substance whatsoever, any~~  
25 ~~liquor bottle or other liquor container.~~

26 ~~(11) Importation of Liquor. For any person, other than the~~  
27 ~~board, a wine and spirits wholesale licensee or the holder of a~~  
28 ~~sacramental wine license, an importer's license or a direct~~  
29 ~~shipper's license, to import any liquor whatsoever into this~~  
30 ~~Commonwealth, but this section shall not be construed to~~



1 ~~prohibit railroad and pullman companies from purchasing and~~  
2 ~~selling liquors purchased outside the Commonwealth in their~~  
3 ~~dining, club and buffet cars which are covered by public service~~  
4 ~~liquor licenses and which are operated in this Commonwealth.~~

5 ~~(12) Delivery of Liquor by Certain Licensees. For a liquor~~  
6 ~~licensee permitted to deliver liquor, to make any deliveries~~  
7 ~~except in his own vehicles bearing his name, address and license~~  
8 ~~number on each side in letters not smaller than two inches in~~  
9 ~~height, or in the vehicle of another person duly authorized to~~  
10 ~~transport liquor within this Commonwealth.~~

11 ~~(13) Violation of Certain Rules and Regulations of Board.~~  
12 ~~For any person, to violate any rules and regulations adopted by~~  
13 ~~the board [to insure the equitable] relating to wholesale and~~  
14 ~~retail sale and distribution of liquor and alcohol [through the~~  
15 ~~Pennsylvania Liquor Stores] in accordance with the provisions of~~  
16 ~~this act.~~

17 ~~(14) Offering Commission or Gift to Members of Board [or~~  
18 ~~State Employee]. For any person [selling or offering to sell~~  
19 ~~liquor or alcohol to, or purchasing at wholesale liquor or~~  
20 ~~alcohol from, the board] licensed by the board, either directly~~  
21 ~~or indirectly, to pay or offer to pay any commission, profit or~~  
22 ~~remuneration, or to make or offer to make any gift to any member~~  
23 ~~or employe of the board [or other employe of the Commonwealth]~~  
24 ~~or to anyone on behalf of such member or employe.~~

25 ~~(15) Importation of alcohol from other states.~~  
26 ~~Notwithstanding any other provision of this act, it shall not be~~  
27 ~~unlawful for a nonlicensed resident of this Commonwealth to~~  
28 ~~purchase alcohol outside of this Commonwealth and import that~~  
29 ~~alcohol back into this Commonwealth so long as the nonlicensed~~  
30 ~~resident remits all applicable taxes to the Department of~~

1 ~~Revenue. This section shall not apply to alcohol which is~~  
2 ~~shipped into this Commonwealth. Section 488 shall be the sole~~  
3 ~~law governing the shipment of alcohol into this Commonwealth.~~

4 Section 39. ~~Section 492 of the act, amended February 18,~~  
5 ~~1998 (P.L.162, No.25), November 10, 1999 (P.L.514, No.47),~~  
6 ~~December 20, 2000 (P.L.992, No.141), December 9, 2002 (P.L.1653,~~  
7 ~~No.212), January 6, 2006 (P.L.1, No.1) and December 22, 2011~~  
8 ~~(P.L.530, No.113), is amended to read:~~

9 Section 492. ~~Unlawful Acts Relative to Malt or Brewed~~  
10 ~~Beverages and Licensees.~~

11 ~~It shall be unlawful~~

12 ~~(1) Manufacturing Without License. Except as provided~~  
13 ~~herein, for any person, to manufacture malt or brewed beverages,~~  
14 ~~unless such person holds a valid manufacturer's license for such~~  
15 ~~purpose issued by the board. Malt or brewed beverages may be~~  
16 ~~produced by any person without a license if such malt or brewed~~  
17 ~~beverages are produced not for sale and total production does~~  
18 ~~not exceed two hundred gallons per calendar year. Malt or brewed~~  
19 ~~beverages produced in accordance with this paragraph may be used~~  
20 ~~at organized affairs, exhibitions, competitions, contests,~~  
21 ~~tastings or judging provided it is not sold or offered for sale.~~

22 ~~(2) Sales of Malt or Brewed Beverages for Consumption on the~~  
23 ~~Premises. For any person, to sell to another for consumption~~  
24 ~~upon the premises where sold or to permit another to consume~~  
25 ~~upon the premises where sold, any malt or brewed beverages,~~  
26 ~~unless such person holds a valid retail dispenser license or a~~  
27 ~~valid liquor license issued by the board authorizing the sale of~~  
28 ~~malt or brewed beverages for consumption upon such premises.~~

29 ~~(3) Sales of Malt or Brewed Beverages Not for Consumption on~~  
30 ~~the Premises. For any person, to sell to another any malt or~~

1 brewed beverages not for consumption upon the premises where  
2 sold, unless such person holds a valid license permitting such  
3 sale.

4 ~~(5) Sales of Malt or Brewed Beverages by Hotels, Eating~~  
5 ~~Places or Public Service Licensees During Prohibited Hours. For~~  
6 ~~any hotel or eating place holding a retail dispenser's license,~~  
7 ~~or the servants, agents or employes of such licensees, to sell,~~  
8 ~~trade or barter in malt or brewed beverages between the hours of~~  
9 ~~two o'clock antemeridian Sunday and seven o'clock in the~~  
10 ~~forenoon of the following Monday, or between the hours of two~~  
11 ~~o'clock antemeridian and seven o'clock antemeridian of any week~~  
12 ~~day: Provided, That notwithstanding any provision to the~~  
13 ~~contrary, whenever the thirty first day of December falls on a~~  
14 ~~Sunday such sales of malt or brewed beverages may be made on~~  
15 ~~such day after one o'clock postmeridian and until two o'clock~~  
16 ~~antemeridian of the following day. For any public service~~  
17 ~~licensee authorized to sell malt or brewed beverages or the~~  
18 ~~servants, agents or employes of such licensees to sell, trade or~~  
19 ~~barter in malt or brewed beverages between the hours of two~~  
20 ~~o'clock antemeridian and seven o'clock antemeridian on any day.~~

21 ~~(7) Clubs Selling Between Three O'Clock Antemeridian and~~  
22 ~~Seven O'Clock Antemeridian. For any club retail dispenser, or~~  
23 ~~its servants, agents or employes, to sell malt or brewed~~  
24 ~~beverages between the hours of three o'clock antemeridian and~~  
25 ~~seven o'clock antemeridian on any day.~~

26 ~~(8) Transportation and Importation of Malt or Brewed~~  
27 ~~Beverages. For any person, to transport malt or brewed beverages~~  
28 ~~except in the original containers, or to transport malt or~~  
29 ~~brewed beverages for another who is engaged in selling either~~  
30 ~~liquor or malt or brewed beverages, unless such person shall~~

1 ~~hold (a) a license to transport for hire, alcohol, liquor and~~  
2 ~~malt or brewed beverages, as hereinafter provided in this act,~~  
3 ~~or (b) shall hold a permit issued by the board and shall have~~  
4 ~~paid to the board such permit fee, as prescribed in section 614-~~  
5 ~~A of the act of April 9, 1929 (P.L.177, No.175), known as "The~~  
6 ~~Administrative Code of 1929," any other law to the contrary~~  
7 ~~notwithstanding. This clause shall not be construed:~~

8 ~~(i) to prohibit transportation of malt or brewed beverages~~  
9 ~~through this Commonwealth and not for delivery in this~~  
10 ~~Commonwealth if such transporting is done in accordance with the~~  
11 ~~rules and regulations of the board; or~~

12 ~~(ii) to prohibit railroad and Pullman companies from selling~~  
13 ~~malt or brewed beverages purchased outside this Commonwealth in~~  
14 ~~their dining, club and buffet cars which are covered by public~~  
15 ~~service liquor licenses and which are operated in this~~  
16 ~~Commonwealth.~~

17 ~~(9) Transportation of Malt or Brewed Beverages by Licensee.~~  
18 ~~For a malt or brewed beverage licensee, to deliver or transport~~  
19 ~~any malt or brewed beverages, excepting in vehicles bearing the~~  
20 ~~name and address and license number of such licensee painted or~~  
21 ~~affixed on each side of such vehicle in letters no smaller than~~  
22 ~~two inches in height and for purposes not prohibited under this~~  
23 ~~act.~~

24 ~~(11) Delivery of Malt or Brewed Beverages With Other~~  
25 ~~Commodities. For any manufacturer, importing distributor or~~  
26 ~~distributor, or his servants, agents or employes, except with~~  
27 ~~board approval, to deliver or transport any malt or brewed~~  
28 ~~beverages in any vehicle in which any other commodity is being~~  
29 ~~transported.~~

30 ~~(12) Distributors and Importing Distributors Engaging in~~

1 ~~Other Business. For any distributor or importing distributor, or~~  
2 ~~his servants, agents or employes, without the approval of the~~  
3 ~~board, and then only in accordance with board regulations, to~~  
4 ~~engage in any other business whatsoever, except the business of~~  
5 ~~distributing malt or brewed beverages, except that the sale of~~  
6 ~~the following goods shall be permitted on the licensed premises~~  
7 ~~of a distributor or importing distributor:~~

8 ~~(i) Any book, magazine or other publication related to malt~~  
9 ~~or brewed beverages.~~

10 ~~(ii) Any equipment, ingredients or other supplies necessary~~  
11 ~~for the unlicensed manufacture of malt or brewed beverages as~~  
12 ~~described in paragraph (1), commonly known as "homebrewing."~~

13 ~~If the holder of a distributor license acquires a wine and~~  
14 ~~spirits retail license pursuant to Article III A for use at its~~  
15 ~~licensed premises, it may engage in the sale of liquor, so long~~  
16 ~~as the licensee meets all of the requirements of this act. If~~  
17 ~~the holder of an importing distributor license acquires a wine~~  
18 ~~and spirits wholesale license pursuant to Article III A for use~~  
19 ~~at its licensed premises, it may engage in the sale of liquor,~~  
20 ~~so long as the licensee meets all of the requirements of this~~  
21 ~~act. The board shall promulgate regulations consistent with this~~  
22 ~~act governing the sale of any other items by a distributor that~~  
23 ~~acquires a wine and spirits retail license, as well as the sale~~  
24 ~~of other items by an importing distributor that acquires a wine~~  
25 ~~and spirits wholesale license.~~

26 ~~(13) Possession or Storage of Liquor or Alcohol by Certain~~  
27 ~~Licensees. For any distributor, importing distributor or retail~~  
28 ~~dispenser, or his servants, agents or employes, to have in his~~  
29 ~~possession, or to permit the storage of on the licensed premises~~  
30 ~~or in any place contiguous or adjacent thereto accessible to the~~

1 ~~public or used in connection with the operation of the licensed~~  
2 ~~premises, any alcohol or liquor. This section may not prohibit a~~  
3 ~~distributor that holds a wine and spirits retail license, or an~~  
4 ~~importing distributor that holds a wine and spirits wholesale~~  
5 ~~license, from possessing or permitting the storage of liquor on~~  
6 ~~the licensed premises used in connection with the operation of~~  
7 ~~the licensed premises.~~

8 ~~(14) Malt or Brewed Beverage Licensees Dealing in Liquor or~~  
9 ~~Alcohol. For any malt or brewed beverage licensee, other than a~~  
10 ~~distributor that holds a wine and spirits retail license, or an~~  
11 ~~importing distributor that holds a wine and spirits wholesale~~  
12 ~~license, a manufacturer, or the servants, agents or employes~~  
13 ~~thereof, to manufacture, import, sell, transport, store, trade~~  
14 ~~or barter in any liquor or alcohol.~~

15 ~~(15) Selling to Persons Doing Illegal Business. For any malt~~  
16 ~~or brewed beverage licensee, or his servants, agents or~~  
17 ~~employes, to knowingly sell any malt or brewed beverages to any~~  
18 ~~person engaged in the business of illegally selling liquor or~~  
19 ~~malt or brewed beverages.~~

20 ~~(16) Distributors and Importing Distributors Failing to Keep~~  
21 ~~Records. For any importing distributor or distributor engaged in~~  
22 ~~the sale of products, other than malt or brewed beverages, to~~  
23 ~~fail to keep such complete separate records covering in every~~  
24 ~~respect his transactions in malt or brewed beverages as the~~  
25 ~~board shall by regulation require.~~

26 ~~(17) Fortifying, Adulterating or Contaminating Malt or~~  
27 ~~Brewed Beverages. For any person, to fortify, adulterate,~~  
28 ~~contaminate, or in any wise to change the character or purity~~  
29 ~~of, the malt or brewed beverages from that as originally~~  
30 ~~marketed by the manufacturer at the place of manufacture.~~

1       ~~(18) Coercing Distributors and Importing Distributors. For~~  
2 ~~any manufacturer or any officer, agent or representative of any~~  
3 ~~manufacturer to coerce or persuade or attempt to coerce or~~  
4 ~~persuade any person licensed to sell or distribute malt or~~  
5 ~~brewed beverages at wholesale or retail to establish selling~~  
6 ~~prices for its products or to enter into any contracts or~~  
7 ~~agreements, whether written or oral, or take any action which~~  
8 ~~will violate or tend to violate any provisions of this act or~~  
9 ~~any of the rules or regulations promulgated by the board~~  
10 ~~pursuant thereto.~~

11       ~~(19) Modifying or Terminating Distributing Rights Agreement.~~  
12 ~~For any manufacturer or any officer, agent or representative of~~  
13 ~~any manufacturer to modify, cancel, terminate, rescind or not~~  
14 ~~renew, without good cause, any distributing rights agreement,~~  
15 ~~and in no event shall any modification, cancellation,~~  
16 ~~termination, rescission or nonrenewal of any distributing rights~~  
17 ~~agreement become effective for at least ninety (90) days after~~  
18 ~~written notice of such modification, cancellation, termination,~~  
19 ~~rescission or intention not to renew has been served on the~~  
20 ~~affected party and board by certified mail, return receipt~~  
21 ~~requested, except by written consent of the parties to the~~  
22 ~~agreement. The notice shall state all the reasons for the~~  
23 ~~intended modification, termination, cancellation, rescission or~~  
24 ~~nonrenewal. The distributor or importing distributor holding~~  
25 ~~such agreement shall have ninety (90) days in which to rectify~~  
26 ~~any claimed deficiency, or challenge the alleged cause.~~

27       ~~If the deficiency shall be rectified within ninety (90) days~~  
28 ~~of notice, then the proposed modification, termination,~~  
29 ~~cancellation, rescission or nonrenewal shall be null and void~~  
30 ~~and without legal effect.~~

1 ~~If the notice states as one of the reasons for the intended~~  
2 ~~modification, cancellation, termination, rescission or renewal~~  
3 ~~that the importing distributor or distributor's equipment or~~  
4 ~~warehouse requires major changes or additions, then if the~~  
5 ~~distributor or importing distributor shall have taken some~~  
6 ~~positive action to comply with the required changes or~~  
7 ~~additions, the distributor or importing distributor shall have~~  
8 ~~deemed to have complied with the deficiency as set forth in the~~  
9 ~~notice. The notice provisions of this section shall not apply if~~  
10 ~~the reason for termination, cancellation or nonrenewal is~~  
11 ~~insolvency, assignment for the benefit of creditors, bankruptcy,~~  
12 ~~liquidation, fraudulent conduct in its dealings with the~~  
13 ~~manufacturer, revocation or suspension for more than a thirty~~  
14 ~~(30) day period of the importing distributor or distributor~~  
15 ~~license.~~

16 ~~(20) Interference with Transfer of License, Business or~~  
17 ~~Franchise. (i) For any manufacturer to interfere with or prevent~~  
18 ~~any distributor or importing distributor from selling or~~  
19 ~~transferring his license, business or franchise, whether before~~  
20 ~~or after notice of modification, cancellation, termination,~~  
21 ~~rescission or nonrenewal has been given, provided the proposed~~  
22 ~~purchaser of the business of the distributor or importing~~  
23 ~~distributor meets the material qualifications and standards~~  
24 ~~required of the manufacturers other distributors or importing~~  
25 ~~distributors; (ii) if the proposed transfer of the distributor~~  
26 ~~or importing distributor's business is to a surviving spouse or~~  
27 ~~adult child, the manufacturer shall not, for any reason,~~  
28 ~~interfere with, or prevent, the transfer of the distributor or~~  
29 ~~importing distributor's license, business or franchise. Any~~  
30 ~~subsequent transfer by surviving spouse or adult child shall~~



1 thereafter be subject to the provisions of subclause (i) above.

2 ~~(21) Inducing or Coercing Distributors or Importing~~  
3 ~~Distributors to Accept Unordered Products or Commit Illegal~~  
4 ~~Acts. For any manufacturer to compel or attempt to compel any~~  
5 ~~distributor or importing distributor to accept delivery of any~~  
6 ~~malt or brewed beverages or any other commodity which shall not~~  
7 ~~have been ordered by the distributor or importing distributor,~~  
8 ~~or to do any illegal act by any means whatsoever including, but~~  
9 ~~not limited to, threatening to amend, cancel, terminate, rescind~~  
10 ~~or refuse to renew any agreement existing between manufacturer~~  
11 ~~and the distributor or importing distributor, or to require a~~  
12 ~~distributor or importing distributor to assent to any condition,~~  
13 ~~stipulation or provision limiting the distributor or importing~~  
14 ~~distributor in his right to sell the products of any other~~  
15 ~~manufacturer.~~

16 Section 40. ~~Section 492.1 of the act, amended January 6,~~  
17 ~~2006 (P.L.1, No.1) and December 22, 2011 (P.L.530, No.113), is~~  
18 ~~amended to read:~~

19 Section 492.1. ~~Hours of Operation Relative to Manufacturers,~~  
20 ~~Importing Distributors and Distributors. (a) Manufacturers may~~  
21 ~~sell or deliver malt or brewed beverages between two o'clock~~  
22 ~~antemeridian of any Monday and twelve o'clock midnight of the~~  
23 ~~following Saturday.~~

24 ~~(b) (1) Importing distributors and distributors may sell or~~  
25 ~~deliver malt or brewed beverages between two o'clock~~  
26 ~~antemeridian of any Monday and twelve o'clock midnight of the~~  
27 ~~following Saturday to holders of a liquor or malt and brewed~~  
28 ~~beverage license or permit issued by the board.~~

29 ~~(2) Importing distributors and distributors may sell or~~  
30 ~~deliver malt or brewed beverages between eight o'clock~~

1 ~~antemeridian and [eleven o'clock postmeridian of any] two~~  
2 ~~o'clock antemeridian of the following day, except Sunday, to~~  
3 ~~persons not licensed or permitted by this act.~~

4 ~~(c) In addition to the hours authorized under subsections~~  
5 ~~(a) and (b), manufacturers, importing distributors and~~  
6 ~~distributors, upon purchasing a permit from the board at an~~  
7 ~~annual fee of one hundred dollars (\$100) unless the applicant~~  
8 ~~for the permit is a distributor that holds a wine and spirits~~  
9 ~~retail license, in which instance Article III A governs, may~~  
10 ~~sell malt or brewed beverages to persons not licensed under this~~  
11 ~~act or to a holder of a special occasion permit on Sunday~~  
12 ~~between the hours of nine o'clock antemeridian and [nine o'clock~~  
13 ~~postmeridian] two o'clock antemeridian on Monday.~~

14 ~~(d) In addition to the hours authorized under subsections~~  
15 ~~(a) and (b), delivery or receiving of malt or brewed beverages~~  
16 ~~shall be permissible on Sunday after prior arrangement in~~  
17 ~~accordance with the following:~~

18 ~~(1) A manufacturer may, at any time, deliver to any~~  
19 ~~importing distributor or distributor to which the manufacturer~~  
20 ~~has granted wholesale distribution rights for the manufacturer's~~  
21 ~~product.~~

22 ~~(2) An importing distributor or distributor may deliver to~~  
23 ~~any organization to which a special occasion permit has been~~  
24 ~~issued between the hours of nine o'clock antemeridian and twelve~~  
25 ~~o'clock noon.~~

26 ~~(3) An importing distributor or distributor may deliver to~~  
27 ~~persons not licensed under this act between the hours of nine~~  
28 ~~o'clock antemeridian and twelve o'clock noon.~~

29 ~~(e) Notwithstanding any provision of this section to the~~  
30 ~~contrary, a brewery pub operating under section 446 shall be~~

1 ~~subject to the hours of operation set forth by the board through~~  
2 ~~regulation.~~

3 ~~(f) The term "prior arrangement" shall mean that malt or~~  
4 ~~brewed beverages having a total sale price, excluding any~~  
5 ~~deposits or credits, exceeding two hundred fifty dollars (\$250)~~  
6 ~~have been ordered, invoiced and paid for in full at the seller's~~  
7 ~~licensed premises before the Sunday of delivery.~~

8 ~~Section 41. Section 493 of the act, amended December 7, 1990~~  
9 ~~(P.L.622, No.160), October 5, 1994 (P.L.537, No.80), June 18,~~  
10 ~~1998 (P.L.664, No.86), February 21, 2002 (P.L.103, No.10),~~  
11 ~~December 9, 2002 (P.L.1653, No.212), May 8, 2003 (P.L.1, No.1),~~  
12 ~~December 8, 2004 (P.L.1810, No.239), July 6, 2005 (P.L.135,~~  
13 ~~No.39), January 6, 2006 (P.L.1, No.1), July 7, 2006 (P.L.584,~~  
14 ~~No.84), November 29, 2006 (P.L.1421, No.155), July 16, 2007~~  
15 ~~(P.L.107, No.34), June 28, 2011 (P.L.55, No.11), December 22,~~  
16 ~~2011 (P.L.530, No.113) and July 5, 2012 (P.L.1007, No.116), is~~  
17 ~~amended to read:~~

18 ~~Section 493. Unlawful Acts Relative to Liquor, Malt and~~  
19 ~~Brewed Beverages and Licensees. The term "licensee," when used~~  
20 ~~in this section, shall mean those persons licensed under [the~~  
21 ~~provisions of Article IV] Article III A or this article, unless~~  
22 ~~the context clearly indicates otherwise.~~

23 ~~It shall be unlawful~~

24 ~~(1) Furnishing Liquor or Malt or Brewed Beverages to Certain~~  
25 ~~Persons. For any licensee or the board, or any employe, servant~~  
26 ~~or agent of such licensee or of the board, or any other person,~~  
27 ~~to sell, furnish or give any liquor or malt or brewed beverages,~~  
28 ~~or to permit any liquor or malt or brewed beverages to be sold,~~  
29 ~~furnished or given, to any person visibly intoxicated, or to any~~  
30 ~~minor: Provided further, That notwithstanding any other~~

1 ~~provision of law, no cause of action will exist against a~~  
2 ~~licensee or the board or any employe, servant or agent of such~~  
3 ~~licensee or the board for selling, furnishing or giving any~~  
4 ~~liquor or malt or brewed beverages or permitting any liquor or~~  
5 ~~malt or brewed beverages to be sold, furnished or given to any~~  
6 ~~insane person, any habitual drunkard or person of known~~  
7 ~~intemperate habits unless the person sold, furnished or given~~  
8 ~~alcohol is visibly intoxicated or is a minor.~~

9 ~~(2) Purchase or Sale of Liquor or Malt or Brewed Beverages~~  
10 ~~on Credit; Importing Distributors or Distributors Accepting~~  
11 ~~Cash. For any licensee, his agent, servant or employe, to sell~~  
12 ~~or offer to sell or purchase or receive any liquor or malt or~~  
13 ~~brewed beverages except for cash, excepting credit extended by a~~  
14 ~~hotel or club to a bona fide guest or member, or by railroad or~~  
15 ~~pullman companies in dining, club or buffet cars to passengers,~~  
16 ~~for consumption while enroute, holding authorized credit cards~~  
17 ~~issued by railroad or railroad credit bureaus or by hotel,~~  
18 ~~restaurant, retail dispenser eating place, club and public~~  
19 ~~service licensees, importing distributors or distributors to~~  
20 ~~customers not possessing a license under this article and~~  
21 ~~holding credit cards issued in accordance with regulations of~~  
22 ~~the board or credit cards issued by banking institutions subject~~  
23 ~~to State or Federal regulation: Provided further, That nothing~~  
24 ~~herein contained shall be construed to prohibit the use of~~  
25 ~~checks or drafts drawn on a bank, banking institution, trust~~  
26 ~~company or similar depository, organized and existing under the~~  
27 ~~laws of the United States of America or the laws of any state,~~  
28 ~~territory or possession thereof, in payment for any liquor or~~  
29 ~~malt or brewed beverages if the purchaser is the payor of the~~  
30 ~~check or draft and the licensee is the payee: Provided further,~~

1 ~~That notwithstanding any other provision of this act to the~~  
2 ~~contrary, it shall be unlawful for an importing distributor or~~  
3 ~~distributor to accept cash for payment of any malt or brewed~~  
4 ~~beverages from anyone possessing a license issued under this~~  
5 ~~article, except it shall be permissible for the importing~~  
6 ~~distributor or distributor to accept credit cards, money orders~~  
7 ~~or cashiers' checks for payment of any malt or brewed beverages~~  
8 ~~in addition to any other type of payment authorized by the board~~  
9 ~~from anyone possessing a license under this article.~~  
10 ~~Notwithstanding any other provision of law to the contrary,~~  
11 ~~distributors and importing distributors may accept credit cards~~  
12 ~~for payment of malt or brewed beverages but they are not~~  
13 ~~required to accept credit cards. No right of action shall exist~~  
14 ~~to collect any claim for credit extended contrary to the~~  
15 ~~provisions of this clause. Nothing herein contained shall~~  
16 ~~prohibit a licensee from crediting to a purchaser the actual~~  
17 ~~price charged for original containers returned by the original~~  
18 ~~purchaser as a credit on any sale, or from refunding to any~~  
19 ~~purchaser the amount paid by such purchaser for such containers~~  
20 ~~or as a deposit on containers when title is retained by the~~  
21 ~~vendor, if such original containers have been returned to the~~  
22 ~~licensee. Nothing herein contained shall prohibit a manufacturer~~  
23 ~~from extending usual and customary credit for liquor or malt or~~  
24 ~~brewed beverages sold to customers or purchasers who live or~~  
25 ~~maintain places of business outside of the Commonwealth of~~  
26 ~~Pennsylvania, when the liquor or malt or brewed beverages so~~  
27 ~~sold are actually transported and delivered to points outside of~~  
28 ~~the Commonwealth: Provided, however, That as to all transactions~~  
29 ~~affecting malt or brewed beverages to be resold or consumed~~  
30 ~~within this Commonwealth, every licensee shall pay and shall~~

1 ~~require cash deposits on all returnable original containers and~~  
2 ~~all such cash deposits shall be refunded upon return of the~~  
3 ~~original containers.~~

4 ~~(4) Peddling Liquor or Malt or Brewed Beverages. For any~~  
5 ~~person, to hawk or peddle any liquor or malt or brewed beverages~~  
6 ~~in this Commonwealth.~~

7 ~~(5) Failure to Have Brands as Advertised. For any licensee,~~  
8 ~~his servants, agents or employes, to advertise or hold out for~~  
9 ~~sale any liquor or malt or brewed beverages by trade name or~~  
10 ~~other designation which would indicate the manufacturer or place~~  
11 ~~of production of the said liquor or malt or brewed beverages,~~  
12 ~~unless he shall actually have on hand and for sale a sufficient~~  
13 ~~quantity of the particular liquor or malt or brewed beverages so~~  
14 ~~advertised to meet requirements to be normally expected as a~~  
15 ~~result of such advertisement or offer.~~

16 ~~(6) Brand or Trade Name on Spigot. For any licensee, his~~  
17 ~~agents, servants or employes, to furnish or serve any malt or~~  
18 ~~brewed beverages from any faucet, spigot or other dispensing~~  
19 ~~apparatus, unless the trade name or brand of the product served~~  
20 ~~shall appear in full sight of the customer and in legible~~  
21 ~~lettering upon such faucet, spigot or dispensing apparatus.~~

22 ~~(7) Alcoholic Strength on Label of Malt or Brewed Beverages.~~  
23 ~~For any licensee, or his servants, agents or employes, to~~  
24 ~~transport, sell, deliver or purchase any malt or brewed~~  
25 ~~beverages upon which there shall appear a label or other~~  
26 ~~informative data which refers to the alcoholic contents of the~~  
27 ~~malt or brewed beverage in any terms other than as a percentage~~  
28 ~~of alcohol by volume. This clause shall be construed to permit,~~  
29 ~~but not to require, a manufacturer to designate upon the label~~  
30 ~~or descriptive data the alcoholic content of malt or brewed~~

1 ~~beverages in percentage of alcohol by volume. This clause shall~~  
2 ~~not be construed to prohibit a manufacturer from designating~~  
3 ~~upon the label or descriptive data the alcoholic content of malt~~  
4 ~~or brewed beverages intended for shipment into another state or~~  
5 ~~territory, when the laws of such state or territory require that~~  
6 ~~the alcoholic content of the malt or brewed beverage must be~~  
7 ~~stated upon the package.~~

8 ~~(8) Advertisements on Labels Giving Alcoholic Content of~~  
9 ~~Malt or Brewed Beverages. For any manufacturer or other~~  
10 ~~licensee, or his servants, agents or employes, to issue, publish~~  
11 ~~or post, or cause to be issued, published or posted, any~~  
12 ~~advertisement of any malt or brewed beverage including a label~~  
13 ~~which shall refer in any manner to the alcoholic strength of the~~  
14 ~~malt or brewed beverage manufactured, sold or distributed by~~  
15 ~~such licensees, or to use in any advertisement or label such~~  
16 ~~words as "full strength," "extra strength," "high test," "high~~  
17 ~~proof," "pre war strength," or similar words or phrases, which~~  
18 ~~would lead or induce a consumer to purchase a brand of malt or~~  
19 ~~brewed beverage on the basis of its alcoholic content, or to use~~  
20 ~~in or on any advertisement or label any numeral, unless~~  
21 ~~adequately explained in type of the same size, prominence and~~  
22 ~~color, or for any licensee to purchase, transport, sell or~~  
23 ~~distribute any malt or brewed beverage advertised or labeled~~  
24 ~~contrary to the provisions of this clause.~~

25 ~~(10) Entertainment on Licensed Premises (Except Clubs);~~  
26 ~~Permits; Fees. For any licensee, his servants, agents or~~  
27 ~~employes, except club licensees, public venue licensees or~~  
28 ~~performing arts facility licensees, to permit in any licensed~~  
29 ~~premises or in any place operated in connection therewith,~~  
30 ~~dancing, theatricals or floor shows of any sort, or moving~~

~~1 pictures other than television, or such as are exhibited through  
2 machines operated by patrons by the deposit of coins, which  
3 project pictures on a screen not exceeding in size twenty four  
4 by thirty inches and which forms part of the machine, unless the  
5 licensee shall first have obtained from the board a special  
6 permit to provide such entertainment, or for any licensee, under  
7 any circumstances, to permit in any licensed premises or in any  
8 place operated in connection therewith any lewd, immoral or  
9 improper entertainment, regardless of whether a permit to  
10 provide entertainment has been obtained or not. The special  
11 permit may be used only during the hours when the sale of liquor  
12 or malt or brewed beverages is permitted, unless the licensee  
13 holds an extended hours food license under section 499(b) which  
14 license would allow the special permit to be used while the  
15 establishment is open, and between eleven o'clock antemeridian  
16 on Sunday and two o'clock antemeridian on the following Monday,  
17 regardless of whether the licensee possesses a Sunday sales  
18 permit. The board shall have power to provide for the issue of  
19 such special permits, and to collect an annual fee for such  
20 permits as prescribed in section 614 A of the act of April 9,  
21 1929 (P.L.177, No.175), known as "The Administrative Code of  
22 1929." All such fees shall be paid into the State Stores Fund.  
23 No such permit shall be issued in any municipality which, by  
24 ordinance, prohibits amusements in licensed places. Any  
25 violation of this clause shall, in addition to the penalty  
26 herein provided, subject the licensee to suspension or  
27 revocation of his permit and his license.~~

~~28 (11) Licensees Employed by Others. For any hotel, restaurant  
29 or club liquor licensee, or any malt or brewed beverage  
30 licensee, or any officer, servant, agent or employe of such~~



~~1 licensee, to be at the same time employed, directly or  
2 indirectly, by any distributor, importing distributor,  
3 manufacturer, importer or vendor licensee or any out of State  
4 manufacturer. It shall also be unlawful for any distributor or  
5 importing distributor, or any officer, servant, agent or employe  
6 of such licensee, to be at the same time employed, directly or  
7 indirectly, by any other distributor, importing distributor,  
8 manufacturer, importer, vendor, out of State manufacturer, hotel  
9 restaurant, malt or brewed beverage licensee, or club liquor  
10 licensee. It shall also be unlawful for any manufacturer,  
11 importer, or vendor licensee, or any out of State manufacturer,  
12 or any officer, servant, agent or employe of such licensee or  
13 manufacturer, to be at the same time employed, directly or  
14 indirectly, by any hotel, restaurant or club liquor licensee or  
15 any malt or brewed beverage licensee or any distributor or  
16 importing distributor licensee. Nothing in this subsection shall  
17 be construed to prohibit a manufacturer or limited winery  
18 licensee, or any officer, servant, agent or employe of such  
19 licensee, to be employed at the same time by a hotel, restaurant  
20 or retail dispenser licensee if the hotel, restaurant or retail  
21 dispenser licensee is located at the manufacturer or limited  
22 winery premises pursuant to section 443. For the purposes of  
23 this subsection, an officer, servant, agent or employe of a  
24 licensee or manufacturer is an individual who has either an  
25 ownership interest in the licensee or manufacturer or who  
26 receives compensation for his or her work on behalf of the  
27 licensee or manufacturer.~~

~~28 (12) Failure to Have Records on Premises. For any liquor  
29 licensee, or any importing distributor, distributor or retail  
30 dispenser, to fail to keep for a period of at least two years~~

1 ~~complete and truthful records covering the operation of his~~  
2 ~~licensed business, particularly showing the date of all~~  
3 ~~purchases of liquor and malt or brewed beverages, the actual~~  
4 ~~price paid therefor, and the name of the vendor, including State~~  
5 ~~Store receipts, or for any licensee, his servants, agents or~~  
6 ~~employees, to refuse the board or an authorized employe of the~~  
7 ~~board or the enforcement bureau access thereto or the~~  
8 ~~opportunity to make copies of the same when the request is made~~  
9 ~~during business hours. The records from the most recent six~~  
10 ~~month period must be maintained on the licensed premises.~~  
11 ~~Records for the remainder of the two year period may be kept off~~  
12 ~~the licensed premises so long as the records are returned to the~~  
13 ~~licensed premises within twenty four hours of a request by the~~  
14 ~~board or enforcement bureau. A licensee may remove the records~~  
15 ~~for the most recent six month period from the licensed premises~~  
16 ~~only for a lawful business purpose provided that they are~~  
17 ~~returned to the premises when that business is completed.~~

18 ~~(13) Retail Licensees Employing Minors. For any hotel,~~  
19 ~~restaurant or club liquor licensee, or any retail dispenser, to~~  
20 ~~employ or to permit any minor under the age of eighteen to serve~~  
21 ~~any alcoholic beverages or to employ or permit any minor under~~  
22 ~~the age of sixteen to render any service whatever in the~~  
23 ~~licensed premises, nor shall any entertainer under the age of~~  
24 ~~eighteen be employed or permitted to perform in any licensed~~  
25 ~~premises in violation of the labor laws of this Commonwealth:~~  
26 ~~Provided, That in accordance with board regulations minors~~  
27 ~~between the ages of sixteen and eighteen may be employed to~~  
28 ~~serve food, clear tables and perform other similar duties, not~~  
29 ~~to include the dispensing or serving of alcoholic beverages. A~~  
30 ~~ski resort, golf course or amusement park licensee may employ~~

1 ~~minors fourteen and fifteen years of age to perform duties in~~  
2 ~~rooms or areas of the licensed premises; however, such minors~~  
3 ~~may not perform duties in rooms or areas in which alcohol is~~  
4 ~~being concurrently dispensed or served or in which alcohol is~~  
5 ~~being concurrently stored in an unsecured manner.~~

6 ~~Notwithstanding any provisions of law to the contrary, a hotel,~~  
7 ~~restaurant or club liquor licensee or any retail dispenser may~~  
8 ~~allow students receiving instruction in a performing art to~~  
9 ~~perform an exhibition if the students are not compensated and~~  
10 ~~are under proper supervision. Written notice of the performance~~  
11 ~~must be provided to the enforcement bureau prior to the~~  
12 ~~performance.~~

13 ~~(14) Permitting Undesirable Persons or Minors to Frequent~~  
14 ~~Premises. For any hotel, restaurant or club liquor licensee, or~~  
15 ~~any retail dispenser, his servants, agents or employes, to~~  
16 ~~permit persons of ill repute or prostitutes to frequent his~~  
17 ~~licensed premises or any premises operated in connection~~  
18 ~~therewith. Minors may only frequent licensed premises if: (a)~~  
19 ~~they are accompanied by a parent; (b) they are accompanied by a~~  
20 ~~legal guardian; (c) they are under proper supervision; (d) they~~  
21 ~~are attending a social gathering; or (e) the hotel, restaurant~~  
22 ~~or retail dispenser licensee has gross sales of food and~~  
23 ~~nonalcoholic beverages equal to fifty per centum or more of its~~  
24 ~~combined gross sale of both food and alcoholic beverages. If a~~  
25 ~~minor is frequenting a hotel, restaurant or retail dispenser~~  
26 ~~licensee under subsection (e), then the minor may not sit at the~~  
27 ~~bar section of the premises, nor may any alcoholic beverages be~~  
28 ~~served at the table or booth at which the said minor is seated~~  
29 ~~unless said minor is with a parent, legal guardian or under~~  
30 ~~proper supervision. Further, if a hotel, restaurant, club liquor~~

1 ~~licensee or retail dispenser is hosting a social gathering under~~  
2 ~~subsection (d), then written notice at least forty eight hours~~  
3 ~~in advance of such gathering shall be given to the Bureau of~~  
4 ~~Enforcement. If a minor is frequenting licensed premises with~~  
5 ~~proper supervision under subsection (c), each supervisor can~~  
6 ~~supervise up to twenty minors, except for premises located in~~  
7 ~~cities of the first class, where each supervisor can supervise~~  
8 ~~up to five minors. Notwithstanding any other provisions of this~~  
9 ~~section, if the minors are on the premises as part of a school~~  
10 ~~endorsed function, then each supervisor can supervise fifty~~  
11 ~~minors. Nothing in this clause shall be construed to make it~~  
12 ~~unlawful for minors to frequent public venues or performing arts~~  
13 ~~facilities.~~

14 ~~(15) Cashing Pay Roll, Public Assistance, Unemployment~~  
15 ~~Compensation or Any Other Relief Checks. For any licensee or his~~  
16 ~~servants, agents or employes to cash pay roll checks or to cash,~~  
17 ~~receive, handle or negotiate in any way Public Assistance,~~  
18 ~~Unemployment Compensation or any other relief checks.~~

19 ~~(16) Furnishing or Delivering Liquor or Malt or Brewed~~  
20 ~~Beverages at Unlawful Hours. For any licensee, his servants,~~  
21 ~~agents or employes, to give, furnish, trade, barter, serve or~~  
22 ~~deliver any liquor or malt or brewed beverages to any person~~  
23 ~~during hours or on days when the licensee is prohibited by this~~  
24 ~~act from selling liquor or malt or brewed beverages.~~

25 ~~(17) Licensees, etc., Interested or Employed in~~  
26 ~~Manufacturing or Sale of Equipment or Fixtures. For any~~  
27 ~~licensee, or any officer, director, stockholder, servant, agent~~  
28 ~~or employe of any licensee, to own any interest, directly or~~  
29 ~~indirectly, in or be employed or engaged in any business which~~  
30 ~~involves the manufacture or sale of any equipment, furnishings~~

1 ~~or fixtures to any hotel, restaurant or club licensees, or to~~  
2 ~~any importing distributors, distributors or retail dispensers.~~  
3 ~~Notwithstanding any other provision of this section or this act,~~  
4 ~~licensees may sell glasses at not less than cost and to provide~~  
5 ~~metal keg connectors and tap knobs to other licensees and to~~  
6 ~~holders of special occasion permits.~~

7 ~~(20) (i) Retail Liquor and Retail Malt or Brewed Beverages~~  
8 ~~Licensee's Inside Advertisements. For any retail liquor or~~  
9 ~~retail malt or brewed beverages licensee, to display or permit~~  
10 ~~the display in the show window or doorways of his licensed~~  
11 ~~premises, any placard or sign advertising the brands of liquor~~  
12 ~~or malt or brewed beverages, if the total display area of any~~  
13 ~~such placard or sign advertising the product or products exceeds~~  
14 ~~six hundred square inches. Nothing herein shall prohibit a~~  
15 ~~licensee from displaying inside his licensed premises point of~~  
16 ~~sale displays advertising brand names of products sold by him,~~  
17 ~~other than a window or door display: Provided, That the total~~  
18 ~~cost of all such point of sale advertising matter relating to~~  
19 ~~any one brand shall not exceed the dollar amount set forth by~~  
20 ~~the board through regulation. All such advertising material,~~  
21 ~~including the window and door signs, may be furnished by a~~  
22 ~~manufacturer, distributor or importing distributor. The~~  
23 ~~restrictions on advertising set forth in subclause (ii) and in~~  
24 ~~clauses (20.1) and (20.2) shall also apply to this subclause.~~

25 ~~(ii) Cooperative Advertising. No distributor or importing~~  
26 ~~distributor, directly or indirectly, independent or otherwise,~~  
27 ~~shall, except by prior written agreement, be required to~~  
28 ~~participate with a manufacturer in the purchase of any~~  
29 ~~advertising of a brand name product in any name, in any form,~~  
30 ~~whether it be radio, television, newspaper, magazine or~~

1 otherwise.

2 ~~(20.1) Manufacturer Shall Not Require Advertising. For a~~  
3 ~~manufacturer to require a distributor or importing distributor~~  
4 ~~to purchase any type of advertising.~~

5 ~~(20.2) Advertising Shall Be Ordered and Authorized in~~  
6 ~~Advance. For any advertising to be done on behalf of a~~  
7 ~~distributor or importing distributor which was not ordered and~~  
8 ~~authorized in advance by the distributor or importing~~  
9 ~~distributor.~~

10 ~~(21) Refusing The Right of Inspection. For any licensee, or~~  
11 ~~his servants, agents or employes, to refuse the board or the~~  
12 ~~enforcement bureau or any of their authorized employes the right~~  
13 ~~to inspect completely the entire licensed premises at any time~~  
14 ~~during which the premises are open for the transaction of~~  
15 ~~business, or when patrons, guests or members are in that portion~~  
16 ~~of the licensed premises wherein either liquor or malt or brewed~~  
17 ~~beverages are sold.~~

18 ~~(22) Allowance or Rebate to Induce Purchases. For any~~  
19 ~~licensee, or his servants, agents or employes, to offer, pay,~~  
20 ~~make or allow, or for any licensee, or his servants, agents or~~  
21 ~~employes, to solicit or receive any allowance or rebate, refunds~~  
22 ~~or concessions, whether in the form of money or otherwise, to~~  
23 ~~induce directly the purchase of liquor or malt or brewed~~  
24 ~~beverages.~~

25 ~~(23) Money or Valuables Given to Employes to Influence~~  
26 ~~Actions of Their Employers. For any licensee, or any agent,~~  
27 ~~employe or representative of any licensee, to give or permit to~~  
28 ~~be given, directly or indirectly, money or anything of~~  
29 ~~substantial value, in an effort to induce agents, employes or~~  
30 ~~representatives of customers or prospective customers to~~

1 ~~influence their employer or principal to purchase or contract to~~  
2 ~~purchase liquor or malt or brewed beverages from the donor of~~  
3 ~~such gift, or to influence such employers or principals to~~  
4 ~~refrain from dealing or contracting to deal with other~~  
5 ~~licensees.~~

6 ~~(24) (i) Things of Value Offered as Inducement. Except as~~  
7 ~~provided in subclause (ii), for any licensee under the~~  
8 ~~provisions of this article, or the board or any manufacturer, or~~  
9 ~~any employe or agent of a manufacturer, licensee or of the~~  
10 ~~board, to offer to give anything of value or to solicit or~~  
11 ~~receive anything of value as a premium for the return of caps,~~  
12 ~~stoppers, corks, stamps or labels taken from any bottle, case,~~  
13 ~~barrel or package containing liquor or malt or brewed beverage,~~  
14 ~~or to offer or give or solicit or receive anything of value as a~~  
15 ~~premium or present to induce directly the purchase of liquor or~~  
16 ~~malt or brewed beverage, or for any licensee, manufacturer or~~  
17 ~~other person to offer or give to trade or consumer buyers any~~  
18 ~~prize, premium, gift or other inducement to purchase liquor or~~  
19 ~~malt or brewed beverages, except advertising novelties of~~  
20 ~~nominal value which the board shall define. This section shall~~  
21 ~~not prevent any manufacturer or any agent of a manufacturer from~~  
22 ~~offering and honoring coupons which offer monetary rebates on~~  
23 ~~purchases of wines and spirits through State Liquor Stores or~~  
24 ~~the holder of a wine and spirits retail license or grocery store~~  
25 ~~license, or purchases of malt or brewed beverages through~~  
26 ~~distributors and importing distributors in accordance with~~  
27 ~~conditions or regulations established by the board. The board or~~  
28 ~~the holder of a wine and spirits retail license or grocery store~~  
29 ~~license may redeem coupons offered by a manufacturer or an agent~~  
30 ~~of a manufacturer at the time of purchase. Coupons offered by a~~

1 ~~manufacturer or an agent of a manufacturer shall not be redeemed~~  
2 ~~without proof of purchase. This section shall not apply to the~~  
3 ~~return of any monies specifically deposited for the return of~~  
4 ~~the original container to the owners thereof.~~

5 ~~(ii) Notwithstanding subclause (i) or any other provision of~~  
6 ~~law, a holder of a restaurant license that is also approved to~~  
7 ~~hold a slot machine license or a conditional slot machine~~  
8 ~~license under 4 Pa.C.S. Part II (relating to gaming) may give~~  
9 ~~liquor and malt or brewed beverages free of charge to any person~~  
10 ~~actively engaged in playing a slot machine.~~

11 ~~(iii) Notwithstanding subclause (i) or any other provision~~  
12 ~~of law, the holder of a wine and spirits retail license may~~  
13 ~~establish and implement a consumer relations marketing program~~  
14 ~~for the purpose of offering incentives, such as coupons or~~  
15 ~~discounts on certain products, which may be conditioned on the~~  
16 ~~purchase of liquor by its customers.~~

17 ~~(25) Employment in Licensed Places. For any licensee or his~~  
18 ~~agent, to employ or permit the employment of any person at his~~  
19 ~~licensed hotel, restaurant or eating place for the purpose of~~  
20 ~~enticing customers, or to encourage them to drink liquor, or~~  
21 ~~make assignments for improper purposes.~~

22 ~~Any person violating the provisions of this clause shall be~~  
23 ~~guilty of a misdemeanor and, upon conviction of the same, shall~~  
24 ~~be sentenced to pay a fine of not less than one hundred dollars~~  
25 ~~(\$100), nor more than five hundred dollars (\$500), for each and~~  
26 ~~every person so employed, or undergo an imprisonment of not less~~  
27 ~~than three (3) months, nor more than one (1) year, or either or~~  
28 ~~both, at the discretion of the court having jurisdiction of the~~  
29 ~~case. The administrative law judge shall have the power to~~  
30 ~~revoke or refuse licenses for violation of this clause.~~



1       ~~(26) Worthless Checks. For any retail liquor licensee or any~~  
2 ~~retail dispenser, distributor or importing distributor, to make,~~  
3 ~~draw, utter, issue or deliver, or cause to be made, drawn,~~  
4 ~~uttered, issued or delivered, any check, draft or similar order,~~  
5 ~~for the payment of money in payment for any purchase of malt or~~  
6 ~~brewed beverages, when such retail liquor licensee, retail~~  
7 ~~dispenser, distributor or importing distributor, has not~~  
8 ~~sufficient funds in, or credit with, such bank, banking~~  
9 ~~institution, trust company or other depository, for the payment~~  
10 ~~of such check. Any person who is a licensee under the provisions~~  
11 ~~of this article, who shall receive in payment for malt or brewed~~  
12 ~~beverages sold by him any check, draft or similar order for the~~  
13 ~~payment of money, which is subsequently dishonored by the bank,~~  
14 ~~banking institution, trust company or other depository, upon~~  
15 ~~which drawn, for any reason whatsoever, shall, within five days~~  
16 ~~of receipt of notice of such dishonor, notify by certified mail~~  
17 ~~the person who presented the said worthless check, draft or~~  
18 ~~similar order and the malt beverage compliance officer for the~~  
19 ~~board. If the violation of this clause involving a check, draft~~  
20 ~~or similar order from the purchaser to the seller is~~  
21 ~~subsequently honored within ten days from the day it was made,~~  
22 ~~drawn, uttered, issued or delivered, then the malt beverage~~  
23 ~~compliance officer shall not turn the matter over to the~~  
24 ~~enforcement bureau for a citation.~~

25       ~~(27) Distributors and Importing Distributors Employing~~  
26 ~~Minors. For any distributor or importing distributor to employ~~  
27 ~~minors under the age of eighteen but persons eighteen and over~~  
28 ~~may be employed to sell and deliver malt and brewed beverages. A~~  
29 ~~distributor holding a wine and spirits retail license may not~~  
30 ~~employ a person under the age of twenty one to sell liquor.~~

1       ~~(28) Consumption of Liquor or Malt or Brewed Beverages While~~  
2 ~~Tending Bar. For any licensee, his servants, agents or employes,~~  
3 ~~to consume liquor or malt or brewed beverages while tending bar~~  
4 ~~or otherwise serving liquor or malt or brewed beverages. No~~  
5 ~~action shall be taken against a licensee under this clause~~  
6 ~~unless the licensee is the individual consuming liquor or malt~~  
7 ~~or brewed beverages in violation of this clause.~~

8       ~~(30) Pyrotechnics Prohibited. For any licensee, his~~  
9 ~~servants, agents or employes, except licensees where pyrotechnic~~  
10 ~~displays are performed by a pyrotechnic operator licensed by the~~  
11 ~~Bureau of Alcohol, Tobacco, Firearms and Explosives and are~~  
12 ~~approved by a municipal fire official, to store, handle, use or~~  
13 ~~display any pyrotechnics within a building on the licensed~~  
14 ~~premises. For purposes of this clause, "pyrotechnics" shall mean~~  
15 ~~any chemical mixture, including pyrotechnic compositions,~~  
16 ~~intended to produce a visible or audible effect by combustion,~~  
17 ~~deflagration or detonation as defined by section 1.5.52 of the~~  
18 ~~National Fire Protection Association Standard 1126 entitled~~  
19 ~~"Standard for the Use of Pyrotechnics before a Proximate~~  
20 ~~Audience," 1992 Edition.~~

21       ~~(31) (i) Sale or Purchase of Controlled Substance or Drug~~  
22 ~~Paraphernalia by Licensee. For any licensee to possess, furnish,~~  
23 ~~sell, offer to sell, or purchase or receive, or aid and abet in~~  
24 ~~the sale or purchase of any controlled substance or drug~~  
25 ~~paraphernalia, as defined in the act of April 14, 1972 (P.L.233,~~  
26 ~~No.64), known as "The Controlled Substance, Drug, Device and~~  
27 ~~Cosmetic Act," on the licensed premises unless the actions of~~  
28 ~~the licensee are authorized by law.~~

29       ~~(ii) Sale or Purchase of Controlled Substances or Drug~~  
30 ~~Paraphernalia by Servant, Agent or Employe of the Licensee. For~~

1 ~~any servants, agents or employes of the licensee to possess,~~  
2 ~~furnish, sell, offer to sell or purchase or receive, or aid and~~  
3 ~~abet in the sale or purchase of any controlled substance or drug~~  
4 ~~paraphernalia, as defined in "The Controlled Substance, Drug,~~  
5 ~~Device and Cosmetic Act," on the licensed premises unless the~~  
6 ~~actions of the person are authorized by law. The licensee shall~~  
7 ~~only be cited for a violation of this subclause if the licensee~~  
8 ~~knew or should have known of the activity and failed to take~~  
9 ~~substantial affirmative steps to prevent the activity on its~~  
10 ~~premises.~~

11 ~~(32) Sale or Purchase of Alcohol Vaporizing Devices. For any~~  
12 ~~licensee, his servants or agents or employes to possess or to~~  
13 ~~permit an alcohol vaporizing device on the licensed premises.~~

14 ~~(33) Off premises Catering Permit; Fees. For any licensee,~~  
15 ~~his servants, agents or employes to sell alcohol at a location~~  
16 ~~other than its licensed premises, unless the sale is~~  
17 ~~specifically authorized under this act, or unless the licensee~~  
18 ~~receives a special permit from the board to do so. Only those~~  
19 ~~licensees holding a current and valid restaurant, hotel, brew~~  
20 ~~pub or eating place license shall be allowed to apply for such a~~  
21 ~~permit. Any licensee that wishes to obtain an off premises~~  
22 ~~catering permit must notify the board and pay the permitting fee~~  
23 ~~by March of each calendar year regardless of whether the~~  
24 ~~licensee has scheduled catered events. Any licensee that fails~~  
25 ~~to notify the board and pay the permit fee by March 1 shall be~~  
26 ~~precluded from obtaining the permit for that calendar year. If a~~  
27 ~~licensee notifies the board and pays the permitting fee by March~~  
28 ~~1 and does not then use the permit throughout the calendar year,~~  
29 ~~the licensee shall not be entitled to a return of the permitting~~  
30 ~~fee. Any licensee not granted a license until after March 1 of~~

~~1 the calendar year shall have sixty days from the date of the  
2 license transfer to notify the board of the licensee's intention  
3 to use an off premises catering permit and pay the permitting  
4 fee. All servers at the off premises catered function shall be  
5 certified under the board's responsible alcohol management  
6 program as required under section 471.1. The board may charge a  
7 fee of five hundred dollars (\$500) each calendar year, to each  
8 applicant for the initial permit associated with a particular  
9 license, but no further fee shall be charged for any subsequent  
10 permits issued to the applicant for the license during the same  
11 calendar year. The applicant shall submit written notice to the  
12 board thirty days prior to each catered event, unless this time  
13 frame has been waived by the board, and the board may approve or  
14 disapprove each event if the applicant fails to provide timely  
15 notice of the catered function, does not intend to conduct a  
16 function that meets the requirements of this act or has  
17 previously conducted a function that did not meet the  
18 requirements of this act. The fees shall be paid into the State  
19 Stores Fund. Any violation of this act or the board's  
20 regulations for governing activity occurring under the authority  
21 of this permit may be the basis for the issuance of a citation  
22 under section 471, the nonrenewal of the license under section  
23 470 or the refusal by the board to issue subsequent permits or  
24 honor subsequent dates on the existing permit. This penalty  
25 shall be in addition to any other remedies available to the  
26 enforcement bureau or the board.~~

~~27 (34) Noise. Notwithstanding any law or regulation to the  
28 contrary, a licensee may not use or permit to be used inside or  
29 outside of the licensed premises a loudspeaker or similar device  
30 whereby the sound of music or other entertainment, or the~~

1 advertisement thereof, can be heard beyond the licensee's  
2 property line; however, any licensee that is located in an area  
3 which is subject to an exemption from the board's regulation  
4 regarding amplified music being heard off the licensed premises  
5 shall be exempt from compliance with this paragraph until the  
6 expiration of the board's order granting the exemption. The  
7 board's regulation regarding amplified music being heard off the  
8 licensed premises is otherwise superseded by this paragraph.

9 ~~(35) Wine to go permit and fees. For any licensee, his~~  
10 ~~servants, agents or employes to sell unopened bottles of wine~~  
11 ~~for consumption off the licensed premises, unless the sale is~~  
12 ~~specifically authorized under this act, or unless the licensee~~  
13 ~~receives a special permit from the board to do so. Only those~~  
14 ~~licensees holding a current and valid hotel or restaurant~~  
15 ~~license shall be allowed to apply for such a permit. Any~~  
16 ~~licensee that wishes to obtain a wine to go permit must make~~  
17 ~~application to the board on a form prescribed by the board and~~  
18 ~~pay the permitting fees. This permit shall not be issued to a~~  
19 ~~restaurant licensee that has an interior connection to another~~  
20 ~~unlicensed business. The board may charge a fee of five hundred~~  
21 ~~dollars (\$500) per calendar year to each applicant for this~~  
22 ~~permit. The fees shall be paid into The State Stores Fund. Any~~  
23 ~~violation of this act or the board's regulations for governing~~  
24 ~~activity occurring under the authority of this permit may be the~~  
25 ~~basis for the issuance of a citation under section 471, the~~  
26 ~~nonrenewal of the license under section 470 or the refusal by~~  
27 ~~the board to issue subsequent permits or honor subsequent dates~~  
28 ~~on the existing permit. The penalty shall be in addition to any~~  
29 ~~other remedies available to the enforcement bureau or the board.~~

30 ~~(36) Grocery stores employing minors. For any servant, agent~~

1 ~~or employe of a grocery store to make a sale of alcohol unless~~  
2 ~~the servant, agent or employe is eighteen years of age or older.~~

3 ~~(37) Sale of wine received by direct shipment. For any~~  
4 ~~licensee to sell or offer to sell wine purchased or acquired~~  
5 ~~from a direct wine shipper pursuant to the authority of section~~  
6 ~~488.~~

7 ~~(38) Duties performed by distributors and importing~~  
8 ~~distributors. For any licensee to require that a distributor or~~  
9 ~~importing distributor stock merchandise in the licensee's~~  
10 ~~cooler, rotate the licensee's stock of malt or brewed beverages,~~  
11 ~~set up displays in the licensee's premises or pay any type of~~  
12 ~~fee required for making the distributor's product available on~~  
13 ~~the licensee's store shelves. This clause supersedes a contrary~~  
14 ~~provision of a contract.~~

15 ~~(39) Spirits to go permit. For any licensee, his servants,~~  
16 ~~agents or employes to sell an unopened bottle of liquor for~~  
17 ~~consumption off the licensed premises unless the sale is~~  
18 ~~specifically authorized under this act or unless the licensee~~  
19 ~~receives a special permit from the board to do so. Only the~~  
20 ~~licensees holding a current and valid hotel or restaurant~~  
21 ~~license may apply for the permit. Any licensee that wishes to~~  
22 ~~obtain a spirits to go permit must apply to the board on a form~~  
23 ~~prescribed by the board and pay the permitting fees by June of~~  
24 ~~each calendar year. Any licensee that fails to notify the board~~  
25 ~~and pay the permitting fees by June 1 may be precluded from~~  
26 ~~obtaining the permit for that calendar year. The board may allow~~  
27 ~~the issuance of the permit after the June deadline so long as~~  
28 ~~the applicant is a licensee in good standing with the board and~~  
29 ~~complies with the other requirements for the permit. A licensee~~  
30 ~~applying for the permit after the June deadline shall pay the~~

~~1 board a late fee equal to the amount of the permit fee listed~~  
~~2 below. Any licensee not granted a license until after June 1 of~~  
~~3 the calendar year has sixty days from the date of the license~~  
~~4 transfer to notify the board of the licensee's intention to use~~  
~~5 a spirits to go permit and pay the permitting fee. The servers~~  
~~6 employed by a licensee who obtains a spirits to go permit,~~  
~~7 including any retail dispenser licensee who upgrades to a~~  
~~8 restaurant license under section 432(g), must be certified under~~  
~~9 the board's responsible alcohol management program as required~~  
~~10 under section 471.1. The board shall charge a fee of five~~  
~~11 hundred dollars (\$500) per calendar year to an applicant for the~~  
~~12 permit. The fees shall be paid into The State Stores Fund. Any~~  
~~13 violation of this act or the board's regulations for governing~~  
~~14 activity occurring under the authority of this permit may be the~~  
~~15 basis for the issuance of a citation under section 471, the~~  
~~16 nonrenewal of the license under section 470 or the refusal by~~  
~~17 the board to issue subsequent permits. The penalty imposed under~~  
~~18 this paragraph shall be in addition to the other remedies~~  
~~19 available to the enforcement bureau or the board.~~

20 Section 42. The act is amended by adding sections to read:

21 ~~Section 493.2. Unlawful Acts Relative to Wine and Spirits~~  
22 ~~Retail Licensees. (a) It is unlawful for a wine and spirits~~  
23 ~~retail licensee, or an employe, servant or agent of the licensee~~  
24 ~~or another person to sell, furnish or give liquor or malt or~~  
25 ~~brewed beverages or to permit liquor or malt or brewed beverages~~  
26 ~~to be sold, furnished or given to a minor or person who is~~  
27 ~~visibly intoxicated.~~

28 ~~(b) A wine and spirits retail licensee who violates the~~  
29 ~~provisions of subsection (a) is subject to the penalty~~  
30 ~~provisions set forth in section 471.~~

1 ~~Section 493.3. Licensees and Taxes. Notwithstanding any~~  
2 ~~other provision of this act or the act of March 4, 1971 (P.L.6,~~  
3 ~~No.2), known as the "Tax Reform Code of 1971," the following~~  
4 ~~shall apply:~~

5 ~~(1) The sale of malt and brewed beverages and wine and~~  
6 ~~spirits by an entity licensed under this act, including the sale~~  
7 ~~of malt and brewed beverages and wine and spirits from the areas~~  
8 ~~of a licensee's premises utilized under a retail license for~~  
9 ~~consumption on the premises, shall be considered a sale by a~~  
10 ~~retail dispenser under section 201 of the "Tax Reform Code of~~  
11 ~~1971."~~

12 ~~(2) The sale of malt and brewed beverages and wine and~~  
13 ~~spirits to an entity described in paragraph (1) for the purpose~~  
14 ~~of sales from the areas of a licensee's premises utilized under~~  
15 ~~a retail license for consumption on the premises shall be~~  
16 ~~considered a sale to a retail dispenser subject to the tax~~  
17 ~~imposed under Article II of the "Tax Reform Code of 1971."~~

18 ~~(3) Except for sales under paragraphs (1) and (2), any other~~  
19 ~~sale of malt and brewed beverages shall be considered a sale by~~  
20 ~~a distributor, and any other sale of wine or spirits shall be~~  
21 ~~considered a sale of liquor by a Pennsylvania Liquor Store under~~  
22 ~~section 201 of the "Tax Reform Code of 1971."~~

23 ~~Section 43. Section 494 of the act, amended April 29, 1994~~  
24 ~~(P.L.212, No.30) and November 10, 1999 (P.L.514, No.47), is~~  
25 ~~amended to read:~~

26 ~~Section 494. Penalties. (a) Any person who shall violate~~  
27 ~~any of the provisions of this article, except as otherwise~~  
28 ~~specifically provided, shall be guilty of a misdemeanor and,~~  
29 ~~upon conviction thereof, shall be sentenced to pay a fine of not~~  
30 ~~less than one hundred dollars (\$100), nor more than five hundred~~



1 dollars (\$500), and on failure to pay such fine, to imprisonment  
2 for not less than one month, nor more than three months, and for  
3 any subsequent offense, shall be sentenced to pay a fine not  
4 less than three hundred dollars (\$300), nor more than five  
5 hundred dollars (\$500), and to undergo imprisonment for a period  
6 not less than three months, nor more than one year, or both. If  
7 the person, at or relating to the licensed premises, violates  
8 section 493(1), (10), (14), (16) or (21), or if the owner or  
9 operator of the licensed premises or any authorized agent of the  
10 owner or operator violates the act of April 14, 1972 (P.L.233,  
11 No.64), known as "The Controlled Substance, Drug, Device and  
12 Cosmetic Act," or 18 Pa.C.S. § 5902 (relating to prostitution  
13 and related offenses) or 6301 (relating to corruption of  
14 minors), he shall be sentenced to pay a fine not exceeding [five  
15 thousand dollars (\$5,000)] ten thousand dollars (\$10,000) or to  
16 undergo imprisonment for a period not less than [three] six  
17 months, nor more than [one year] two years, or both.

18 (b) ~~The right to suspend and revoke licenses granted under~~  
19 ~~this article shall be in addition to the penalty set forth in~~  
20 ~~this section.~~

21 (c) ~~A person convicted of selling or offering to sell any~~  
22 ~~liquor or malt or brewed beverage without being licensed is in~~  
23 ~~violation of this article and shall, in addition to any other~~  
24 ~~penalty prescribed by law, be sentenced to pay a fine of two~~  
25 ~~dollars (\$2) per fluid ounce for each container of malt or~~  
26 ~~brewed beverages and four dollars (\$4) per fluid ounce for each~~  
27 ~~container of wine or liquor found on the premises where the sale~~  
28 ~~was made or attempted. The amount of fine per container will be~~  
29 ~~based upon the capacity of the container when full, whether or~~  
30 ~~not it is full at the time of the sale or attempted sale. In~~

1 ~~addition, all malt or brewed beverages, wine and liquor found on~~  
2 ~~the premises shall be confiscated. If a person fails to pay the~~  
3 ~~full amount of the fine levied under this subsection, the~~  
4 ~~premises on which the malt or brewed beverages, wine or liquor~~  
5 ~~was found shall be subject to a lien in the amount of the unpaid~~  
6 ~~fine if the premises are owned by the person against whom the~~  
7 ~~fine was levied or by any other person who had knowledge of the~~  
8 ~~proscribed activity. The lien shall be superior to any other~~  
9 ~~liens on the premises other than a duly recorded mortgage.~~

10 ~~Section 44. Section 499 of the act, amended October 5, 1994~~  
11 ~~(P.L.522, No.77) and February 21, 2002 (P.L.103, No.10), is~~  
12 ~~amended to read:~~

13 ~~Section 499. Premises to be Vacated by Patrons. (a) Except~~  
14 ~~as provided for elsewhere in this section, all patrons of a~~  
15 ~~licensee shall be required to leave that part of the premises~~  
16 ~~habitually used for the serving of liquor or malt or brewed~~  
17 ~~beverages to guests or patrons not later than one half hour~~  
18 ~~after the time the licensee is required by this act to cease~~  
19 ~~serving liquor or malt or brewed beverages and shall not be~~  
20 ~~permitted to have any previously served liquor or malt or brewed~~  
21 ~~beverages in their possession, nor shall they be permitted to~~  
22 ~~remove any previously served liquor or malt or brewed beverages~~  
23 ~~from that part of the premises. Patrons of a licensee shall not~~  
24 ~~be permitted to reenter that portion of the premises habitually~~  
25 ~~used for the serving of liquor or malt or brewed beverages~~  
26 ~~between the time designated by this act for patrons to vacate~~  
27 ~~the licensed premises and the time designated by this act when~~  
28 ~~the serving of liquor or malt or brewed beverages is allowed to~~  
29 ~~begin unless the licensee has been granted a permit for extended~~  
30 ~~hours food service.~~

1       ~~(a.1) Subsection (a) shall not apply to sales of malt and~~  
2 ~~brewed beverages for consumption off the premises when the~~  
3 ~~following conditions are met:~~

4       ~~(1) no licensee may sell malt or brewed beverages in excess~~  
5 ~~of one hundred ninety two fluid ounces in any one sale for~~  
6 ~~consumption off the premises unless the licensee possesses a~~  
7 ~~retail package reform permit;~~

8       ~~(2) sales and service of malt and brewed beverages for~~  
9 ~~consumption off the premises are made prior to the designated~~  
10 ~~time the licensee is required by this act to cease serving~~  
11 ~~liquor, malt or brewed beverages;~~

12       ~~(3) persons who have purchased malt and brewed beverages for~~  
13 ~~consumption off the premises shall remove the malt and brewed~~  
14 ~~beverages from the premises by the designated time as contained~~  
15 ~~in this act that patrons are required to vacate the premises;~~

16       ~~(4) no club licensee may sell any malt or brewed beverage~~  
17 ~~for consumption off the premises where sold or to any persons~~  
18 ~~who are not members of the club.~~

19       ~~(b) A licensee may remain open between the hours of two~~  
20 ~~o'clock antemeridian and seven o'clock antemeridian for the~~  
21 ~~purpose of serving food on any day if such licensee either~~  
22 ~~possesses or is eligible to purchase a Sunday sales permit and~~  
23 ~~receives an extended hours food license. The board shall~~  
24 ~~establish an annual fee for the extended hours food license~~  
25 ~~which shall not exceed fifty dollars (\$50).~~

26       ~~(b.1) Upon application of any club, the board shall issue a~~  
27 ~~club extended hours food permit for a period of six (6) days~~  
28 ~~during the term of its license. The board shall issue~~  
29 ~~regulations governing terms of the application. The permits~~  
30 ~~shall be used solely for the purpose of serving food between the~~

1 ~~hours of three o'clock antemeridian and seven o'clock~~  
2 ~~antemeridian. All patrons of a licensee shall be required to~~  
3 ~~leave that part of the premises habitually used for the serving~~  
4 ~~of liquor or malt or brewed beverages to guests or patrons not~~  
5 ~~later than one half hour after the time the licensee is required~~  
6 ~~by this act to cease serving liquor or malt or brewed beverages~~  
7 ~~and shall not be permitted to have any previously served liquor~~  
8 ~~or malt or brewed beverages in their possession, nor shall they~~  
9 ~~be permitted to remove any previously served liquor or malt or~~  
10 ~~brewed beverages from that part of the premises.~~

11 ~~(c) Any licensee who violates this section for the first~~  
12 ~~offense commits a summary offense and shall, upon conviction, be~~  
13 ~~sentenced to pay a fine of not more than three hundred dollars~~  
14 ~~(\$300) or to imprisonment for not more than ninety (90) days, or~~  
15 ~~both, and for the second or any subsequent offense commits a~~  
16 ~~misdemeanor of the third degree and shall, upon conviction, be~~  
17 ~~sentenced to pay a fine of not more than two thousand five~~  
18 ~~hundred dollars (\$2,500) or to imprisonment for not more than~~  
19 ~~one (1) year, or both.~~

20 ~~(d) This section shall not apply to holders of public~~  
21 ~~service licenses.~~

22 ~~(e) Nothing in this section shall prohibit restaurant~~  
23 ~~liquor, eating place retail dispenser or hotel licenses from~~  
24 ~~being open seven o'clock ante meridian on Sunday until two~~  
25 ~~o'clock ante meridian Monday for the purpose of serving food and~~  
26 ~~nonalcoholic beverages.~~

27 ~~Section 45. Section 505.2 of the act, amended December 8,~~  
28 ~~2004 (P.L.1810, No.239), July 16, 2007 (P.L.107, No.34), June~~  
29 ~~25, 2010 (P.L.217, No.35), June 28, 2011 (P.L.55, No.11) and~~  
30 ~~December 22, 2011 (P.L.530, No.113), is amended to read:~~

1       ~~Section 505.2. Limited Wineries. (a) In the interest of~~  
2 ~~promoting tourism and recreational development in Pennsylvania,~~  
3 ~~holders of a limited winery license may:~~

4       ~~(1) Produce alcoholic ciders, wines and wine coolers,~~  
5 ~~subject to the exceptions provided under this section, only from~~  
6 ~~an agricultural commodity grown in Pennsylvania.~~

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

27       ~~(3) Separately or in conjunction with other limited~~  
28 ~~wineries, sell alcoholic cider, wine and wine coolers produced~~  
29 ~~by the limited winery on no more than five (5) board approved~~  
30 ~~locations other than the licensed premises, with no bottling or~~

1 ~~production requirement at those additional board approved~~  
2 ~~locations and under such conditions and regulations as the board~~  
3 ~~may enforce, to the board, wine and spirits retail licensees, to~~  
4 ~~individuals and to brewery, hotel, restaurant, club, grocery~~  
5 ~~store and public service liquor licensees. If two or more~~  
6 ~~limited wineries apply to operate an additional board approved~~  
7 ~~location in conjunction with each other, the wineries need only~~  
8 ~~have one board approved manager for the location, need only pay~~  
9 ~~one application fee and need not designate specific or distinct~~  
10 ~~areas for each winery's licensed area. Each limited winery must~~  
11 ~~file an application for such an additional board approved~~  
12 ~~location, and such location shall count as one of the five~~  
13 ~~permitted for each limited winery. Each limited winery is~~  
14 ~~responsible for keeping only its own complete records. A limited~~  
15 ~~winery may be cited for a violation of the recordkeeping~~  
16 ~~requirements of sections 512 and 513 pertaining to its own~~  
17 ~~records only.~~

18 ~~(4) At the discretion of the board, obtain a special permit~~  
19 ~~to participate in alcoholic cider, wine and food expositions off~~  
20 ~~the licensed premises. A special permit shall be issued upon~~  
21 ~~proper application and payment of a fee of thirty dollars (\$30)~~  
22 ~~per day for each day of permitted use, not to exceed thirty (30)~~  
23 ~~consecutive days. The total number of days for all the special~~  
24 ~~permits may not exceed one hundred (100) days in any calendar~~  
25 ~~year. A special permit shall entitle the holder to engage in the~~  
26 ~~sale by the glass, by the bottle or in case lots of alcoholic~~  
27 ~~cider or wine produced by the permittee under the authority of a~~  
28 ~~limited winery license. Holders of special permits may provide~~  
29 ~~tasting samples of wines in individual portions not to exceed~~  
30 ~~one fluid ounce. Samples at alcoholic cider, wine and food~~

1 ~~expositions may be sold or offered free of charge. Except as~~  
2 ~~provided herein, limited wineries utilizing special permits~~  
3 ~~shall be governed by all applicable provisions of this act as~~  
4 ~~well as by all applicable regulations or conditions adopted by~~  
5 ~~the board.~~

6 ~~For the purposes of this clause, "alcoholic cider, wine and~~  
7 ~~food expositions" are defined as affairs held indoors or~~  
8 ~~outdoors with the intent of promoting Pennsylvania products by~~  
9 ~~educating those in attendance of the availability, nature and~~  
10 ~~quality of Pennsylvania produced alcoholic ciders and wines in~~  
11 ~~conjunction with suitable food displays, demonstrations and~~  
12 ~~sales. Alcoholic cider, wine and food expositions may also~~  
13 ~~include activities other than alcoholic cider, wine and food~~  
14 ~~displays, including arts and crafts, musical activities,~~  
15 ~~cultural exhibits, agricultural exhibits and farmers markets.~~

16 ~~(4.1) At the discretion of the board, obtain a farmers~~  
17 ~~market permit. The permit shall entitle the holder to~~  
18 ~~participate in more than one farmers market at any given time~~  
19 ~~and an unlimited number throughout the year and sell alcoholic~~  
20 ~~cider or wine produced under the authority of the underlying~~  
21 ~~limited winery license by the bottle or in case lots. Samples~~  
22 ~~not to exceed one fluid ounce per brand of wine may be offered~~  
23 ~~free of charge. A farmers market permit shall be issued upon~~  
24 ~~proper application and payment of an annual fee of two hundred~~  
25 ~~fifty dollars (\$250). A permit holder may participate in more~~  
26 ~~than one farmers market at any given time. Sales by permit~~  
27 ~~holders shall take place during the standard hours of operation~~  
28 ~~of the farmers market. Written notice of the date, times and~~  
29 ~~location the permit is to be used shall be provided by the~~  
30 ~~permit holder to the enforcement bureau at least two (2) weeks~~

1 ~~prior to the event. Except as provided in this subsection,~~  
2 ~~limited wineries utilizing farmers market permits shall be~~  
3 ~~governed by all applicable provisions of this act as well as by~~  
4 ~~all applicable regulations adopted by the board.~~

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

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

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

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

28 ~~(iv) The department is authorized to promulgate regulations~~  
29 ~~requiring the filing of periodic reports by limited wineries to~~  
30 ~~ensure compliance with the provisions of this section.~~



1 ~~(6.1) Sell food for consumption on or off the licensed~~  
2 ~~premises and at the limited winery's additional board approved~~  
3 ~~locations and sell by the glass, at the licensed premises and at~~  
4 ~~the limited winery's additional board approved locations, only~~  
5 ~~wine and alcoholic ciders that may otherwise be sold by the~~  
6 ~~bottle.~~

7 ~~(6.2) Sell wine or liquor scented candles acquired or~~  
8 ~~produced by the limited winery.~~

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

19 ~~(6.4) Store alcoholic cider, wine and wine coolers produced~~  
20 ~~by the limited winery at no more than two (2) board approved~~  
21 ~~locations other than the licensed premises and those premises~~  
22 ~~referenced in clause (3) pertaining to the five (5) board~~  
23 ~~approved locations for the sale of wine, with no bottling or~~  
24 ~~production requirement at those additional locations and under~~  
25 ~~such conditions and regulations as the board may enforce. If two~~  
26 ~~(2) or more businesses will operate out of the same storage~~  
27 ~~facility, the limited winery must designate specific and~~  
28 ~~distinct areas for its storage. The limited winery's designated~~  
29 ~~storage area must be secured and no one other than the licensee~~  
30 ~~and his employees may be allowed access to the storage area. No~~

1 ~~board approved manager will be necessary for the storage~~  
2 ~~facility. The limited winery must fill out an application for~~  
3 ~~such an additional board approved storage location, and such~~  
4 ~~location shall count as one of the two permitted for each~~  
5 ~~limited winery. The limited winery is responsible for keeping~~  
6 ~~only its own complete records. A limited winery may be cited for~~  
7 ~~a violation of the recordkeeping requirements of sections 512-~~  
8 ~~and 513 pertaining to its own records only.~~

9 ~~(b) The total production of alcoholic ciders, wine and wine~~  
10 ~~coolers by a limited winery may not exceed two hundred thousand~~  
11 ~~(200,000) gallons per year.~~

12 ~~(c) As used in this section:~~

13 ~~"Agricultural commodity" shall include any of the following:~~  
14 ~~agricultural, apicultural, horticultural, silvicultural and~~  
15 ~~viticultural commodities.~~

16 ~~"Farmers market" shall include any building, structure or~~  
17 ~~other place:~~

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

20 ~~(2) used or intended to be used by two or more farmers or an~~  
21 ~~association of farmers, who are certified by the Department of~~  
22 ~~Agriculture of the Commonwealth to participate in the Farmers'~~  
23 ~~Market Nutrition Program subject to 7 CFR Pt. 249 (relating to~~  
24 ~~Senior Farmers' Market Nutrition Program (SFMNP)), for the~~  
25 ~~purpose of selling agricultural commodities produced in this~~  
26 ~~Commonwealth directly to consumers;~~

27 ~~(3) which is physically located within this Commonwealth;~~  
28 ~~and~~

29 ~~(4) which is not open for business more than twelve hours~~  
30 ~~each day.~~

1       ~~Section 46. Section 505.4 of the act, amended December 22,~~  
2 ~~2011 (P.L.530, No.113), is amended to read:~~

3       ~~Section 505.4. Distilleries. (a) The board may issue a~~  
4 ~~distillery of historical significance license to any distillery~~  
5 ~~which was established prior to January 1, 1875. The holder of~~  
6 ~~the license may manufacture and sell liquor produced on the~~  
7 ~~licensed premises to the board, to wine and spirits retail~~  
8 ~~licensees, to other entities licensed by the board and to the~~  
9 ~~public under such conditions and regulations as the board may~~  
10 ~~enforce. Production at the distillery of historical significance~~  
11 ~~shall be limited to an amount not to exceed twenty thousand~~  
12 ~~(20,000) gallons per year. The distillery does not need to~~  
13 ~~establish continuous operation since January 1, 1875, in order~~  
14 ~~to qualify for a license under this section.~~

15       ~~(b) (1) The board may issue a limited distillery license~~  
16 ~~that will allow the holder thereof to operate a distillery that~~  
17 ~~shall not exceed production of one hundred thousand (100,000)~~  
18 ~~gallons of distilled liquor per year. The holder of the license~~  
19 ~~may manufacture and sell bottled liquors produced on the~~  
20 ~~licensed premises to the board, to wine and spirits retail~~  
21 ~~licensees, to other entities licensed by the board and to the~~  
22 ~~public between the hours of nine o'clock antemeridian and eleven~~  
23 ~~o'clock postmeridian so long as a specific code of distilled~~  
24 ~~liquor which is listed for sale as a stock item by the board in~~  
25 ~~State liquor stores may not be offered for sale at a licensed~~  
26 ~~limited distillery location at a price which is lower than that~~  
27 ~~charged by the board and under such conditions and regulations~~  
28 ~~as the board may enforce.~~

29       ~~(2) (i) The holder of a limited distillery license may,~~  
30 ~~separately or in conjunction with other limited distillery~~

1 ~~licensees, sell bottled liquors produced by the distillery at no~~  
2 ~~more than two (2) board approved locations other than the~~  
3 ~~licensed premises, with no bottling or production requirement at~~  
4 ~~those additional board approved locations and under such~~  
5 ~~conditions and regulations as the board may enforce to the~~  
6 ~~board, to individuals and to entities licensed by the board.~~

7 ~~(ii) If two (2) or more limited distilleries apply to~~  
8 ~~operate an additional board approved location in conjunction~~  
9 ~~with each other, the distilleries need only have one (1) board~~  
10 ~~approved manager for the location, need only pay one application~~  
11 ~~fee and need not designate specific or distinct areas for each~~  
12 ~~distillery's licensed area. A limited distillery must file an~~  
13 ~~application for the additional board approved location, and that~~  
14 ~~location shall count as one (1) of the two (2) permitted for~~  
15 ~~each limited distillery. A limited distillery is responsible for~~  
16 ~~keeping only its own complete records. A limited distillery may~~  
17 ~~be cited for a violation of the recordkeeping requirements of~~  
18 ~~sections 512 and 513 pertaining to its own records only.~~

19 ~~(3) The holder of a limited distillery license may apply for~~  
20 ~~and hold a hotel liquor license, a restaurant liquor license or~~  
21 ~~a malt and brewed beverages retail license to sell for~~  
22 ~~consumption at the restaurant or limited distillery on the~~  
23 ~~licensed distillery premises liquor, wine and malt or brewed~~  
24 ~~beverages regardless of the place of manufacture under the same~~  
25 ~~conditions and regulations as any other hotel liquor license,~~  
26 ~~restaurant liquor license or malt and brewed beverages retail~~  
27 ~~license.~~

28 ~~(4) The holder of a limited distillery license may sell food~~  
29 ~~for consumption on or off the licensed premises and at the~~  
30 ~~limited distillery's additional board approved locations, and~~

1 ~~may sell by the glass, at the licensed premises and at the~~  
2 ~~limited distillery's additional board approved locations, only~~  
3 ~~liquor that may otherwise be sold by the bottle.~~

4 ~~(5) The holder of a limited distillery license may provide~~  
5 ~~tasting samples of liquor that in total do not exceed one and~~  
6 ~~one half (1.5) fluid ounces per person on the licensed premises~~  
7 ~~and at the two (2) board approved locations. Samples may be sold~~  
8 ~~or provided free of charge and may only be provided between the~~  
9 ~~hours of nine o'clock antemeridian and eleven o'clock~~  
10 ~~postmeridian.~~

11 ~~(6) The fee for the limited distillery license shall be in~~  
12 ~~an amount to be determined by the board but shall not exceed one~~  
13 ~~thousand five hundred dollars (\$1,500).~~

14 ~~(7) The board may issue to the holder of a distillery~~  
15 ~~license a limited distillery license in exchange for the~~  
16 ~~distillery license provided that the applicant has not~~  
17 ~~manufactured more than one hundred thousand (100,000) gallons of~~  
18 ~~distilled liquor in the prior calendar year. The board may not~~  
19 ~~charge a fee for this exchange. An applicant under this~~  
20 ~~subsection shall surrender his distillery license for~~  
21 ~~cancellation prior to the issuance of the new limited distillery~~  
22 ~~license. The authority of the board to exchange a distillery~~  
23 ~~license for a limited distillery license under this subsection~~  
24 ~~and this subsection shall expire December 31, 2012.~~

25 ~~(c) (1) The holder of a distillery license as issued under~~  
26 ~~section 505 may sell bottled liquors produced on the licensed~~  
27 ~~premises to the board, to wine and spirits retail licensees and~~  
28 ~~other entities licensed by the board and to the public between~~  
29 ~~the hours of nine o'clock antemeridian and eleven o'clock~~  
30 ~~postmeridian so long as a specific code of distilled liquor~~

1 ~~which is listed for sale as a stock item by the board in State~~  
2 ~~liquor stores may not be offered for sale at a licensed~~  
3 ~~distillery location at a price which is lower than that charged~~  
4 ~~by the board and under such conditions and regulations as the~~  
5 ~~board may enforce.~~

6 ~~(2) The holder of a distillery license as issued under~~  
7 ~~section 505 may provide tasting samples of liquor that in total~~  
8 ~~do not exceed one and one half (1.5) fluid ounces. Samples may~~  
9 ~~be sold or provided free of charge between the hours of nine~~  
10 ~~o'clock antemeridian and eleven o'clock postmeridian.~~

11 ~~Section 47. Section 508 of the act, amended April 29, 1994~~  
12 ~~(P.L.212, No.30), is amended to read:~~

13 ~~Section 508. License Fees. (a) The annual fee for every~~  
14 ~~license issued to a limited winery or a winery shall be as~~  
15 ~~prescribed in section 614 A of the act of April 9, 1929~~  
16 ~~(P.L.177, No.175), known as "The Administrative Code of 1929."~~  
17 ~~The fee for every license issued to a distillery (manufacturer)~~  
18 ~~shall be as prescribed in section 614 A of "The Administrative~~  
19 ~~Code of 1929." The annual fee for all other licenses shall be as~~  
20 ~~prescribed in section 614 A of "The Administrative Code of~~  
21 ~~1929." An applicant for renewal of a license issued under this~~  
22 ~~article shall file a written application with the board together~~  
23 ~~with an application surcharge of seven hundred dollars (\$700).~~  
24 ~~Whenever any checks issued in payment of filing and/or license~~  
25 ~~fees shall be returned to the board as dishonored, the board~~  
26 ~~shall charge a fee of five dollars (\$5.00) per hundred dollars~~  
27 ~~or fractional part thereof, plus all protest fees, to the maker~~  
28 ~~of such check submitted to the board. Failure to make full~~  
29 ~~payment or pay the face amount of the check in full and all~~  
30 ~~charges thereon as herein required within ten days after demand~~

1 ~~has been made by the board upon the maker of the check, the~~  
2 ~~license of such person shall not be renewed for the license~~  
3 ~~period or validated for any interim period for such year.~~

4 ~~(b) For the purpose of this section, the term "proof gallon"~~  
5 ~~shall mean a gallon liquid which contains one half its volume of~~  
6 ~~alcohol of a specific gravity of seven thousand nine hundred~~  
7 ~~thirty nine ten thousandths (.7939) at sixty degrees Fahrenheit.~~

8 ~~Section 48. Section 801 of the act is amended to read:~~

9 ~~Section 801. Moneys Paid Into Liquor License Fund and~~  
10 ~~Returned to Municipalities. (a) The following fees collected~~  
11 ~~by the board under the provisions of this act shall be paid into~~  
12 ~~the State Treasury through the Department of Revenue into a~~  
13 ~~special fund to be known as the "Liquor License Fund":~~

14 ~~(1) License fees for hotel, restaurant and club liquor~~  
15 ~~licenses.~~

16 ~~(2) License fees for retail dispensers' (malt and brewed~~  
17 ~~beverages) licenses.~~

18 ~~(a.1) The license fees for grocery stores collected by the~~  
19 ~~board under the provisions of this act shall be paid into the~~  
20 ~~State Treasury through the Department of Revenue into The State~~  
21 ~~Stores Fund.~~

22 ~~(b) The moneys in the Liquor License Fund shall, on the~~  
23 ~~first days of February and August of each year, be paid by the~~  
24 ~~board to the respective municipalities in which the respective~~  
25 ~~licensed places are situated, in such amounts as represent the~~  
26 ~~aggregate license fees collected from licenses in such~~  
27 ~~municipalities during the preceding period.~~

28 ~~(c) The board shall have the power to appropriate moneys in~~  
29 ~~the Liquor License Fund for the payment of claims for refunds~~  
30 ~~allowed and approved by the board for moneys paid into the~~

1 ~~Liquor License Fund because of the over payment or overcharge on~~  
2 ~~license fees. In the event that the moneys in the Liquor License~~  
3 ~~Fund have been distributed to the respective municipalities, the~~  
4 ~~board shall have the authority to deduct from the next semi-~~  
5 ~~annual payment to the respective municipalities the amount of~~  
6 ~~any over payment previously refunded by the board to any person~~  
7 ~~on account of an overcharge or over payment on a license fee.~~

8 Section 49. ~~The act is amended by adding an article to read:~~

9 ARTICLE VIII A

10 SUPPLEMENTAL PROVISIONS

11 Section 801 A. Definitions.

12 The following words and phrases when used in this article  
13 shall have the meanings given to them in this section unless the  
14 context clearly indicates otherwise:

15 "Emergency act." The act of June 6, 1936 (Sp.Sess., P.L.13,  
16 No.4), entitled, as reenacted, "An act imposing an emergency  
17 State tax on liquor, as herein defined, sold by the Pennsylvania  
18 Liquor Control Board; providing for the collection and payment  
19 of such tax; and imposing duties upon the Department of Revenue  
20 and the Pennsylvania Liquor Control Board."

21 Section 802 A. Controlling provisions.

22 For the purpose of the emergency act, the following shall  
23 apply:

24 (1) The term "board" in the emergency act shall include:

25 (i) The board only to the extent the board is making  
26 sales:

27 (A) to the general public; or

28 (B) of liquor sold for on premises consumption  
29 to licensees holding a license permitting on premises  
30 consumption of liquor.



1 ~~(ii) A wine or spirits retail licensee.~~

2 ~~(iii) A wine or spirits wholesale licensee only to~~  
3 ~~the extent the wholesale licensee makes sales of liquor~~  
4 ~~sold for on premises consumption to licensees holding a~~  
5 ~~license permitting on premises consumption of liquor.~~

6 ~~(iv) A grocery store licensee only to the extent~~  
7 ~~that the sales of liquor are not sold under a license~~  
8 ~~authorizing the on premises consumption of liquor.~~

9 ~~(v) Any entity selling liquor to another entity that~~  
10 ~~is not required to pay the tax imposed by the emergency~~  
11 ~~act.~~

12 ~~(2) The term "net price" shall mean total receipts~~  
13 ~~received from the sale of liquor without any deductions for~~  
14 ~~cost or expenses, including, but not limited to:~~

15 ~~(i) Any reimbursement from manufacturers, purchasers~~  
16 ~~or other parties.~~

17 ~~(ii) In the case of a bundled sale which includes~~  
18 ~~liquor, the term includes the entire purchase price~~  
19 ~~charged for the bundled sale, unless a fair market price~~  
20 ~~for the liquor is separately stated on the sales document~~  
21 ~~given to the purchaser, then the term shall only include~~  
22 ~~the price charged for the liquor.~~

23 ~~(3) The tax imposed by the emergency act shall be~~  
24 ~~included in any advertised price, shelf price or any other~~  
25 ~~price for a container of liquor and shall not be listed as an~~  
26 ~~itemized tax on any sales receipt for the sale of liquor.~~

27 ~~(4) The emergency act shall be administered and enforced~~  
28 ~~under the provisions of Article II of the act of March 4,~~  
29 ~~1971 (P.L.6, No.2), known as the Tax Reform Code of 1971,~~  
30 ~~including the provisions of Article II concerning returns,~~

~~payment, assessment and enforcement where applicable, except that the exclusions and exemptions under Article II of the Tax Reform Code of 1971 shall not apply to the emergency act, except for the resale exemption, provided that exemption shall not be claimed for liquor purchased for on premises consumption.~~

~~(5) The term "fiscal month" shall mean "calendar month."~~

~~Section 50. This act shall take effect as follows:~~

~~(1) The addition of Article III A of the act shall take effect in 120 days.~~

~~(2) The addition of sections 401.1, 403.1, 404.1 and 406.2 of the act shall take effect in 60 days.~~

~~(3) The amendment or repeal of sections 207, 215 and 301 of the act shall take effect upon completion of divestiture of retail sale operations under Subarticle B of Article III A of the act.~~

~~(4) The amendment of section 208 of the act shall take effect upon completion of divestiture of wholesale operation under Subarticle C of Article III A of the act.~~

~~(5) The remainder of this act shall take effect immediately.~~

SECTION 1. THE DEFINITIONS OF "DISTRIBUTOR," "IMPORTING  
DISTRIBUTOR" AND "LIQUOR" IN SECTION 102 OF THE ACT OF APRIL 12,  
1951 (P.L.90, NO.21), KNOWN AS THE LIQUOR CODE, REENACTED AND  
AMENDED JUNE 29, 1987 (P.L.32, NO.14) AND AMENDED MAY 31, 1996  
(P.L.312, NO.49), ARE AMENDED AND THE SECTION IS AMENDED BY  
ADDING A DEFINITION 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:

1 \* \* \*

2 "DISTRIBUTOR" SHALL MEAN ANY PERSON LICENSED OR HOLDING A  
3 PERMIT AUTHORIZED BY THE BOARD TO SELL WINE, SELL LIQUOR OR TO  
4 ENGAGE IN THE PURCHASE ONLY FROM PENNSYLVANIA MANUFACTURERS AND  
5 FROM IMPORTING DISTRIBUTORS AND THE RESALE OF MALT OR BREWED  
6 BEVERAGES, EXCEPT TO IMPORTING DISTRIBUTORS AND DISTRIBUTORS, IN  
7 THE ORIGINAL SEALED CONTAINERS AS PREPARED FOR THE MARKET BY THE  
8 MANUFACTURER AT THE PLACE OF MANUFACTURE, BUT NOT FOR  
9 CONSUMPTION ON THE PREMISES WHERE SOLD, AND IN QUANTITIES OF NOT  
10 LESS THAN A CASE OR ORIGINAL CONTAINERS CONTAINING ONE HUNDRED  
11 TWENTY-EIGHT OUNCES OR MORE WHICH MAY BE SOLD SEPARATELY.

12 \* \* \*

13 "IMPORTING DISTRIBUTOR" SHALL MEAN ANY PERSON LICENSED OR  
14 HOLDING A PERMIT AUTHORIZED BY THE BOARD TO SELL WINE, SELL  
15 LIQUOR AND TO ENGAGE IN THE PURCHASE FROM MANUFACTURERS AND  
16 OTHER PERSONS LOCATED OUTSIDE THIS COMMONWEALTH AND FROM PERSONS  
17 LICENSED AS MANUFACTURERS OF MALT OR BREWED BEVERAGES AND  
18 IMPORTING DISTRIBUTORS UNDER THIS ACT, AND THE RESALE OF MALT OR  
19 BREWED BEVERAGES IN THE ORIGINAL SEALED CONTAINERS AS PREPARED  
20 FOR THE MARKET BY THE MANUFACTURER AT THE PLACE OF MANUFACTURE,  
21 BUT NOT FOR CONSUMPTION ON THE PREMISES WHERE SOLD, AND IN  
22 QUANTITIES OF NOT LESS THAN A CASE OR ORIGINAL CONTAINERS  
23 CONTAINING ONE HUNDRED TWENTY-EIGHT OUNCES OR MORE WHICH MAY BE  
24 SOLD SEPARATELY.

25 \* \* \*

26 "LIQUOR" EXCEPT AS PROVIDED IN SECTIONS 207(A.1), 410.1(C),  
27 415(F) AND 416(L), SHALL MEAN AND INCLUDE ANY ALCOHOLIC,  
28 SPIRITUOUS, VINOUS, FERMENTED OR OTHER ALCOHOLIC BEVERAGE, OR  
29 COMBINATION OF LIQUORS AND MIXED LIQUOR A PART OF WHICH IS  
30 SPIRITUOUS, VINOUS, FERMENTED OR OTHERWISE ALCOHOLIC, INCLUDING

1 ALL DRINKS OR DRINKABLE LIQUIDS, PREPARATIONS OR MIXTURES, AND  
2 REUSED, RECOVERED OR REDISTILLED DENATURED ALCOHOL USABLE OR  
3 TAXABLE FOR BEVERAGE PURPOSES WHICH CONTAIN MORE THAN ONE-HALF  
4 OF ONE PER CENT OF ALCOHOL BY VOLUME, EXCEPT PURE ETHYL ALCOHOL  
5 AND MALT OR BREWED BEVERAGES.

6 \* \* \*

7 "UNLICENSED ENTITY" SHALL MEAN A PERSON NOT HOLDING A LICENSE  
8 ISSUED PURSUANT TO THIS ACT THAT POSSESSES A VALID WINE ENHANCED  
9 PERMIT OR LIQUOR ENHANCED PERMIT UNDER SECTION 416(F).

10 SECTION 2. SECTION 207(B) OF THE ACT IS AMENDED AND THE  
11 SECTION IS AMENDED BY ADDING A SUBSECTION TO READ:

12 SECTION 207. GENERAL POWERS OF BOARD.--UNDER THIS ACT, THE  
13 BOARD SHALL HAVE THE POWER AND ITS DUTY SHALL BE:

14 \* \* \*

15 (A.1) (1) TO CLOSE PENNSYLVANIA LIQUOR STORES. BEFORE  
16 MAKING A DETERMINATION TO CLOSE A PENNSYLVANIA LIQUOR STORE, THE  
17 BOARD SHALL TAKE INTO CONSIDERATION THE AVAILABILITY AND  
18 ACCESSIBILITY OF LIQUOR TO THE PUBLIC THROUGH THE PRIVATE RETAIL  
19 MARKET, THE PRICING OF LIQUOR IN THE AREA AND THE PROFITABILITY  
20 OF THE STORE.

21 (2) AVAILABILITY AND ACCESSIBILITY OF LIQUOR SHALL BE  
22 DETERMINED BY THE PROXIMITY OF THE CLOSEST HOLDER OF A WINE AND  
23 LIQUOR ENHANCED PERMIT UNDER SECTION 416. THE BOARD SHALL  
24 IDENTIFY THE TWO CLOSEST DISTRIBUTORS OR IMPORTING DISTRIBUTORS.  
25 IF ONE OF THE DISTRIBUTORS OR IMPORTING DISTRIBUTORS IS SELLING  
26 WINE AND LIQUOR UNDER SECTION 416 OR, IF THERE IS AN UNLICENSED  
27 ENTITY SELLING WINE AND LIQUOR UNDER SECTION 416 WITHIN THE SAME  
28 PROXIMITY OF THE TWO CLOSEST DISTRIBUTORS OR IMPORTING  
29 DISTRIBUTORS, THEN THE BOARD SHALL CLOSE THE STORE.

30 (3) A PENNSYLVANIA LIQUOR STORE DESIGNATED FOR CLOSURE SHALL

1 CEASE OPERATIONS WITHIN SIXTY DAYS.

2 (4) THE BOARD SHALL ARRANGE FOR THE DISPOSITION OF THE  
3 LIQUOR REMAINING IN INVENTORY AT A DESIGNATED STORE. IN ORDER TO  
4 EFFECTUATE THIS SUBSECTION, THE BOARD MAY, IN CONSULTATION WITH  
5 THE DEPARTMENT OF GENERAL SERVICES, DO ANY OF THE FOLLOWING:

6 (I) COORDINATE WITH THE VENDOR OF RECORD FOR THE REPURCHASE  
7 OF PRODUCTS BY THE VENDOR OF RECORD.

8 (II) SELL PRODUCTS TO HOLDERS OF WINE OR LIQUOR EXPANDED OR  
9 ENHANCED PERMITS OR AN UNLICENSED WINE OR LIQUOR ENHANCED PERMIT  
10 HOLDER.

11 (III) TRANSPORT PRODUCTS FOR SALE AT ANOTHER OPERATING  
12 PENNSYLVANIA LIQUOR STORE.

13 (5) THE DEPARTMENT OF GENERAL SERVICES, IN CONSULTATION WITH  
14 THE BOARD, SHALL ESTABLISH A PROCEDURE FOR THE SALE OF THE  
15 NONLIQUOR INVENTORY, PROPERTY AND FIXTURES OF ALL PENNSYLVANIA  
16 LIQUOR STORES CONSISTENT WITH 62 PA.C.S. CH. 15 (RELATING TO  
17 SUPPLY MANAGEMENT). THE HOLDERS OF WINE OR LIQUOR ENHANCED  
18 PERMITS SHALL HAVE THE OPPORTUNITY TO BID ON THE ITEMS TO BE  
19 SOLD OR OTHERWISE PARTICIPATE IN THE SALE. ALL PROCEEDS FROM THE  
20 SALES SHALL BE DEPOSITED INTO THE STATE STORE FUND.

21 (6) THE BOARD SHALL PROVIDE IMMEDIATE NOTICE TO THE LESSOR  
22 UPON RECEIPT OF NOTICE TO CLOSE A DESIGNATED PENNSYLVANIA LIQUOR  
23 STORE ISSUED BY THE DEPARTMENT OF GENERAL SERVICES. THE BOARD  
24 SHALL REIMBURSE THE LESSOR FOR ANY OUTSTANDING RENOVATION COSTS  
25 THAT WERE INCURRED DURING THE TERM OF THE CURRENT LEASE AS OF  
26 THE EFFECTIVE DATE OF THE ACT.

27 (B) TO CONTROL THE MANUFACTURE, POSSESSION, SALE,  
28 CONSUMPTION, IMPORTATION, USE, STORAGE, TRANSPORTATION AND  
29 DELIVERY OF LIQUOR, ALCOHOL AND MALT OR BREWED BEVERAGES IN  
30 ACCORDANCE WITH THE PROVISIONS OF THIS ACT, AND TO FIX THE

1 WHOLESALE AND RETAIL PRICES AT WHICH LIQUORS AND ALCOHOL SHALL  
2 BE SOLD AT PENNSYLVANIA LIQUOR STORES.

3 (1) PRICES SHALL BE PROPORTIONAL WITH PRICES PAID BY THE  
4 BOARD TO ITS SUPPLIERS AND SHALL REFLECT ANY ADVANTAGE OBTAINED  
5 THROUGH VOLUME PURCHASES BY THE BOARD.

6 (2) THE BOARD MAY ESTABLISH A PREFERENTIAL PRICE STRUCTURE  
7 FOR WINES PRODUCED WITHIN THIS COMMONWEALTH FOR THE PROMOTION OF  
8 SUCH WINES, AS LONG AS THE PRICE STRUCTURE IS UNIFORM WITHIN  
9 EACH CLASS OF WINE PURCHASED BY THE BOARD.

10 (3) THE BOARD SHALL REQUIRE EACH PENNSYLVANIA MANUFACTURER  
11 AND EACH NONRESIDENT MANUFACTURER OF LIQUORS, OTHER THAN WINE,  
12 SELLING SUCH LIQUORS TO THE BOARD, WHICH ARE NOT MANUFACTURED IN  
13 THIS COMMONWEALTH, TO MAKE APPLICATION FOR AND BE GRANTED A  
14 PERMIT BY THE BOARD BEFORE SUCH LIQUORS NOT MANUFACTURED IN THIS  
15 COMMONWEALTH SHALL BE PURCHASED FROM SUCH MANUFACTURER. EACH  
16 SUCH MANUFACTURER SHALL PAY FOR SUCH PERMIT A FEE WHICH, IN THE  
17 CASE OF A MANUFACTURER OF THIS COMMONWEALTH, SHALL BE EQUAL TO  
18 THAT REQUIRED TO BE PAID, IF ANY, BY A MANUFACTURER OR  
19 WHOLESALE OF THE STATE, TERRITORY OR COUNTRY OF ORIGIN OF THE  
20 LIQUORS, FOR SELLING LIQUORS MANUFACTURED IN PENNSYLVANIA, AND  
21 IN THE CASE OF A NONRESIDENT MANUFACTURER, SHALL BE EQUAL TO  
22 THAT REQUIRED TO BE PAID, IF ANY, IN SUCH STATE, TERRITORY OR  
23 COUNTRY BY PENNSYLVANIA MANUFACTURERS DOING BUSINESS IN SUCH  
24 STATE, TERRITORY OR COUNTRY. IN THE EVENT THAT ANY SUCH  
25 MANUFACTURER SHALL, IN THE OPINION OF THE BOARD, SELL OR ATTEMPT  
26 TO SELL LIQUORS TO THE BOARD THROUGH ANOTHER PERSON FOR THE  
27 PURPOSE OF EVADING THIS PROVISION RELATING TO PERMITS, THE BOARD  
28 SHALL REQUIRE SUCH PERSON, BEFORE PURCHASING LIQUORS FROM HIM OR  
29 IT, TO TAKE OUT A PERMIT AND PAY THE SAME FEE AS HEREINBEFORE  
30 REQUIRED TO BE PAID BY SUCH MANUFACTURER. ALL PERMIT FEES SO

1 COLLECTED SHALL BE PAID INTO THE STATE STORES FUND.

2 (4) THE BOARD SHALL NOT PURCHASE ANY ALCOHOL OR LIQUOR  
3 FERMENTED, DISTILLED, RECTIFIED, COMPOUNDED OR BOTTLED IN ANY  
4 STATE, TERRITORY OR COUNTRY, THE LAWS OF WHICH RESULT IN  
5 PROHIBITING THE IMPORTATION THEREIN OF ALCOHOL OR LIQUOR,  
6 FERMENTED, DISTILLED, RECTIFIED, COMPOUNDED OR BOTTLED IN  
7 PENNSYLVANIA.

8 (5) THE BOARD'S AUTHORITY TO EXERCISE THE POWERS GRANTED  
9 PURSUANT TO THIS SUBSECTION IS SUBJECT TO THE LIMITATIONS SET  
10 FORTH IN SECTIONS 207(A.1), 410.1 AND 410.2.

11 \* \* \*

12 SECTION 2.1. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

13 SECTION 302.1. CAREER TRAINING AND POSTSECONDARY EDUCATION  
14 GRANT ELIGIBILITY.--(A) A DISPLACED EMPLOYEE SHALL BE ELIGIBLE  
15 FOR AN EXTENSION OF A GRANT UNDER THE ACT OF ACT OF JANUARY 25,  
16 1966 (1965 P.L.1546, NO.541), REFERRED TO AS THE HIGHER  
17 EDUCATION SCHOLARSHIP LAW, FOR AN ADDITIONAL FOUR (4) YEARS,  
18 SHOULD THEIR ELIGIBILITY OTHERWISE BE EXPIRED.

19 (B) IN ORDER TO BE ELIGIBLE, A DISPLACED EMPLOYEE MUST BE  
20 TERMINATED AS A SOLE AND DIRECT RESULT OF THE DIVESTITURE OF THE  
21 WHOLESALE AND RETAIL OPERATIONS UNDER THIS ACT.

22 (C) THE BOARD SHALL CERTIFY A LIST OF DISPLACED EMPLOYEES TO  
23 THE PENNSYLVANIA HIGHER EDUCATION ASSISTANCE AGENCY.

24 (D) THE PENNSYLVANIA HIGHER EDUCATION ASSISTANCE AGENCY  
25 SHALL MAKE A DETERMINATION OF GRANT ELIGIBILITY AND SHALL PAY  
26 THE GRANT DIRECTLY TO THE INSTITUTION OF HIGHER EDUCATION  
27 ATTENDED BY THE DISPLACED EMPLOYEE IN A MANNER CONSISTENT WITH  
28 THE AGENCY'S REGULATIONS.

29 SECTION 3. SECTION 402 OF THE ACT IS AMENDED BY ADDING A  
30 SUBSECTION TO READ:

1 SECTION 402. LICENSE DISTRICTS; LICENSE PERIOD; HEARINGS.--\*

2 \* \*

3 (D) THIS SECTION SHALL NOT APPLY TO LICENSEES HOLDING A  
4 VALID WINE OR LIQUOR EXPANDED OR WINE OR LIQUOR ENHANCED PERMIT  
5 UNDER SECTION 415 OR 416.

6 SECTION 4. SECTION 404 OF THE ACT, AMENDED JANUARY 6, 2006  
7 (P.L.1, NO.1), IS AMENDED TO READ:

8 SECTION 404. ISSUANCE, TRANSFER OR EXTENSION OF HOTEL,  
9 RESTAURANT AND CLUB LIQUOR LICENSES.--UPON RECEIPT OF THE  
10 APPLICATION AND THE PROPER FEES, AND UPON BEING SATISFIED OF THE  
11 TRUTH OF THE STATEMENTS IN THE APPLICATION THAT THE APPLICANT IS  
12 THE ONLY PERSON IN ANY MANNER PECUNIARILY INTERESTED IN THE  
13 BUSINESS SO ASKED TO BE LICENSED AND THAT NO OTHER PERSON WILL  
14 BE IN ANY MANNER PECUNIARILY INTERESTED THEREIN DURING THE  
15 CONTINUANCE OF THE LICENSE, EXCEPT AS HEREINAFTER PERMITTED, AND  
16 THAT THE APPLICANT IS A PERSON OF GOOD REPUTE, THAT THE PREMISES  
17 APPLIED FOR MEET ALL THE REQUIREMENTS OF THIS ACT AND THE  
18 REGULATIONS OF THE BOARD, THAT THE APPLICANT SEEKS A LICENSE FOR  
19 A HOTEL, RESTAURANT OR CLUB, AS DEFINED IN THIS ACT, AND THAT  
20 THE ISSUANCE OF SUCH LICENSE IS NOT PROHIBITED BY ANY OF THE  
21 PROVISIONS OF THIS ACT, THE BOARD SHALL, IN THE CASE OF A HOTEL  
22 OR RESTAURANT, GRANT AND ISSUE TO THE APPLICANT A LIQUOR  
23 LICENSE, AND IN THE CASE OF A CLUB MAY, IN ITS DISCRETION, ISSUE  
24 OR REFUSE A LICENSE: PROVIDED, HOWEVER, THAT IN THE CASE OF ANY  
25 NEW LICENSE OR THE TRANSFER OF ANY LICENSE TO A NEW LOCATION OR  
26 THE EXTENSION OF AN EXISTING LICENSE TO COVER AN ADDITIONAL AREA  
27 THE BOARD MAY, IN ITS DISCRETION, GRANT OR REFUSE SUCH NEW  
28 LICENSE, TRANSFER OR EXTENSION IF SUCH PLACE PROPOSED TO BE  
29 LICENSED IS WITHIN THREE HUNDRED FEET OF ANY CHURCH, HOSPITAL,  
30 CHARITABLE INSTITUTION, SCHOOL, OR PUBLIC PLAYGROUND, OR IF SUCH



1 NEW LICENSE, TRANSFER OR EXTENSION IS APPLIED FOR A PLACE WHICH  
2 IS WITHIN TWO HUNDRED FEET OF ANY OTHER PREMISES WHICH IS  
3 LICENSED BY THE BOARD: AND PROVIDED FURTHER, THAT THE BOARD'S  
4 AUTHORITY TO REFUSE TO GRANT A LICENSE BECAUSE OF ITS PROXIMITY  
5 TO A CHURCH, HOSPITAL, CHARITABLE INSTITUTION, PUBLIC PLAYGROUND  
6 OR OTHER LICENSED PREMISES SHALL NOT BE APPLICABLE TO LICENSE  
7 APPLICATIONS SUBMITTED FOR PUBLIC VENUES OR PERFORMING ARTS  
8 FACILITIES: AND PROVIDED FURTHER, THAT THE BOARD SHALL REFUSE  
9 ANY APPLICATION FOR A NEW LICENSE, THE TRANSFER OF ANY LICENSE  
10 TO A NEW LOCATION OR THE EXTENSION OF AN EXISTING LICENSE TO  
11 COVER AN ADDITIONAL AREA IF, IN THE BOARD'S OPINION, SUCH NEW  
12 LICENSE, TRANSFER OR EXTENSION WOULD BE DETRIMENTAL TO THE  
13 WELFARE, HEALTH, PEACE AND MORALS OF THE INHABITANTS OF THE  
14 NEIGHBORHOOD WITHIN A RADIUS OF FIVE HUNDRED FEET OF THE PLACE  
15 PROPOSED TO BE LICENSED: AND PROVIDED FURTHER, THAT THE BOARD  
16 SHALL HAVE THE DISCRETION TO REFUSE A LICENSE TO ANY PERSON OR  
17 TO ANY CORPORATION, PARTNERSHIP OR ASSOCIATION IF SUCH PERSON,  
18 OR ANY OFFICER OR DIRECTOR OF SUCH CORPORATION, OR ANY MEMBER OR  
19 PARTNER OF SUCH PARTNERSHIP OR ASSOCIATION SHALL HAVE BEEN  
20 CONVICTED OR FOUND GUILTY OF A FELONY WITHIN A PERIOD OF FIVE  
21 YEARS IMMEDIATELY PRECEDING THE DATE OF APPLICATION FOR THE SAID  
22 LICENSE. [THE BOARD SHALL REFUSE ANY APPLICATION FOR A NEW  
23 LICENSE, THE TRANSFER OF ANY LICENSE TO A NEW LOCATION OR THE  
24 EXTENSION OF ANY LICENSE TO COVER AN ADDITIONAL AREA WHERE THE  
25 SALE OF LIQUID FUELS OR OIL IS CONDUCTED.] THE BOARD SHALL NOT  
26 LICENSE THE AREA WHERE LIQUID FUELS OR OIL IS SOLD. NO SALES OF  
27 LIQUID FUELS OR OIL MAY BE MADE FROM A LICENSEE'S LICENSED  
28 PREMISES. A LICENSED PREMISES MAY NOT HAVE AN INTERIOR  
29 CONNECTION WITH A LOCATION THAT SELLS LIQUID FUELS OR OILS  
30 UNLESS IT FIRST RECEIVES PERMISSION FROM THE BOARD FOR THE

1 INTERIOR CONNECTION. THE APPROVAL SHALL BE REQUIRED REGARDLESS  
2 OF WHETHER THE LICENSEE OR ANOTHER PARTY IS THE ENTITY SELLING  
3 THE LIQUID FUELS OR OILS. THE BOARD MAY ENTER INTO AN AGREEMENT  
4 WITH THE APPLICANT CONCERNING ADDITIONAL RESTRICTIONS ON THE  
5 LICENSE IN QUESTION. IF THE BOARD AND THE APPLICANT ENTER INTO  
6 SUCH AN AGREEMENT, SUCH AGREEMENT SHALL BE BINDING ON THE  
7 APPLICANT. FAILURE BY THE APPLICANT TO ADHERE TO THE AGREEMENT  
8 WILL BE SUFFICIENT CAUSE TO FORM THE BASIS FOR A CITATION UNDER  
9 SECTION 471 AND FOR THE NONRENEWAL OF THE LICENSE UNDER SECTION  
10 470. IF THE BOARD ENTERS INTO AN AGREEMENT WITH AN APPLICANT  
11 CONCERNING ADDITIONAL RESTRICTIONS, THOSE RESTRICTIONS SHALL BE  
12 BINDING ON SUBSEQUENT HOLDERS OF THE LICENSE UNTIL THE LICENSE  
13 IS TRANSFERRED TO A NEW LOCATION OR UNTIL THE BOARD ENTERS INTO  
14 A SUBSEQUENT AGREEMENT REMOVING THOSE RESTRICTIONS. IF THE  
15 APPLICATION IN QUESTION INVOLVES A LOCATION PREVIOUSLY LICENSED  
16 BY THE BOARD, THEN ANY RESTRICTIONS IMPOSED BY THE BOARD ON THE  
17 PREVIOUS LICENSE AT THAT LOCATION SHALL BE BINDING ON THE  
18 APPLICANT UNLESS THE BOARD ENTERS INTO A NEW AGREEMENT  
19 RESCINDING THOSE RESTRICTIONS. THE BOARD MAY, IN ITS DISCRETION,  
20 REFUSE AN APPLICATION FOR AN ECONOMIC DEVELOPMENT LICENSE UNDER  
21 SECTION 461(B.1) OR AN APPLICATION FOR AN INTERMUNICIPAL  
22 TRANSFER OF A LICENSE IF THE BOARD RECEIVES A PROTEST FROM THE  
23 GOVERNING BODY OF THE RECEIVING MUNICIPALITY. THE RECEIVING  
24 MUNICIPALITY OF AN INTERMUNICIPAL TRANSFER OR AN ECONOMIC  
25 DEVELOPMENT LICENSE UNDER SECTION 461(B.1) MAY FILE A PROTEST  
26 AGAINST THE TRANSFER OF A LICENSE INTO ITS MUNICIPALITY, AND THE  
27 RECEIVING MUNICIPALITY SHALL HAVE STANDING IN A HEARING TO  
28 PRESENT TESTIMONY IN SUPPORT OF OR AGAINST THE ISSUANCE OR  
29 TRANSFER OF A LICENSE. UPON ANY OPENING IN ANY QUOTA, AN  
30 APPLICATION FOR A NEW LICENSE SHALL ONLY BE FILED WITH THE BOARD

1 FOR A PERIOD OF SIX MONTHS FOLLOWING SAID OPENING.

2 SECTION 5. THE ACT IS AMENDED BY ADDING SECTIONS TO READ:

3 SECTION 410.1. WHOLESALE PERMIT.--(A) NOTWITHSTANDING ANY  
4 OTHER PROVISION OF LAW, AN IMPORTER LICENSED UNDER ARTICLE V MAY  
5 MAKE APPLICATION TO THE BOARD ON FORMS PRESCRIBED BY THE BOARD  
6 FOR A WHOLESALE PERMIT FOR THE PURPOSE OF SELLING AND  
7 DISTRIBUTING WHOLESALE WINE OR LIQUOR TO LICENSEES, UNLICENSED  
8 WINE OR LIQUOR ENHANCED PERMIT HOLDERS AND TO UNITED STATES  
9 ARMED FORCES FACILITIES LOCATED ON UNITED STATES ARMED FORCES  
10 INSTALLATIONS WITHIN THIS COMMONWEALTH. WITHIN 30 DAYS OF THE  
11 EFFECTIVE DATE OF THIS SECTION, THE BOARD SHALL ACCEPT  
12 APPLICATIONS, AND THE BOARD SHALL APPROVE THE ISSUANCE OF A  
13 WHOLESALE PERMIT WITHIN 60 DAYS OF RECEIPT OF THE APPLICATION IF  
14 THE APPLICANT MEETS THE REQUIREMENTS UNDER THIS SECTION.  
15 APPLICANTS SHALL SUBMIT THE INITIAL PERMIT FEE WITH THEIR  
16 APPLICATION TO THE BOARD. THE DEPARTMENT OF REVENUE SHALL AUDIT  
17 RETAILERS TO DETERMINE WHETHER WHOLESALE PERMIT HOLDERS,  
18 LICENSEES OR UNLICENSED WINE OR LIQUOR ENHANCED PERMIT HOLDERS  
19 ARE REMITTING THE TAX IMPOSED UNDER SECTIONS 415 AND 416 AND  
20 ARTICLE II OF THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS  
21 THE "TAX REFORM CODE OF 1971," FOR PRODUCTS SOLD FOR CONSUMPTION  
22 ON AND OFF THE PREMISES. THE FOLLOWING SHALL APPLY:

23 (1) THE WHOLESALE PERMIT HOLDER SHALL:

24 (I) PROVIDE TO THE BOARD A LIST OF THE BRANDS OF WINE OR  
25 LIQUOR IT WILL DISTRIBUTE.

26 (II) SERVE ALL LICENSEES OR UNLICENSED WINE OR LIQUOR  
27 ENHANCED PERMIT HOLDERS AUTHORIZED TO PURCHASE AND RESELL WINE  
28 OR LIQUOR UNDER THIS ACT AND MAKE WINE OR LIQUOR AVAILABLE FOR  
29 SALE TO THOSE LICENSEES OR UNLICENSED WINE OR LIQUOR ENHANCED  
30 PERMIT HOLDERS UNDER THE SAME PRICING STRUCTURE.

1 (III) POST PRICES WITH THE BOARD AND GIVE WRITTEN NOTICE OF  
2 PRICE CHANGES TO THE BOARD AT LEAST 30 DAYS BEFORE THE EFFECTIVE  
3 DATE OF THE PRICE CHANGE. ALL PRICE CHANGES SHALL BE EFFECTIVE  
4 ON THE FIRST DAY OF THE MONTH.

5 (IV) KEEP A DETAILED LOG OF WHOLESALE WINE OR LIQUOR  
6 TRANSACTIONS, INCLUDING SALES TO LICENSEES OR UNLICENSED WINE OR  
7 LIQUOR ENHANCED PERMIT HOLDERS UNDER THIS ACT.

8 (2) THE WHOLESALE PERMIT HOLDER MAY SELL AND DISTRIBUTE MORE  
9 THAN ONE BRAND OF WINE OR LIQUOR UNDER THE SAME PERMIT AND SHALL  
10 PROVIDE ANY CONTRACTUAL AGREEMENTS BETWEEN THE WHOLESALE PERMIT  
11 HOLDER AND THE LICENSED MANUFACTURER TO THE BOARD.

12 (3) THE WHOLESALE PERMIT HOLDER MAY AMEND THE LIST OF BRANDS  
13 OF WINE OR LIQUOR IT DISTRIBUTES TO INCLUDE ADDITIONAL BRANDS OF  
14 WINE OR LIQUOR. THE FOLLOWING SHALL APPLY:

15 (I) FOR BRANDS OF LIQUOR THAT HAVE NOT BEEN SOLD BY THE  
16 BOARD AT PENNSYLVANIA LIQUOR STORES OR THROUGH SPECIAL LIQUOR  
17 ORDERS, THE WHOLESALE PERMIT HOLDERS SHALL APPLY TO THE BOARD  
18 FOR PERMISSION TO ADD THAT BRAND TO THE PERMIT HOLDER'S LIST OF  
19 BRANDS PERMITTED TO BE SOLD UNDER THE PERMIT.

20 (II) FOR EACH NEW BRAND OF LIQUOR, AN APPLICATION FILING FEE  
21 OF TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500) SHALL BE SUBMITTED  
22 WITH THE APPLICATION.

23 (4) THE WINE OR LIQUOR PRODUCTS SHIPPED INTO THIS  
24 COMMONWEALTH MUST BE DELIVERED TO THE WHOLESALE PERMIT HOLDER'S  
25 LICENSED PREMISES. UPON DELIVERY, THE PRODUCTS SHALL BE  
26 UNLOADED, INVENTORIED AND REMAIN ON THE LICENSED PREMISES FOR  
27 FORTY-EIGHT HOURS BEFORE DELIVERY IS MADE TO LICENSEES OR  
28 UNLICENSED WINE OR LIQUOR ENHANCED PERMIT HOLDERS. DURING THAT  
29 TIME PERIOD, THE BOARD MAY INSPECT AND INVENTORY IMPORTER  
30 WAREHOUSES.

1 (5) THE WHOLESALE PERMIT HOLDER MAY NOT ENGAGE IN CONDUCT  
2 THAT WOULD CONSTITUTE ANY OF THE FOLLOWING:

3 (I) VARIABLE PRICING.

4 (II) UNFAIR OR DECEPTIVE TRADE PRACTICES PROSCRIBED UNDER  
5 FEDERAL OR STATE LAW OR REGULATION.

6 (III) INTENTIONAL EXCLUSION OF COMPETING BRANDS OF WINE OR  
7 LIQUOR FROM THE MARKETPLACE.

8 (6) THE WHOLESALE PERMIT HOLDER MAY ONLY SELL AND DISTRIBUTE  
9 THOSE PRODUCTS IN THIS COMMONWEALTH THAT ARE SUBJECT TO A  
10 CONTRACTUAL RELATIONSHIP BETWEEN THE WHOLESALE PERMIT HOLDER AND  
11 ONE OR MORE LICENSED MANUFACTURERS OR SUPPLIERS OF WINE OR  
12 LIQUOR.

13 (7) A WHOLESALE PERMIT HOLDER SHALL REMIT TO THE DEPARTMENT  
14 OF REVENUE ALL APPLICABLE TAXES. A WHOLESALE PERMIT HOLDER SHALL  
15 BE CONSIDERED A STATE LIQUOR STORE FOR THE PURPOSE OF COLLECTING  
16 AND REMITTING TAXES UNDER ARTICLE II OF THE "TAX REFORM CODE OF  
17 1971" FOR PRODUCTS SOLD BY LICENSEES FOR ON-PREMISES  
18 CONSUMPTION.

19 (8) THE EMERGENCY STATE TAX IMPOSED UNDER THE ACT OF JUNE 9,  
20 1936 (1ST SP.SESS., P.L.13, NO.4), ENTITLED "AN ACT IMPOSING AN  
21 EMERGENCY STATE TAX ON LIQUOR, AS HEREIN DEFINED, SOLD BY THE  
22 PENNSYLVANIA LIQUOR CONTROL BOARD; PROVIDING FOR THE COLLECTION  
23 AND PAYMENT OF SUCH TAX; AND IMPOSING DUTIES UPON THE DEPARTMENT  
24 OF REVENUE AND THE PENNSYLVANIA LIQUOR CONTROL BOARD," SHALL BE  
25 INCLUDED IN THE RETAIL PRICE OF WINE OR LIQUOR OFFERED FOR SALE  
26 BY A WINE OR LIQUOR EXPANDED PERMIT HOLDER UNDER SECTION 415 OR  
27 BY A WINE OR LIQUOR ENHANCED PERMIT HOLDER UNDER SECTION 416.  
28 THE TAX MAY NOT BE ASSESSED AT THE POINT OF SALE TO CONSUMERS.  
29 LICENSEES OR UNLICENSED WINE OR LIQUOR ENHANCED PERMIT HOLDERS  
30 SELLING WINE OR LIQUOR AT RETAIL SHALL BE REQUIRED TO REMIT THE

1 TAXES TO THE DEPARTMENT OF REVENUE.

2 (9) NO WHOLESALE PERMIT HOLDER UNDER THIS SECTION MAY HOLD A  
3 LICENSE OR PERMIT TO ENGAGE IN ANY SALES OF WINE OR LIQUOR AT  
4 RETAIL TO RESIDENTS OF THIS COMMONWEALTH AND NO LICENSEE OR  
5 PERMIT HOLDER SELLING WINE OR LIQUOR AT RETAIL IN THIS  
6 COMMONWEALTH MAY OBTAIN A WHOLESALE PERMIT FROM THE BOARD. NO  
7 WHOLESALE PERMIT MAY BE ISSUED TO ANY WINE OR LIQUOR  
8 MANUFACTURER OR PRODUCER.

9 (10) ANY LICENSED IMPORTER THAT WISHES TO OBTAIN A WHOLESALE  
10 PERMIT SHALL DO ALL OF THE FOLLOWING:

11 (I) NOTIFY THE BOARD IN WRITING.

12 (II) PAY THE PERMITTING FEES SPECIFIED UNDER PARAGRAPH (11).

13 (III) PROVIDE A STATEMENT TO THE BOARD INDICATING THAT THE  
14 LICENSED IMPORTER PLANS TO CONTINUOUSLY OPERATE UNDER THE  
15 WHOLESALE PERMIT FOR THE DURATION OF THE PERMIT. THE WHOLESALE  
16 PERMIT SHALL BE IN EFFECT FOR TEN YEARS FROM THE DATE OF  
17 ISSUANCE AND SHALL BE RENEWED YEARLY WITH THE BOARD UNLESS  
18 SUSPENDED, REVOKED OR NOT RENEWED.

19 (11) WHOLESALE PERMIT FEES SHALL BE AS FOLLOWS:

20 (I) A LICENSED IMPORTER SHALL SUBMIT AN INITIAL FEE EQUAL TO  
21 FIFTEEN PER CENTUM (15%) OF THE COST OF GOODS SOLD WITH THE  
22 APPLICATION. FOR PURPOSES OF THIS PARAGRAPH, "COST OF GOODS  
23 SOLD" SHALL BE DETERMINED AS THE PURCHASE PRICE THE BOARD PAID  
24 TO THE LICENSED IMPORTER FOR PRODUCTS SOLD BY THE BOARD IN THE  
25 MOST RECENT TWELVE (12) MONTH PERIOD.

26 (II) A WHOLESALE PERMIT HOLDER SHALL PAY A RENEWAL FEE EQUAL  
27 TO FIFTEEN PER CENTUM (15%) OF ITS GROSS RECEIPTS FOR EACH  
28 CALENDAR QUARTER UPON COMMENCEMENT OF ITS WHOLESALE OPERATIONS.

29 (III) THE RENEWAL FEE SHALL BE DUE AND PAYABLE ON THE  
30 TWENTIETH DAY OF APRIL, JULY, OCTOBER AND JANUARY. THE PERMIT

1 HOLDER SHALL FILE A RETURN AND REMIT PAYMENT ON THE FORM AS  
2 PRESCRIBED BY THE BOARD.

3 (IV) FOR PURPOSES OF THIS PARAGRAPH, GROSS RECEIPTS SHALL BE  
4 DETERMINED AS THE TOTAL OF ALL SALES OF WINE AND LIQUOR MADE TO  
5 THE BOARD, LICENSEES AND UNLICENSED WINE OR LIQUOR ENHANCED  
6 PERMIT HOLDERS.

7 (12) ANY VIOLATION OF THIS ACT OR THE BOARD'S REGULATIONS  
8 FOR GOVERNING ACTIVITY OCCURRING UNDER THE AUTHORITY OF THE  
9 WHOLESALE PERMIT MAY BE THE BASIS FOR ANY OF THE FOLLOWING:

10 (I) A FINE, SUSPENSION OR WHOLESALE PERMIT REVOCATION.

11 (II) NONRENEWAL OF THE IMPORTER LICENSE.

12 (III) OTHER PENALTIES AUTHORIZED UNDER SECTION 471.

13 (13) THE BOARD SHALL HAVE NO AUTHORITY TO DO ANY OF THE  
14 FOLLOWING ONCE WHOLESALE PERMITS HAVE BEEN ISSUED AND PERMIT  
15 HOLDERS HAVE COMMENCED PROVIDING WHOLESALE PRODUCTS TO LICENSEES  
16 AND PERMIT HOLDERS:

17 (I) DETERMINE WHAT WINES OR LIQUOR PRODUCTS MAY BE SOLD IN  
18 THIS COMMONWEALTH.

19 (II) SET THE PRICE AT WHICH PRODUCTS MAY BE SOLD AT  
20 WHOLESALE OR RETAIL IN THIS COMMONWEALTH.

21 (III) SELL PRODUCTS AT WHOLESALE TO RETAIL LICENSEES OR  
22 UNLICENSED WINE OR LIQUOR ENHANCED PERMIT HOLDERS.

23 (B) ALL FEES PAID TO THE BOARD UNDER THIS SECTION SHALL BE  
24 DEPOSITED INTO THE GENERAL FUND.

25 (C) FOR THE PURPOSES OF THIS SECTION, THE TERM "LIQUOR"  
26 SHALL NOT INCLUDE WINE.

27 SECTION 410.2. WHOLESALE LICENSES.-- (A) AT THE CONCLUSION  
28 OF THE TEN-YEAR WHOLESALE PERMIT UNDER SECTION 410.1., THE  
29 COMMONWEALTH'S WHOLESALE WINE AND LIQUOR SYSTEM SHALL BE  
30 DIVESTED.

1 (B) AT THE CONCLUSION OF THE TEN-YEAR WHOLESALE PERMIT, THE  
2 HOLDER OF A WHOLESALE PERMIT SHALL BE GRANTED A WHOLESALE  
3 LICENSE TO CONTINUE OPERATIONS AND SHALL CONTINUE TO OPERATE  
4 UNDER THE REQUIREMENTS OF SECTION 410.1 IN ADDITION TO THE  
5 FOLLOWING REQUIREMENTS:

6 (1) A WHOLESALE LICENSE SHALL BE IN EFFECT UNLESS SUSPENDED,  
7 REVOKED OR NOT RENEWED UNDER THIS ACT. A WHOLESALE LICENSE IN  
8 GOOD STANDING SHALL BE RENEWED EVERY YEAR AS FOLLOWS:

9 (I) WHOLESALE LICENSES ISSUED UNDER THIS SECTION SHALL BE  
10 SUBJECT TO RENEWAL EVERY YEAR.

11 (II) THE APPLICATION FOR RENEWAL SHALL BE SUBMITTED, ON A  
12 FORM PRESCRIBED BY THE BOARD, AT LEAST THIRTY DAYS PRIOR TO THE  
13 EXPIRATION OF THE WHOLESALE LICENSE AND SHALL INCLUDE, AT A  
14 MINIMUM, AN UPDATE OF THE INFORMATION CONTAINED IN THE INITIAL  
15 AND PRIOR RENEWAL APPLICATIONS AND THE PAYMENT OF ANY RENEWAL  
16 FEE REQUIRED UNDER THIS SECTION.

17 (III) A RENEWAL FEE OF FIVE PER CENTUM (5%) OF THE WHOLESALE  
18 LICENSEE'S GROSS RECEIPTS SHALL BE DUE UPON APPLICATION FOR THE  
19 RENEWAL OF A WINE AND SPIRITS RETAIL LICENSE. FOR THE PURPOSES  
20 OF THIS SUBPARAGRAPH, GROSS RECEIPTS SHALL BE DETERMINED AS THE  
21 TOTAL OF ALL SALES OF WINE AND LIQUOR MADE TO LICENSEES AND  
22 UNLICENSED PERMIT HOLDERS.

23 (IV) THE BOARD MAY REVOKE A WHOLESALE LICENSE ISSUED UNDER  
24 THIS SECTION IF IT FINDS THAT THE LICENSEE OR ANY OF ITS  
25 AFFILIATES, EXECUTIVE OFFICERS, DIRECTORS OR GENERAL OR LIMITED  
26 PARTNERS OR PERSONS HOLDING A CONTROLLING INTEREST IN THE  
27 LICENSEE:

28 (A) IS IN VIOLATION OF ANY PROVISION OF THIS ACT;

29 (B) HAS FURNISHED THE BOARD WITH FALSE OR MISLEADING  
30 INFORMATION; OR



1 (C) IS NO LONGER REPUTABLE OR SUITABLE FOR LICENSURE.

2 (C) ALL FEES PAID TO THE BOARD UNDER THIS SECTION SHALL BE  
3 DEPOSITED IN THE GENERAL FUND.

4 SECTION 415. WINE OR LIQUOR EXPANDED PERMITS.-- (A) (1) THE  
5 BOARD SHALL ISSUE A WINE OR LIQUOR EXPANDED PERMIT TO A PERSON  
6 HOLDING AND POSSESSING A VALID RESTAURANT LIQUOR LICENSE OR  
7 HOTEL LIQUOR LICENSE. NOTHING IN THIS SECTION SHALL BE CONSTRUED  
8 TO PROHIBIT A PERSON POSSESSING A VALID RESTAURANT OR HOTEL  
9 LIQUOR LICENSE FROM ACQUIRING BOTH A WINE EXPANDED PERMIT AND A  
10 LIQUOR EXPANDED PERMIT.

11 (2) NOTHING IN THIS SECTION MAY AFFECT THE ABILITY OF AN  
12 EXISTING LICENSEE TO OPERATE WITHIN THE SCOPE OF ITS CURRENT  
13 LICENSE AS AUTHORIZED BY THIS ACT, EXCEPT THAT NO SALES OF WINE  
14 OR LIQUOR FOR CONSUMPTION OFF THE PREMISES MAY TAKE PLACE BY A  
15 WINE OR LIQUOR EXPANDED PERMIT HOLDER AFTER ELEVEN O'CLOCK  
16 POSTMERIDIAN OF ANY DAY UNTIL EIGHT O'CLOCK ANTEMERIDIAN OF THE  
17 NEXT DAY, INCLUDING SUNDAYS IF THE LICENSEE HAS A PERMIT  
18 AUTHORIZED UNDER SECTIONS 406(A) (3) AND 432(F).

19 (3) NO WINE OR LIQUOR EXPANDED PERMIT MAY BE ISSUED TO A  
20 LICENSE HOLDER WHOSE UNDERLYING LICENSE IS SUBJECT TO A PENDING  
21 OBJECTION BY THE DIRECTOR OF THE BUREAU OF LICENSING OR THE  
22 BOARD UNDER SECTION 470(A.1), UNTIL THE MATTER IS DECIDED.  
23 NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A HOLDER OF A WINE  
24 OR LIQUOR EXPANDED PERMIT MAY CONTINUE TO OPERATE UNDER THE  
25 PERMIT IF ITS UNDERLYING LICENSE IS OBJECTED TO BY THE DIRECTOR  
26 OF THE BUREAU OF LICENSING OR THE BOARD UNDER SECTION 470(A.1),  
27 UNTIL THE MATTER IS DECIDED.

28 (4) IF THE BOARD HAS APPROVED THE OPERATION OF ANOTHER  
29 BUSINESS WHICH HAS AN INSIDE PASSAGE OR COMMUNICATION TO OR WITH  
30 THE LICENSED PREMISES, THE SALE AND PURCHASE OF WINE AND LIQUOR

1 SHALL BE CONFINED STRICTLY TO THE PREMISES, IN A SPECIFICALLY  
2 DESIGNATED AREA COVERED BY THE LICENSE. THE PURCHASE OF GOODS  
3 OBTAINED FROM THE UNLICENSED AREA OF THE PREMISES SHALL BE  
4 PERMITTED IN THE LICENSED AREA.

5 (5) FOR PURPOSES OF SELLING WINE OR LIQUOR FOR OFF-PREMISES  
6 CONSUMPTION, A HOLDER OF A WINE OR LIQUOR EXPANDED PERMIT IS NOT  
7 SUBJECT TO SECTION 493(14).

8 (6) A WINE OR LIQUOR EXPANDED PERMIT HOLDER SHALL COMPLY  
9 WITH THE RESPONSIBLE ALCOHOL MANAGEMENT PROVISIONS UNDER SECTION  
10 471.1.

11 (7) A WINE OR LIQUOR EXPANDED PERMIT HOLDER MAY STORE WINE  
12 OR LIQUOR IN A NONCONTIGUOUS AREA THAT IS NOT ACCESSIBLE TO THE  
13 PUBLIC AND IS:

14 (I) LOCKED AT ALL TIMES WHEN NOT BEING ACCESSED BY THE  
15 LICENSEES' EMPLOYEES;

16 (II) NOT ACCESSIBLE TO EMPLOYEES EIGHTEEN YEARS OF AGE OR  
17 YOUNGER; AND

18 (III) IDENTIFIED BY DIMENSIONS AND LOCATIONS ON FORMS  
19 SUBMITTED TO THE BOARD.

20 (8) A WINE OR LIQUOR EXPANDED PERMIT HOLDER SHALL UTILIZE A  
21 TRANSACTION SCAN DEVICE TO VERIFY THE AGE OF AN INDIVIDUAL WHO  
22 APPEARS TO BE UNDER THIRTY-FIVE YEARS OF AGE BEFORE MAKING A  
23 SALE OF WINE OR LIQUOR. A WINE OR LIQUOR EXPANDED PERMIT HOLDER  
24 MAY NOT SELL OR SHARE DATA FROM THE USE OF A TRANSACTION SCAN  
25 DEVICE, PROVIDED THAT THE LICENSEE MAY USE THE DATA TO SHOW THE  
26 ENFORCEMENT BUREAU OF THE BOARD THAT THE LICENSEE IS IN  
27 COMPLIANCE WITH THIS ACT. AS USED IN THIS PARAGRAPH, THE TERM  
28 "TRANSACTION SCAN DEVICE" MEANS A DEVICE CAPABLE OF DECIPHERING,  
29 IN AN ELECTRONICALLY READABLE FORMAT, THE INFORMATION ENCODED ON  
30 THE MAGNETIC STRIP OR BAR CODE OF AN IDENTIFICATION CARD UNDER

1 SECTION 495 (A) .

2 (9) A SALE OF WINE OR LIQUOR BY A WINE OR LIQUOR EXPANDED  
3 PERMIT HOLDER SHALL BE MADE THROUGH A REGISTER WHICH IS WELL  
4 DESIGNATED WITH SIGNAGE, WHICH IS STAFFED AT ALL TIMES, WHICH IS  
5 STAFFED BY A SALES CLERK WHO IS AT LEAST EIGHTEEN YEARS OF AGE  
6 AND HAS BEEN TRAINED UNDER SECTION 471.1 AND WHICH UTILIZES A  
7 TRANSACTION SCAN DEVICE FOR THE SALE. THE SALE OF WINE OR LIQUOR  
8 MAY NOT OCCUR AT A POINT OF SALE WHERE THE CUSTOMER SCANS THE  
9 CUSTOMER'S OWN PURCHASES.

10 (B) THE APPLICATION AND RENEWAL FEE FOR A WINE EXPANDED  
11 PERMIT SHALL BE AS FOLLOWS:

12 (1) FOR A WINE EXPANDED PERMIT ISSUED TO LICENSEES, AN  
13 INITIAL APPLICATION FEE OF TWO THOUSAND FIVE HUNDRED DOLLARS  
14 (\$2,500) AND ANNUAL RENEWAL FEES AS FOLLOWS:

15 (I) ONE THOUSAND DOLLARS (\$1,000) FOR A LICENSEE WHOSE TOTAL  
16 ANNUAL WINE WHOLESALE PURCHASE IS LESS THAN ONE HUNDRED THOUSAND  
17 AND ONE DOLLARS (\$100,001) IN THE PRIOR CALENDAR YEAR.

18 (II) TWO THOUSAND DOLLARS (\$2,000) FOR A LICENSEE WHOSE  
19 TOTAL ANNUAL WINE WHOLESALE PURCHASE IS BETWEEN ONE HUNDRED  
20 THOUSAND AND ONE DOLLARS (\$100,001) BUT LESS THAN TWO HUNDRED  
21 THOUSAND DOLLARS (\$200,000) IN THE PRIOR CALENDAR YEAR.

22 (III) THREE THOUSAND DOLLARS (\$3,000) FOR A LICENSEE WHOSE  
23 TOTAL ANNUAL WINE WHOLESALE PURCHASE IS GREATER THAN TWO HUNDRED  
24 THOUSAND AND ONE DOLLARS (\$200,001) IN THE PRIOR CALENDAR YEAR.

25 (2) (RESERVED) .

26 (C) THE APPLICATION AND RENEWAL FEE FOR A LIQUOR EXPANDED  
27 PERMIT SHALL BE AS FOLLOWS:

28 (1) FOR A LIQUOR EXPANDED PERMIT ISSUED TO LICENSEES, AN  
29 INITIAL APPLICATION FEE OF TWO THOUSAND FIVE HUNDRED DOLLARS  
30 (\$2,500) AND ANNUAL RENEWAL FEES AS FOLLOWS:

1 (I) ONE THOUSAND DOLLARS (\$1,000) FOR A LICENSEE WHOSE TOTAL  
2 ANNUAL LIQUOR WHOLESALE PURCHASE IS LESS THAN ONE HUNDRED  
3 THOUSAND DOLLARS (\$100,000) IN THE PRIOR CALENDAR YEAR.

4 (II) TWO THOUSAND DOLLARS (\$2,000) FOR A LICENSEE WHOSE  
5 TOTAL ANNUAL LIQUOR WHOLESALE PURCHASE IS BETWEEN ONE HUNDRED  
6 THOUSAND AND ONE DOLLARS (\$100,001) BUT LESS THAN TWO HUNDRED  
7 THOUSAND DOLLARS (\$200,000) IN THE PRIOR CALENDAR YEAR.

8 (III) THREE THOUSAND DOLLARS (\$3,000) FOR A LICENSEE WHOSE  
9 TOTAL ANNUAL LIQUOR WHOLESALE PURCHASE IS GREATER THAN TWO  
10 HUNDRED THOUSAND AND ONE DOLLARS (\$200,001) IN THE PRIOR  
11 CALENDAR YEAR.

12 (2) (RESERVED).

13 (C.1) ALL FEES PAID TO THE BOARD UNDER THIS SECTION SHALL BE  
14 DEPOSITED INTO THE GENERAL FUND.

15 (D) A WINE OR LIQUOR EXPANDED PERMIT HOLDER MAY SELL FOR  
16 CONSUMPTION OFF THE PREMISES, IN A SINGLE TRANSACTION, UP TO:

17 (1) ONE HUNDRED NINETY-TWO OUNCES OF WINE; AND

18 (2) ONE AND SEVENTY-FIVE ONE HUNDREDTHS LITERS OF LIQUOR.

19 (E) (RESERVED).

20 (E.1) A WINE OR LIQUOR EXPANDED PERMIT HOLDER SELLING WINE  
21 OR LIQUOR FOR CONSUMPTION OFF THE PREMISES SHALL BE CONSIDERED A  
22 PENNSYLVANIA LIQUOR STORE FOR PURPOSES OF COLLECTING AND  
23 REMITTING TAXES UNDER ARTICLE II OF THE ACT OF MARCH 4, 1971  
24 (P.L.6, NO.2), KNOWN AS THE "TAX REFORM CODE OF 1971."

25 (F) FOR THE PURPOSES OF THIS SECTION, THE TERM "LIQUOR"  
26 SHALL NOT INCLUDE WINE.

27 SECTION 416. WINE OR LIQUOR ENHANCED PERMITS.-- (A) (1) THE  
28 BOARD SHALL ISSUE A WINE OR LIQUOR ENHANCED PERMIT TO A PERSON  
29 HOLDING AND POSSESSING A VALID DISTRIBUTOR OR IMPORTING  
30 DISTRIBUTOR LICENSE OR TO AN UNLICENSED ENTITY. NOTHING IN THIS

1 SECTION SHALL BE CONSTRUED TO PROHIBIT A PERSON POSSESSING A  
2 VALID DISTRIBUTOR OR IMPORTING DISTRIBUTOR LICENSE OR AN  
3 UNLICENSED ENTITY FROM ACQUIRING BOTH A WINE ENHANCED PERMIT AND  
4 A LIQUOR ENHANCED PERMIT.

5 (2) NOTHING IN THIS SECTION MAY AFFECT THE ABILITY OF AN  
6 EXISTING LICENSEE TO OPERATE WITHIN THE SCOPE OF ITS CURRENT  
7 LICENSE AS AUTHORIZED BY THIS ACT, EXCEPT THAT NO SALES OF WINE  
8 OR LIQUOR FOR CONSUMPTION OFF THE PREMISES MAY TAKE PLACE BY A  
9 WINE ENHANCED PERMIT HOLDER AFTER ELEVEN O'CLOCK POSTMERIDIAN OF  
10 ANY DAY UNTIL EIGHT O'CLOCK ANTEMERIDIAN OF THE NEXT DAY.

11 (3) NO WINE OR LIQUOR ENHANCED PERMIT MAY BE ISSUED TO A  
12 LICENSE HOLDER WHOSE UNDERLYING LICENSE IS SUBJECT TO A PENDING  
13 OBJECTION BY THE DIRECTOR OF THE BUREAU OF LICENSING OR THE  
14 BOARD UNDER SECTION 470(A.1), UNTIL THE MATTER IS DECIDED.  
15 NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A HOLDER OF A WINE  
16 OR LIQUOR ENHANCED PERMIT MAY CONTINUE TO OPERATE UNDER THE  
17 PERMIT IF ITS UNDERLYING LICENSE IS OBJECTED TO BY THE DIRECTOR  
18 OF THE BUREAU OF LICENSING OR THE BOARD UNDER SECTION 470(A.1),  
19 UNTIL THE MATTER IS DECIDED.

20 (4) IF THE BOARD HAS APPROVED THE OPERATION OF ANOTHER  
21 BUSINESS WHICH HAS AN INSIDE PASSAGE OR COMMUNICATION TO OR WITH  
22 THE LICENSED PREMISES, THE SALE AND PURCHASE OF WINE OR LIQUOR  
23 SHALL BE CONFINED STRICTLY TO THE PREMISES, IN A SPECIFICALLY  
24 DESIGNATED AREA COVERED BY THE LICENSE. THE PURCHASE OF A GOOD  
25 OBTAINED FROM THE UNLICENSED AREA OF THE PREMISES SHALL BE  
26 PERMITTED IN THE LICENSED AREA. NOTWITHSTANDING THIS PARAGRAPH,  
27 A DISTRIBUTOR OR IMPORTING DISTRIBUTOR WITH A VALID WINE OR  
28 LIQUOR ENHANCED PERMIT MAY SELL WINE OR LIQUOR AT A LOCATION NOT  
29 COVERED BY THE DISTRIBUTOR'S OR IMPORTING DISTRIBUTOR'S LICENSE  
30 AS APPROVED BY THE BOARD.

1       (5) A WINE OR LIQUOR ENHANCED PERMIT HOLDER MUST BE IN  
2 COMPLIANCE WITH THE RESPONSIBLE ALCOHOL MANAGEMENT PROVISIONS  
3 UNDER SECTION 471.1.

4       (6) A WINE OR LIQUOR ENHANCED PERMIT HOLDER SHALL UTILIZE A  
5 TRANSACTION SCAN DEVICE TO VERIFY THE AGE OF AN INDIVIDUAL WHO  
6 APPEARS TO BE UNDER THIRTY-FIVE YEARS OF AGE BEFORE MAKING A  
7 SALE OF LIQUOR. A WINE OR LIQUOR ENHANCED PERMIT HOLDER MAY NOT  
8 SELL OR SHARE DATA FROM THE USE OF A TRANSACTION SCAN DEVICE,  
9 PROVIDED THAT THE LICENSEE MAY USE THE DATA TO SHOW THE  
10 ENFORCEMENT BUREAU OF THE BOARD THAT THE LICENSEE IS IN  
11 COMPLIANCE WITH THIS ACT. AS USED IN THIS PARAGRAPH, THE TERM  
12 "TRANSACTION SCAN DEVICE" MEANS A DEVICE CAPABLE OF DECIPHERING,  
13 IN AN ELECTRONICALLY READABLE FORMAT, THE INFORMATION ENCODED ON  
14 THE MAGNETIC STRIP OR BAR CODE OF AN IDENTIFICATION CARD UNDER  
15 SECTION 495 (A) .

16       (B) THE APPLICATION AND RENEWAL FEE FOR A WINE ENHANCED  
17 PERMIT SHALL BE AS FOLLOWS:

18       (1) FOR A WINE ENHANCED PERMIT ISSUED TO A LICENSEE, AN  
19 INITIAL APPLICATION FEE OF FORTY-FIVE THOUSAND DOLLARS (\$45,000)  
20 AND ANNUAL RENEWAL FEES AS FOLLOWS:

21       (I) TWO THOUSAND DOLLARS (\$2,000) FOR LICENSEES WHOSE TOTAL  
22 ANNUAL WINE WHOLESALE PURCHASE IS LESS THAN ONE HUNDRED THOUSAND  
23 DOLLARS (\$100,000) IN THE PRIOR CALENDAR YEAR.

24       (II) FOUR THOUSAND DOLLARS (\$4,000) FOR LICENSEES WHOSE  
25 TOTAL ANNUAL WINE WHOLESALE PURCHASE IS BETWEEN ONE HUNDRED  
26 THOUSAND AND ONE DOLLARS (\$100,001) AND TWO HUNDRED THOUSAND  
27 DOLLARS (\$200,000) IN THE PRIOR CALENDAR YEAR.

28       (III) SIX THOUSAND DOLLARS (\$6,000) FOR LICENSEES WHOSE  
29 TOTAL ANNUAL WINE WHOLESALE PURCHASE IS GREATER THAN TWO HUNDRED  
30 THOUSAND AND ONE DOLLARS (\$200,001) IN THE PRIOR CALENDAR YEAR.

1     (2) (RESERVED).

2     (C) THE APPLICATION AND RENEWAL FEE FOR A LIQUOR ENHANCED  
3 PERMIT SHALL BE AS FOLLOWS:

4     (1) FOR A LIQUOR ENHANCED PERMIT ISSUED TO A LICENSEE, AN  
5 INITIAL APPLICATION FEE OF FORTY-FIVE THOUSAND DOLLARS (\$45,000)  
6 AND ANNUAL RENEWAL FEES AS FOLLOWS:

7     (I) TWO THOUSAND DOLLARS (\$2,000) FOR LICENSEES WHOSE TOTAL  
8 ANNUAL LIQUOR WHOLESALE PURCHASE IS LESS THAN ONE HUNDRED  
9 THOUSAND DOLLARS (\$100,000) IN THE PRIOR CALENDAR YEAR.

10    (II) FOUR THOUSAND DOLLARS (\$4,000) FOR LICENSEES WHOSE  
11 TOTAL ANNUAL LIQUOR WHOLESALE PURCHASE IS BETWEEN ONE HUNDRED  
12 THOUSAND AND ONE DOLLARS (\$100,001) AND TWO HUNDRED THOUSAND  
13 DOLLARS (\$200,000) IN THE PRIOR CALENDAR YEAR.

14    (III) SIX THOUSAND DOLLARS (\$6,000) FOR LICENSEES WHOSE  
15 TOTAL ANNUAL LIQUOR WHOLESALE PURCHASE IS GREATER THAN TWO  
16 HUNDRED THOUSAND AND ONE DOLLARS (\$200,001) IN THE PRIOR  
17 CALENDAR YEAR.

18    (2) (RESERVED).

19    (D) A WINE OR LIQUOR ENHANCED PERMIT HOLDER MAY SELL  
20 UNLIMITED QUANTITIES OF WINE OR LIQUOR FOR CONSUMPTION OFF THE  
21 PREMISES.

22    (E) (RESERVED).

23    (F) THE BOARD SHALL ISSUE WINE ENHANCED PERMITS AND LIQUOR  
24 ENHANCED PERMITS IN A NUMBER EQUAL TO THE NUMBER OF LICENSED  
25 DISTRIBUTORS AND IMPORTING DISTRIBUTORS IN A COUNTY AND IN  
26 EXISTENCE ON THE EFFECTIVE DATE OF THIS SECTION. IF THERE ARE  
27 WINE OR LIQUOR ENHANCED PERMITS REMAINING SIX MONTHS AFTER THE  
28 EFFECTIVE DATE OF THIS SECTION, THE BOARD SHALL AUCTION PERMITS  
29 TO A PERSON WHO DOES NOT POSSESS A DISTRIBUTOR OR IMPORTING  
30 DISTRIBUTOR LICENSE. THE PERMITTED FACILITY SHALL MEET ALL OF

1 THE CONDITIONS IMPOSED ON A LICENSED DISTRIBUTOR UNDER THIS ACT,  
2 INCLUDING THE PROVISIONS IN SECTION 436 RELATING TO THE ISSUANCE  
3 OF A DISTRIBUTOR OR IMPORTING DISTRIBUTOR LICENSE. THE ISSUANCE  
4 OF A WINE OR LIQUOR ENHANCED PERMIT SHALL BE SUBJECT TO THE  
5 QUOTA AND COUNTY RESTRICTIONS UNDER SECTION 437(F).

6 (F.1) FOR THE PURPOSES OF AUCTIONING WINE AND LIQUOR  
7 ENHANCED PERMITS, THE BOARD SHALL POST A LISTING OF ALL  
8 REMAINING PERMITS ON THE BOARD'S INTERNET WEBSITE WITHIN SIXTY  
9 DAYS AFTER THE CLOSE OF THE SIX-MONTH PERIOD IN SUBSECTION (F).  
10 THE BOARD SHALL ACCEPT APPLICATIONS FROM PERSONS INTERESTED IN  
11 BIDDING AT AN AUCTION FOR ALL REMAINING PERMITS. THE APPLICATION  
12 SHALL CONTAIN INFORMATION AS THE BOARD PRESCRIBES. THE AUCTION  
13 SHALL OCCUR SIXTY DAYS FOLLOWING THE DATE A PERMIT WAS POSTED ON  
14 THE BOARD'S INTERNET WEBSITE. AN APPLICANT, WHO WOULD BE  
15 PRECLUDED FROM ACQUIRING A LICENSE UNDER SECTION 443, SHALL NOT  
16 BE ELIGIBLE TO PARTICIPATE IN AN AUCTION OR ACQUIRE A WINE OR  
17 LIQUOR ENHANCED PERMIT. AN AUCTION SHALL BE CONDUCTED IN THE  
18 MANNER SET FORTH BY THE BOARD AND AT A DATE AND TIME SET BY THE  
19 BOARD. THE MINIMUM BID FOR A WINE OR LIQUOR ENHANCED PERMIT  
20 SHALL BE \$150,000. FOLLOWING AN AUCTION, THE BOARD SHALL  
21 PROVISIONALLY AWARD A WINE OR LIQUOR ENHANCED PERMIT TO A PERSON  
22 MAKING THE HIGHEST BID FOR THAT PERMIT. THE HIGHEST BIDDER SHALL  
23 THEN SUBMIT TO THE BOARD INFORMATION REQUIRED BY THE BOARD,  
24 INCLUDING THE INFORMATION REQUIRED UNDER SECTION 436 RELATING TO  
25 THE ISSUANCE OF A DISTRIBUTOR OR IMPORTING DISTRIBUTOR LICENSE.  
26 PAYMENT SHALL BE MADE TO THE BOARD WITHIN FOURTEEN DAYS OF THE  
27 AUCTION AND IN A MANNER PRESCRIBED BY THE BOARD. IF THE HIGHEST  
28 BIDDER DOES NOT MAKE PAYMENT TO THE BOARD WITHIN FOURTEEN DAYS  
29 OF THE AUCTION, THE SECOND HIGHEST BIDDER SHALL BE AWARDED THE  
30 RIGHT TO FILE AN APPLICATION FOR THE WINE OR LIQUOR ENHANCED



1 PERMIT.

2 (G) THE ANNUAL RENEWAL FEE FOR A WINE OR LIQUOR ENHANCED  
3 PERMIT FOR UNLICENSED ENTITIES SHALL BE AS FOLLOWS:

4 (1) FOR A WINE ENHANCED PERMIT, AS FOLLOWS:

5 (I) TWO THOUSAND DOLLARS (\$2,000) FOR PERMIT HOLDERS WHOSE  
6 TOTAL ANNUAL WHOLESALE WINE PURCHASE IS LESS THAN ONE HUNDRED  
7 THOUSAND DOLLARS (\$100,000) IN THE PRIOR CALENDAR YEAR.

8 (II) FOUR THOUSAND DOLLARS (\$4,000) FOR PERMIT HOLDERS WHOSE  
9 TOTAL ANNUAL WHOLESALE WINE PURCHASE IS BETWEEN ONE HUNDRED  
10 THOUSAND AND ONE DOLLARS (\$100,001) AND TWO HUNDRED THOUSAND  
11 DOLLARS (\$200,000) IN THE PRIOR CALENDAR YEAR.

12 (III) SIX THOUSAND DOLLARS (\$6,000) FOR PERMIT HOLDERS WHOSE  
13 TOTAL ANNUAL WHOLESALE WINE PURCHASE IS GREATER THAN TWO HUNDRED  
14 THOUSAND AND ONE DOLLARS (\$200,001) IN THE PRIOR CALENDAR YEAR.

15 (2) FOR A LIQUOR ENHANCED PERMIT, AS FOLLOWS:

16 (I) TWO THOUSAND DOLLARS (\$2,000) FOR PERMIT HOLDERS WHOSE  
17 TOTAL ANNUAL WHOLESALE LIQUOR PURCHASE IS LESS THAN ONE HUNDRED  
18 THOUSAND DOLLARS (\$100,000) IN THE PRIOR CALENDAR YEAR.

19 (II) FOUR THOUSAND DOLLARS (\$4,000) FOR PERMIT HOLDERS WHOSE  
20 TOTAL ANNUAL WHOLESALE LIQUOR PURCHASE IS BETWEEN ONE HUNDRED  
21 THOUSAND AND ONE DOLLARS (\$100,001) AND TWO HUNDRED THOUSAND  
22 DOLLARS (\$200,000) IN THE PRIOR CALENDAR YEAR.

23 (III) SIX THOUSAND DOLLARS (\$6,000) FOR PERMIT HOLDERS WHOSE  
24 TOTAL ANNUAL WHOLESALE LIQUOR PURCHASE IS GREATER THAN TWO  
25 HUNDRED THOUSAND AND ONE DOLLARS (\$200,001) IN THE PRIOR  
26 CALENDAR YEAR.

27 (H) A WINE OR LIQUOR ENHANCED PERMIT HOLDER SELLING WINE OR  
28 LIQUOR FOR CONSUMPTION OFF THE PREMISES SHALL BE REQUIRED TO  
29 OBTAIN A SALES TAX PERMIT FROM THE DEPARTMENT OF REVENUE.

30 (I) ALL FEES PAID TO THE BOARD UNDER THIS SECTION SHALL BE

1 DEPOSITED INTO THE GENERAL FUND.

2 (J) AN UNLICENSED ENTITY MAY NOT HOLD MORE THAN ONE WINE  
3 ENHANCED PERMIT AND ONE LIQUOR ENHANCED PERMIT.

4 (K) A WINE OR LIQUOR ENHANCED PERMIT HOLDER SELLING WINE OR  
5 LIQUOR FOR CONSUMPTION OFF THE PREMISES SHALL BE CONSIDERED A  
6 PENNSYLVANIA LIQUOR STORE FOR PURPOSES OF COLLECTING AND  
7 REMITTING THE TAXES UNDER ARTICLE II OF THE "TAX REFORM CODE OF  
8 1971."

9 (L) FOR THE PURPOSES OF THIS SECTION, THE TERM "LIQUOR," AS  
10 DEFINED IN SECTION 102, SHALL NOT INCLUDE WINE.

11 SECTION 6. SECTION 431(B) OF THE ACT, AMENDED DECEMBER 8,  
12 2004 (P.L.1810, NO.239), IS AMENDED TO READ:

13 SECTION 431. MALT AND BREWED BEVERAGES MANUFACTURERS',  
14 DISTRIBUTORS' AND IMPORTING DISTRIBUTORS' LICENSES.--\* \* \*

15 (B) THE BOARD SHALL ISSUE TO ANY REPUTABLE PERSON WHO  
16 APPLIES THEREFOR, AND PAYS THE LICENSE FEE HEREINAFTER  
17 PRESCRIBED, A DISTRIBUTOR'S OR IMPORTING DISTRIBUTOR'S LICENSE  
18 FOR THE PLACE WHICH SUCH PERSON DESIRES TO MAINTAIN FOR THE SALE  
19 OF MALT OR BREWED BEVERAGES, NOT FOR CONSUMPTION ON THE PREMISES  
20 WHERE SOLD, AND IN QUANTITIES OF NOT LESS THAN A CASE OR  
21 ORIGINAL CONTAINERS CONTAINING ONE HUNDRED TWENTY-EIGHT OUNCES  
22 OR MORE WHICH MAY BE SOLD SEPARATELY AS PREPARED FOR THE MARKET  
23 BY THE MANUFACTURER AT THE PLACE OF MANUFACTURE. THE BOARD SHALL  
24 HAVE THE DISCRETION TO REFUSE A LICENSE TO ANY PERSON OR TO ANY  
25 CORPORATION, PARTNERSHIP OR ASSOCIATION IF SUCH PERSON, OR ANY  
26 OFFICER OR DIRECTOR OF SUCH CORPORATION, OR ANY MEMBER OR  
27 PARTNER OF SUCH PARTNERSHIP OR ASSOCIATION SHALL HAVE BEEN  
28 CONVICTED OR FOUND GUILTY OF A FELONY WITHIN A PERIOD OF FIVE  
29 YEARS IMMEDIATELY PRECEDING THE DATE OF APPLICATION FOR THE SAID  
30 LICENSE: AND PROVIDED FURTHER, THAT, IN THE CASE OF ANY NEW

1 LICENSE OR THE TRANSFER OF ANY LICENSE TO A NEW LOCATION, THE  
2 BOARD MAY, IN ITS DISCRETION, GRANT OR REFUSE SUCH NEW LICENSE  
3 OR TRANSFER IF SUCH PLACE PROPOSED TO BE LICENSED IS WITHIN  
4 THREE HUNDRED FEET OF ANY CHURCH, HOSPITAL, CHARITABLE  
5 INSTITUTION, SCHOOL OR PUBLIC PLAYGROUND, OR IF SUCH NEW LICENSE  
6 OR TRANSFER IS APPLIED FOR A PLACE WHICH IS WITHIN TWO HUNDRED  
7 FEET OF ANY OTHER PREMISES WHICH IS LICENSED BY THE BOARD: AND  
8 PROVIDED FURTHER, THAT THE BOARD SHALL REFUSE ANY APPLICATION  
9 FOR A NEW LICENSE OR THE TRANSFER OF ANY LICENSE TO A NEW  
10 LOCATION IF, IN THE BOARD'S OPINION, SUCH NEW LICENSE OR  
11 TRANSFER WOULD BE DETRIMENTAL TO THE WELFARE, HEALTH, PEACE AND  
12 MORALS OF THE INHABITANTS OF THE NEIGHBORHOOD WITHIN A RADIUS OF  
13 FIVE HUNDRED FEET OF THE PLACE PROPOSED TO BE LICENSED. [THE  
14 BOARD SHALL REFUSE ANY APPLICATION FOR A NEW LICENSE OR THE  
15 TRANSFER OF ANY LICENSE TO A LOCATION WHERE THE SALE OF LIQUID  
16 FUELS OR OIL IS CONDUCTED.] THE BOARD SHALL NOT LICENSE THE AREA  
17 WHERE LIQUID FUELS OR OIL IS SOLD. NO SALES OF LIQUID FUELS OR  
18 OIL MAY BE MADE FROM A LICENSEE'S LICENSED PREMISES. A LICENSED  
19 PREMISES MAY NOT HAVE AN INTERIOR CONNECTION WITH A LOCATION  
20 THAT SELLS LIQUID FUELS OR OILS UNLESS IT FIRST RECEIVES  
21 PERMISSION FROM THE BOARD FOR THE INTERIOR CONNECTION. THE  
22 APPROVAL SHALL BE REQUIRED REGARDLESS OF WHETHER THE LICENSEE OR  
23 ANOTHER PARTY IS THE ENTITY SELLING THE LIQUID FUELS OR OILS.  
24 THE BOARD MAY ENTER INTO AN AGREEMENT WITH THE APPLICANT  
25 CONCERNING ADDITIONAL RESTRICTIONS ON THE LICENSE IN QUESTION.  
26 IF THE BOARD AND THE APPLICANT ENTER INTO SUCH AN AGREEMENT,  
27 SUCH AGREEMENT SHALL BE BINDING ON THE APPLICANT. FAILURE BY THE  
28 APPLICANT TO ADHERE TO THE AGREEMENT WILL BE SUFFICIENT CAUSE TO  
29 FORM THE BASIS FOR A CITATION UNDER SECTION 471 AND FOR THE  
30 NONRENEWAL OF THE LICENSE UNDER SECTION 470. IF THE BOARD ENTERS

1 INTO AN AGREEMENT WITH AN APPLICANT CONCERNING ADDITIONAL  
2 RESTRICTIONS, THOSE RESTRICTIONS SHALL BE BINDING ON SUBSEQUENT  
3 HOLDERS OF THE LICENSE UNTIL THE LICENSE IS TRANSFERRED TO A NEW  
4 LOCATION OR UNTIL THE BOARD ENTERS INTO A SUBSEQUENT AGREEMENT  
5 REMOVING THOSE RESTRICTIONS. IF THE APPLICATION IN QUESTION  
6 INVOLVES A LOCATION PREVIOUSLY LICENSED BY THE BOARD, THEN ANY  
7 RESTRICTIONS IMPOSED BY THE BOARD ON THE PREVIOUS LICENSE AT  
8 THAT LOCATION SHALL BE BINDING ON THE APPLICANT UNLESS THE BOARD  
9 ENTERS INTO A NEW AGREEMENT RESCINDING THOSE RESTRICTIONS. THE  
10 BOARD SHALL REQUIRE NOTICE TO BE POSTED ON THE PROPERTY OR  
11 PREMISES UPON WHICH THE LICENSEE OR PROPOSED LICENSEE WILL  
12 ENGAGE IN SALES OF MALT OR BREWED BEVERAGES. THIS NOTICE SHALL  
13 BE SIMILAR TO THE NOTICE REQUIRED OF HOTEL, RESTAURANT AND CLUB  
14 LIQUOR LICENSEES.

15 EXCEPT AS HEREINAFTER PROVIDED, SUCH LICENSE SHALL AUTHORIZE  
16 THE HOLDER THEREOF TO SELL OR DELIVER MALT OR BREWED BEVERAGES  
17 IN QUANTITIES ABOVE SPECIFIED ANYWHERE WITHIN THE COMMONWEALTH  
18 OF PENNSYLVANIA, WHICH, IN THE CASE OF DISTRIBUTORS, HAVE BEEN  
19 PURCHASED ONLY FROM PERSONS LICENSED UNDER THIS ACT AS  
20 MANUFACTURERS OR IMPORTING DISTRIBUTORS, AND IN THE CASE OF  
21 IMPORTING DISTRIBUTORS, HAVE BEEN PURCHASED FROM MANUFACTURERS  
22 OR PERSONS OUTSIDE THIS COMMONWEALTH ENGAGED IN THE LEGAL SALE  
23 OF MALT OR BREWED BEVERAGES OR FROM MANUFACTURERS OR IMPORTING  
24 DISTRIBUTORS LICENSED UNDER THIS ARTICLE. IF THE HOLDER OF A  
25 DISTRIBUTOR OR IMPORTING DISTRIBUTOR LICENSE HAS APPLIED FOR AND  
26 RECEIVED A WINE OR LIQUOR ENHANCED PERMIT PURSUANT TO SECTION  
27 416, THAT DISTRIBUTOR OR IMPORTING DISTRIBUTOR MAY SELL LIQUOR  
28 ON THE SAME PREMISES WHERE MALT OR BREWED BEVERAGES ARE SOLD. IN  
29 THE CASE OF AN IMPORTING DISTRIBUTOR, THE HOLDER OF SUCH A  
30 LICENSE SHALL BE AUTHORIZED TO STORE AND REPACKAGE MALT OR

1 BREWED BEVERAGES OWNED BY A MANUFACTURER AT A SEGREGATED PORTION  
2 OF A WAREHOUSE OR OTHER STORAGE FACILITY AUTHORIZED BY SECTION  
3 441(D) AND OPERATED BY THE IMPORTING DISTRIBUTOR WITHIN ITS  
4 APPOINTED TERRITORY AND DELIVER SUCH BEVERAGES TO ANOTHER  
5 IMPORTING DISTRIBUTOR WHO HAS BEEN GRANTED DISTRIBUTION RIGHTS  
6 BY THE MANUFACTURER AS PROVIDED HEREIN. THE IMPORTING  
7 DISTRIBUTOR SHALL BE PERMITTED TO RECEIVE A FEE FROM THE  
8 MANUFACTURER FOR ANY RELATED STORAGE, REPACKAGING OR DELIVERY  
9 SERVICES. IN THE CASE OF A BAILEE FOR HIRE HIRED BY A  
10 MANUFACTURER, THE HOLDER OF SUCH A PERMIT SHALL BE AUTHORIZED:  
11 TO RECEIVE, STORE AND REPACKAGE MALT OR BREWED BEVERAGES  
12 PRODUCED BY THAT MANUFACTURER FOR SALE BY THAT MANUFACTURER TO  
13 IMPORTING DISTRIBUTORS TO WHOM THAT MANUFACTURER HAS GIVEN  
14 DISTRIBUTION RIGHTS PURSUANT TO THIS SUBSECTION OR TO PURCHASERS  
15 OUTSIDE THIS COMMONWEALTH FOR DELIVERY OUTSIDE THIS  
16 COMMONWEALTH; OR TO SHIP TO THAT MANUFACTURER'S STORAGE  
17 FACILITIES OUTSIDE THIS COMMONWEALTH. THE BAILEE FOR HIRE SHALL  
18 BE PERMITTED TO RECEIVE A FEE FROM THE MANUFACTURER FOR ANY  
19 RELATED STORAGE, REPACKAGING OR DELIVERY SERVICES. THE BAILEE  
20 FOR HIRE SHALL, AS REQUIRED IN ARTICLE V OF THIS ACT, KEEP  
21 COMPLETE AND ACCURATE RECORDS OF ALL TRANSACTIONS, INVENTORY,  
22 RECEIPTS AND SHIPMENTS AND MAKE ALL RECORDS AND THE LICENSED  
23 AREAS AVAILABLE FOR INSPECTION BY THE BOARD AND FOR THE  
24 PENNSYLVANIA STATE POLICE, BUREAU OF LIQUOR CONTROL ENFORCEMENT,  
25 DURING NORMAL BUSINESS HOURS.

26 EACH OUT OF STATE MANUFACTURER OF MALT OR BREWED BEVERAGES  
27 WHOSE PRODUCTS ARE SOLD AND DELIVERED IN THIS COMMONWEALTH SHALL  
28 GIVE DISTRIBUTING RIGHTS FOR SUCH PRODUCTS IN DESIGNATED  
29 GEOGRAPHICAL AREAS TO SPECIFIC IMPORTING DISTRIBUTORS, AND SUCH  
30 IMPORTING DISTRIBUTOR SHALL NOT SELL OR DELIVER MALT OR BREWED

1 BEVERAGES MANUFACTURED BY THE OUT OF STATE MANUFACTURER TO ANY  
2 PERSON ISSUED A LICENSE UNDER THE PROVISIONS OF THIS ACT WHOSE  
3 LICENSED PREMISES ARE NOT LOCATED WITHIN THE GEOGRAPHICAL AREA  
4 FOR WHICH HE HAS BEEN GIVEN DISTRIBUTING RIGHTS BY SUCH  
5 MANUFACTURER. SHOULD A LICENSEE ACCEPT THE DELIVERY OF SUCH MALT  
6 OR BREWED BEVERAGES IN VIOLATION OF THIS SECTION, SAID LICENSEE  
7 SHALL BE SUBJECT TO A SUSPENSION OF HIS LICENSE FOR AT LEAST  
8 THIRTY DAYS: PROVIDED, THAT THE IMPORTING DISTRIBUTOR HOLDING  
9 SUCH DISTRIBUTING RIGHTS FOR SUCH PRODUCT SHALL NOT SELL OR  
10 DELIVER THE SAME TO ANOTHER IMPORTING DISTRIBUTOR WITHOUT FIRST  
11 HAVING ENTERED INTO A WRITTEN AGREEMENT WITH THE SAID SECONDARY  
12 IMPORTING DISTRIBUTOR SETTING FORTH THE TERMS AND CONDITIONS  
13 UNDER WHICH SUCH PRODUCTS ARE TO BE RESOLD WITHIN THE TERRITORY  
14 GRANTED TO THE PRIMARY IMPORTING DISTRIBUTOR BY THE  
15 MANUFACTURER.

16 WHEN A PENNSYLVANIA MANUFACTURER OF MALT OR BREWED BEVERAGES  
17 LICENSED UNDER THIS ARTICLE NAMES OR CONSTITUTES A DISTRIBUTOR  
18 OR IMPORTING DISTRIBUTOR AS THE PRIMARY OR ORIGINAL SUPPLIER OF  
19 HIS PRODUCT, HE SHALL ALSO DESIGNATE THE SPECIFIC GEOGRAPHICAL  
20 AREA FOR WHICH THE SAID DISTRIBUTOR OR IMPORTING DISTRIBUTOR IS  
21 GIVEN DISTRIBUTING RIGHTS, AND SUCH DISTRIBUTOR OR IMPORTING  
22 DISTRIBUTOR SHALL NOT SELL OR DELIVER THE PRODUCTS OF SUCH  
23 MANUFACTURER TO ANY PERSON ISSUED A LICENSE UNDER THE PROVISIONS  
24 OF THIS ACT WHOSE LICENSED PREMISES ARE NOT LOCATED WITHIN THE  
25 GEOGRAPHICAL AREA FOR WHICH DISTRIBUTING RIGHTS HAVE BEEN GIVEN  
26 TO THE DISTRIBUTOR AND IMPORTING DISTRIBUTOR BY THE SAID  
27 MANUFACTURER: PROVIDED, THAT THE IMPORTING DISTRIBUTOR HOLDING  
28 SUCH DISTRIBUTING RIGHTS FOR SUCH PRODUCT SHALL NOT SELL OR  
29 DELIVER THE SAME TO ANOTHER IMPORTING DISTRIBUTOR WITHOUT FIRST  
30 HAVING ENTERED INTO A WRITTEN AGREEMENT WITH THE SAID SECONDARY

1 IMPORTING DISTRIBUTOR SETTING FORTH THE TERMS AND CONDITIONS  
2 UNDER WHICH SUCH PRODUCTS ARE TO BE RESOLD WITHIN THE TERRITORY  
3 GRANTED TO THE PRIMARY IMPORTING DISTRIBUTOR BY THE  
4 MANUFACTURER. NOTHING HEREIN CONTAINED SHALL BE CONSTRUED TO  
5 PREVENT ANY MANUFACTURER FROM AUTHORIZING THE IMPORTING  
6 DISTRIBUTOR HOLDING THE DISTRIBUTING RIGHTS FOR A DESIGNATED  
7 GEOGRAPHICAL AREA FROM SELLING THE PRODUCTS OF SUCH MANUFACTURER  
8 TO ANOTHER IMPORTING DISTRIBUTOR ALSO HOLDING DISTRIBUTING  
9 RIGHTS FROM THE SAME MANUFACTURER FOR ANOTHER GEOGRAPHICAL AREA,  
10 PROVIDING SUCH AUTHORITY BE CONTAINED IN WRITING AND A COPY  
11 THEREOF BE GIVEN TO EACH OF THE IMPORTING DISTRIBUTORS SO  
12 AFFECTED.

13 \* \* \*

14 SECTION 6.1. SECTION 432(D) OF THE ACT, AMENDED JANUARY 6,  
15 2006 (P.L.1, NO.1), IS AMENDED TO READ:

16 SECTION 432. MALT AND BREWED BEVERAGES RETAIL LICENSES.--\* \*  
17 \*

18 (D) THE BOARD SHALL, IN ITS DISCRETION, GRANT OR REFUSE ANY  
19 NEW LICENSE, THE TRANSFER OF ANY LICENSE TO A NEW LOCATION OR  
20 THE EXTENSION OF AN EXISTING LICENSE TO COVER AN ADDITIONAL AREA  
21 IF SUCH PLACE PROPOSED TO BE LICENSED IS WITHIN THREE HUNDRED  
22 FEET OF ANY CHURCH, HOSPITAL, CHARITABLE INSTITUTION, SCHOOL, OR  
23 PUBLIC PLAYGROUND, OR IF SUCH NEW LICENSE, TRANSFER OR EXTENSION  
24 IS APPLIED FOR A PLACE WHICH IS WITHIN TWO HUNDRED FEET OF ANY  
25 OTHER PREMISES WHICH IS LICENSED BY THE BOARD. THE BOARD SHALL  
26 REFUSE ANY APPLICATION FOR A NEW LICENSE, THE TRANSFER OF ANY  
27 LICENSE TO A NEW LOCATION OR THE EXTENSION OF AN EXISTING  
28 LICENSE TO COVER AN ADDITIONAL AREA IF, IN THE BOARD'S OPINION,  
29 SUCH NEW LICENSE, TRANSFER OR EXTENSION WOULD BE DETRIMENTAL TO  
30 THE WELFARE, HEALTH, PEACE AND MORALS OF THE INHABITANTS OF THE

1 NEIGHBORHOOD WITHIN A RADIUS OF FIVE HUNDRED FEET OF THE PLACE  
2 TO BE LICENSED. THE BOARD MAY ENTER INTO AN AGREEMENT WITH THE  
3 APPLICANT CONCERNING ADDITIONAL RESTRICTIONS ON THE LICENSE IN  
4 QUESTION. IF THE BOARD AND THE APPLICANT ENTER INTO SUCH AN  
5 AGREEMENT, SUCH AGREEMENT SHALL BE BINDING ON THE APPLICANT.  
6 FAILURE BY THE APPLICANT TO ADHERE TO THE AGREEMENT WILL BE  
7 SUFFICIENT CAUSE TO FORM THE BASIS FOR A CITATION UNDER SECTION  
8 471 AND FOR THE NONRENEWAL OF THE LICENSE UNDER SECTION 470. IF  
9 THE BOARD ENTERS INTO AN AGREEMENT WITH AN APPLICANT CONCERNING  
10 ADDITIONAL RESTRICTIONS, THOSE RESTRICTIONS SHALL BE BINDING ON  
11 SUBSEQUENT HOLDERS OF THE LICENSE UNTIL THE LICENSE IS  
12 TRANSFERRED TO A NEW LOCATION OR UNTIL THE BOARD ENTERS INTO A  
13 SUBSEQUENT AGREEMENT REMOVING THOSE RESTRICTIONS. IF THE  
14 APPLICATION IN QUESTION INVOLVES A LOCATION PREVIOUSLY LICENSED  
15 BY THE BOARD, THEN ANY RESTRICTIONS IMPOSED BY THE BOARD ON THE  
16 PREVIOUS LICENSE AT THAT LOCATION SHALL BE BINDING ON THE  
17 APPLICANT UNLESS THE BOARD ENTERS INTO A NEW AGREEMENT  
18 RESCINDING THOSE RESTRICTIONS. [THE BOARD SHALL REFUSE ANY  
19 APPLICATION FOR A NEW LICENSE, THE TRANSFER OF ANY LICENSE TO A  
20 LOCATION WHERE THE SALE OF LIQUID FUELS OR OIL IS CONDUCTED OR  
21 THE EXTENSION OF AN EXISTING LICENSE TO COVER AN ADDITIONAL  
22 AREA] THE BOARD SHALL NOT LICENSE THE AREA WHERE LIQUID FUELS OR  
23 OIL IS SOLD. NO SALES OF LIQUID FUELS OR OIL MAY BE MADE FROM A  
24 LICENSEE'S LICENSED PREMISES. A LICENSED PREMISES MAY NOT HAVE  
25 AN INTERIOR CONNECTION WITH A LOCATION THAT SELLS LIQUID FUELS  
26 OR OILS UNLESS IT FIRST RECEIVES PERMISSION FROM THE BOARD FOR  
27 THE INTERIOR CONNECTION. THE APPROVAL SHALL BE REQUIRED  
28 REGARDLESS OF WHETHER THE LICENSEE OR ANOTHER PARTY IS THE  
29 ENTITY SELLING THE LIQUID FUELS OR OILS: AND PROVIDED FURTHER,  
30 THAT THE BOARD SHALL HAVE THE DISCRETION TO REFUSE A LICENSE TO



1 ANY PERSON OR TO ANY CORPORATION, PARTNERSHIP OR ASSOCIATION IF  
2 SUCH PERSON, OR ANY OFFICER OR DIRECTOR OF SUCH CORPORATION, OR  
3 ANY MEMBER OR PARTNER OF SUCH PARTNERSHIP OR ASSOCIATION SHALL  
4 HAVE BEEN CONVICTED OR FOUND GUILTY OF A FELONY WITHIN A PERIOD  
5 OF FIVE YEARS IMMEDIATELY PRECEDING THE DATE OF APPLICATION FOR  
6 THE SAID LICENSE. THE BOARD MAY, IN ITS DISCRETION, REFUSE AN  
7 APPLICATION FOR AN ECONOMIC DEVELOPMENT LICENSE UNDER SECTION  
8 461(B.1) OR AN APPLICATION FOR AN INTERMUNICIPAL TRANSFER OR A  
9 LICENSE IF THE BOARD RECEIVES A PROTEST FROM THE GOVERNING BODY  
10 OF THE RECEIVING MUNICIPALITY. THE RECEIVING MUNICIPALITY OF AN  
11 INTERMUNICIPAL TRANSFER OR AN ECONOMIC DEVELOPMENT LICENSE UNDER  
12 SECTION 461(B.1) MAY FILE A PROTEST AGAINST THE APPROVAL FOR  
13 ISSUANCE OF A LICENSE FOR ECONOMIC DEVELOPMENT OR AN  
14 INTERMUNICIPAL TRANSFER OF A LICENSE INTO ITS MUNICIPALITY, AND  
15 SUCH MUNICIPALITY SHALL HAVE STANDING IN A HEARING TO PRESENT  
16 TESTIMONY IN SUPPORT OF OR AGAINST THE ISSUANCE OR TRANSFER OF A  
17 LICENSE. UPON ANY OPENING IN ANY QUOTA, AN APPLICATION FOR A NEW  
18 LICENSE SHALL ONLY BE FILED WITH THE BOARD FOR A PERIOD OF SIX  
19 MONTHS FOLLOWING SAID OPENING.

20 \* \* \*

21 SECTION 7. SECTIONS 436(E) AND 437(E) OF THE ACT ARE AMENDED  
22 TO READ:

23 SECTION 436. APPLICATION FOR DISTRIBUTORS', IMPORTING  
24 DISTRIBUTORS' AND RETAIL DISPENSERS' LICENSES.--APPLICATION FOR  
25 DISTRIBUTORS', IMPORTING DISTRIBUTORS' AND RETAIL DISPENSERS'  
26 LICENSES, OR FOR THE TRANSFER OF AN EXISTING LICENSE TO ANOTHER  
27 PREMISES NOT THEN LICENSED OR TO ANOTHER PERSON, SHALL CONTAIN  
28 OR HAVE ATTACHED THERETO THE FOLLOWING INFORMATION AND  
29 STATEMENTS:

30 \* \* \*

1 (E) THAT THE APPLICANT IS NOT, OR IN CASE OF A PARTNERSHIP  
2 OR ASSOCIATION, THAT THE MEMBERS OR PARTNERS ARE NOT, AND IN THE  
3 CASE OF A CORPORATION, THAT THE OFFICERS AND DIRECTORS ARE NOT,  
4 IN ANY MANNER PECUNIARILY INTERESTED, EITHER DIRECTLY OR  
5 INDIRECTLY, IN THE PROFITS OF ANY OTHER CLASS OF BUSINESS  
6 REGULATED UNDER THIS ARTICLE, EXCEPT AS HEREINAFTER PERMITTED.  
7 THE REQUIREMENTS OF THIS SECTION SHALL NOT PROHIBIT A  
8 DISTRIBUTOR OR IMPORTING DISTRIBUTOR FROM HOLDING A WINE OR  
9 LIQUOR ENHANCED PERMIT PURSUANT TO SECTION 416.

10 \* \* \*

11 SECTION 437. PROHIBITIONS AGAINST THE GRANT OF LICENSES.--\*

12 \* \*

13 (E) NO DISTRIBUTOR'S OR IMPORTING DISTRIBUTOR'S LICENSE  
14 SHALL BE ISSUED FOR ANY PREMISES IN ANY PART OF WHICH THERE IS  
15 OPERATED ANY RETAIL LICENSE FOR THE SALE OF LIQUOR OR MALT OR  
16 BREWED BEVERAGES. THE REQUIREMENTS OF THIS SECTION SHALL NOT  
17 PROHIBIT A DISTRIBUTOR OR IMPORTING DISTRIBUTOR FROM HOLDING A  
18 WINE OR LIQUOR ENHANCED PERMIT PURSUANT TO SECTION 416.

19 \* \* \*

20 SECTION 8. SECTION 443(B) OF THE ACT, AMENDED MAY 31, 1996  
21 (P.L.312, NO.49), IS AMENDED TO READ:

22 SECTION 443. INTERLOCKING BUSINESS PROHIBITED.--\* \* \*

23 (B) NO DISTRIBUTOR OR IMPORTING DISTRIBUTOR AND NO OFFICER  
24 OR DIRECTOR OF ANY DISTRIBUTOR OR IMPORTING DISTRIBUTOR SHALL AT  
25 THE SAME TIME BE A MANUFACTURER, A RETAIL DISPENSER OR A LIQUOR  
26 LICENSEE, OR BE AN OFFICER, DIRECTOR, STOCKHOLDER OR CREDITOR OF  
27 A MANUFACTURER, A RETAIL DISPENSER OR A LIQUOR LICENSEE, OR,  
28 DIRECTLY OR INDIRECTLY, OWN ANY STOCK OF, OR HAVE ANY FINANCIAL  
29 INTEREST IN, OR BE THE OWNER, PROPRIETOR OR LESSOR OF, ANY PLACE  
30 COVERED BY ANY OTHER MALT OR BREWED BEVERAGE OR LIQUOR LICENSE.

1 THE REQUIREMENTS OF THIS SECTION MAY NOT PROHIBIT A DISTRIBUTOR  
2 OR IMPORTING DISTRIBUTOR FROM HOLDING A WINE OR LIQUOR ENHANCED  
3 PERMIT PURSUANT TO SECTION 416.

4 \* \* \*

5 SECTION 8.1. SECTION 468(A)(3) OF THE ACT, AMENDED DECEMBER  
6 20, 2000 (P.L.992, NO.141), IS AMENDED TO READ:

7 SECTION 468. LICENSES NOT ASSIGNABLE; TRANSFERS.--(A) \* \* \*

8 [(3) NO LICENSE SHALL BE TRANSFERRED TO ANY PLACE OR  
9 PROPERTY UPON WHICH IS LOCATED AS A BUSINESS THE SALE OF LIQUID  
10 FUELS AND OIL. EXCEPT IN CASES OF EMERGENCY SUCH AS DEATH,  
11 SERIOUS ILLNESS, OR CIRCUMSTANCES BEYOND THE CONTROL OF THE  
12 LICENSEE, AS THE BOARD MAY DETERMINE SUCH CIRCUMSTANCES TO  
13 JUSTIFY ITS ACTION, TRANSFERS OF LICENSES MAY BE MADE ONLY AT  
14 TIMES FIXED BY THE BOARD. IN THE CASE OF THE DEATH OF A  
15 LICENSEE, THE BOARD MAY TRANSFER THE LICENSE TO THE SURVIVING  
16 SPOUSE OR PERSONAL REPRESENTATIVE OR TO A PERSON DESIGNATED BY  
17 HIM. FROM ANY REFUSAL TO GRANT A TRANSFER OR UPON THE GRANT OF  
18 ANY TRANSFER, THE PARTY AGGRIEVED SHALL HAVE THE RIGHT OF APPEAL  
19 TO THE PROPER COURT IN THE MANNER HEREINBEFORE PROVIDED.]

20 \* \* \*

21 SECTION 9. SECTION 474.1(B), (C) AND (G) OF THE ACT, AMENDED  
22 NOVEMBER 29, 2006 (P.L.1421, NO.155), ARE AMENDED TO READ:

23 SECTION 474.1. SURRENDER OF RESTAURANT, EATING PLACE RETAIL  
24 DISPENSER, HOTEL, IMPORTING DISTRIBUTOR AND DISTRIBUTOR LICENSE  
25 FOR BENEFIT OF LICENSEE.--\* \* \*

26 (B) THE BOARD MAY HOLD THE LICENSE IN SAFEKEEPING FOR A  
27 PERIOD NOT TO EXCEED [THREE] TWO CONSECUTIVE YEARS. ANY LICENSE  
28 REMAINING IN SAFEKEEPING FOR MORE THAN [THREE] TWO CONSECUTIVE  
29 YEARS SHALL BE IMMEDIATELY REVOKED BY THE BUREAU OF LICENSING  
30 UNLESS A TRANSFER APPLICATION OR REQUEST FOR REISSUE FROM

1 SAFEKEEPING HAS BEEN FILED PRIOR TO THE EXPIRATION OF THE  
2 [THREE-YEAR] TWO-YEAR PERIOD OR UNLESS THE BOARD HAS APPROVED A  
3 REQUEST TO EXTEND THE SAFEKEEPING FOR AN ADDITIONAL YEAR AS SET  
4 FORTH IN SUBSECTION (G). IN ADDITION, THE BOARD SHALL EXTEND THE  
5 PERIOD FOR AN ADDITIONAL YEAR IF, AT THE END OF THE [THREE-YEAR]  
6 TWO-YEAR PERIOD, THE LICENSED PREMISES ARE UNAVAILABLE DUE TO  
7 FIRE, FLOOD OR OTHER SIMILAR NATURAL DISASTER; NO FURTHER  
8 EXTENSION BEYOND ONE ADDITIONAL YEAR SHALL BE GRANTED BY THE  
9 BOARD REGARDLESS OF WHETHER THE LICENSED PREMISES ARE  
10 UNAVAILABLE DUE TO FIRE, FLOOD OR OTHER SIMILAR NATURAL DISASTER  
11 UNLESS AN APPLICATION IS MADE AS SET FORTH IN SUBSECTION (G).

12 (C) IN THE EVENT A TRANSFER APPLICATION FILED PRIOR TO THE  
13 EXPIRATION OF THE [THREE-YEAR] TWO-YEAR PERIOD IS DISAPPROVED BY  
14 THE BOARD, THEN THE LICENSE MAY REMAIN IN SAFEKEEPING SO LONG AS  
15 THE LICENSEE HAS SUBMITTED AND THE BOARD HAS APPROVED A REQUEST  
16 TO EXTEND THE SAFEKEEPING FOR AN ADDITIONAL YEAR AS SET FORTH IN  
17 SUBSECTION (G). SUCH REQUEST MUST BE SUBMITTED WITHIN THIRTY  
18 DAYS OF THE BOARD'S DECISION NOTWITHSTANDING ANY APPEAL FILED IN  
19 THE MATTER; HOWEVER, THE FEE SET FORTH IN SUBSECTION (G) SHALL  
20 BE REFUNDED IF THE BOARD'S DECISION IS OVERTURNED.

21 \* \* \*

22 (G) (1) A LICENSEE WHOSE LICENSE IS SUBJECT TO THIS SECTION  
23 MAY, UPON WRITTEN REQUEST, APPLY TO THE BOARD TO ALLOW THE  
24 LICENSE TO REMAIN IN SAFEKEEPING FOR AN ADDITIONAL ONE YEAR. THE  
25 WRITTEN REQUEST MUST BE ACCOMPANIED BY A [FIVE THOUSAND DOLLAR  
26 (\$5,000)] TEN THOUSAND DOLLAR (\$10,000) FEE FOR LICENSES PLACED  
27 IN SAFEKEEPING FROM COUNTIES OF THE FIRST CLASS, SECOND CLASS,  
28 SECOND CLASS A, THIRD CLASS AND FOURTH CLASS AND A FEE OF [TWO  
29 THOUSAND FIVE HUNDRED DOLLARS (\$2,500)] FIVE THOUSAND DOLLARS  
30 (\$5,000) FOR LICENSES PLACED IN SAFEKEEPING FROM COUNTIES OF THE

1 FIFTH THROUGH EIGHTH CLASSES. FOR EACH SUBSEQUENT YEAR IN  
2 SAFEKEEPING, THE FEES SET FORTH IN THIS PARAGRAPH SHALL BE  
3 DOUBLED OVER THE AMOUNT CHARGED FOR THE PREVIOUS YEAR'S FEE. NO  
4 FEE SHALL BE REQUIRED IF THE LICENSEE CAN PROVE THAT HE OR SHE  
5 IS UNABLE TO USE THE LICENSE THROUGH NO FAULT OF HIS OR HER OWN,  
6 INCLUDING A FIRE, FLOOD OR OTHER EVENT THAT RENDERS THE LICENSED  
7 PREMISES UNUSABLE. THE BOARD SHALL APPROVE THE REQUEST UNLESS  
8 THE LICENSE OR LICENSEE NO LONGER MEETS THE REQUIREMENTS OF THIS  
9 ACT OR THE BOARD'S REGULATIONS. THE FEE COLLECTED SHALL BE PAID  
10 INTO THE STATE TREASURY THROUGH THE DEPARTMENT OF REVENUE INTO  
11 THE STATE STORE FUND.

12 [(2) A LICENSEE WHOSE LICENSE REMAINS IN SAFEKEEPING AFTER  
13 THE EXPIRATION OF AN APPROVED ADDITIONAL ONE-YEAR PERIOD MAY  
14 SUBMIT A WRITTEN REQUEST FOR ADDITIONAL ONE-YEAR PERIODS;  
15 HOWEVER, EACH SUCH REQUEST MUST BE ACCOMPANIED BY A FIVE  
16 THOUSAND DOLLAR (\$5,000) FEE FOR LICENSES PLACED IN SAFEKEEPING  
17 FROM COUNTIES OF THE FIRST CLASS, SECOND CLASS, SECOND CLASS A,  
18 THIRD CLASS AND FOURTH CLASS AND A FEE OF TWO THOUSAND FIVE  
19 HUNDRED DOLLARS (\$2,500) FOR LICENSES PLACED IN SAFEKEEPING FROM  
20 COUNTIES OF THE FIFTH THROUGH EIGHTH CLASSES.]

21 SECTION 10. SECTION 492(12), (13) AND (14) OF THE ACT,  
22 AMENDED DECEMBER 22, 2011 (P.L.530, NO.113), ARE AMENDED TO  
23 READ:

24 SECTION 492. UNLAWFUL ACTS RELATIVE TO MALT OR BREWED  
25 BEVERAGES AND LICENSEES.--

26 IT SHALL BE UNLAWFUL--

27 \* \* \*

28 (12) DISTRIBUTORS AND IMPORTING DISTRIBUTORS ENGAGING IN  
29 OTHER BUSINESS. FOR ANY DISTRIBUTOR OR IMPORTING DISTRIBUTOR, OR  
30 HIS SERVANTS, AGENTS OR EMPLOYEES, WITHOUT THE APPROVAL OF THE

1 BOARD, AND THEN ONLY IN ACCORDANCE WITH BOARD REGULATIONS, TO  
2 ENGAGE IN ANY OTHER BUSINESS WHATSOEVER, EXCEPT THE BUSINESS OF  
3 DISTRIBUTING MALT OR BREWED BEVERAGES, EXCEPT THAT THE SALE OF  
4 THE FOLLOWING GOODS SHALL BE PERMITTED ON THE LICENSED PREMISES  
5 OF A DISTRIBUTOR OR IMPORTING DISTRIBUTOR:

6 (I) ANY BOOK, MAGAZINE OR OTHER PUBLICATION RELATED TO MALT  
7 OR BREWED BEVERAGES.

8 (II) ANY EQUIPMENT, INGREDIENTS OR OTHER SUPPLIES NECESSARY  
9 FOR THE UNLICENSED MANUFACTURE OF MALT OR BREWED BEVERAGES AS  
10 DESCRIBED IN PARAGRAPH (1), COMMONLY KNOWN AS "HOMEBREWING."

11 (III) IF THE HOLDER OF A DISTRIBUTOR OR IMPORTING  
12 DISTRIBUTOR LICENSE ACQUIRES A WINE OR LIQUOR ENHANCED PERMIT  
13 PURSUANT TO SECTION 416 FOR USE AT ITS LICENSED PREMISES, IT MAY  
14 ENGAGE IN THE SALE OF WINE OR LIQUOR, SO LONG AS THE LICENSEE  
15 MEETS ALL OF THE REQUIREMENTS OF THIS ACT.

16 (13) POSSESSION OR STORAGE OF LIQUOR OR ALCOHOL BY CERTAIN  
17 LICENSEES. FOR ANY DISTRIBUTOR, IMPORTING DISTRIBUTOR OR RETAIL  
18 DISPENSER, OR HIS SERVANTS, AGENTS OR EMPLOYES, TO HAVE IN HIS  
19 POSSESSION, OR TO PERMIT THE STORAGE OF ON THE LICENSED PREMISES  
20 OR IN ANY PLACE CONTIGUOUS OR ADJACENT THERETO ACCESSIBLE TO THE  
21 PUBLIC OR USED IN CONNECTION WITH THE OPERATION OF THE LICENSED  
22 PREMISES, ANY ALCOHOL OR LIQUOR. THIS SECTION SHALL NOT PROHIBIT  
23 A LICENSED DISTRIBUTOR OR IMPORTING DISTRIBUTOR THAT HOLDS A  
24 WINE OR LIQUOR ENHANCED PERMIT ISSUED PURSUANT TO SECTION 416  
25 FROM POSSESSING OR PERMITTING THE STORAGE OF WINE OR LIQUOR ON  
26 THE LICENSED PREMISES USED IN CONNECTION WITH THE OPERATION OF  
27 THE LICENSED PREMISES.

28 (14) MALT OR BREWED BEVERAGE LICENSEES DEALING IN LIQUOR OR  
29 ALCOHOL. FOR ANY MALT OR BREWED BEVERAGE LICENSEE, OTHER THAN A  
30 DISTRIBUTOR OR IMPORTING DISTRIBUTOR THAT HOLDS A WINE OR LIQUOR

1 ENHANCED PERMIT, MANUFACTURER, OR THE SERVANTS, AGENTS OR  
2 EMPLOYES THEREOF, TO MANUFACTURE, IMPORT, SELL, TRANSPORT,  
3 STORE, TRADE OR BARTER IN ANY LIQUOR OR ALCOHOL.

4 \* \* \*

5 SECTION 11. THE REGULATIONS OF THE BOARD AT 40 PA. CODE §§  
6 3.52 (RELATING TO CONNECTION WITH OTHER BUSINESS) AND 3.53  
7 (RELATING TO RESTRICTION ON STORAGE AND SALES WHERE BOARD HAS  
8 APPROVED CONNECTION WITH OTHER BUSINESS) ARE ABROGATED TO THE  
9 EXTENT OF ANY INCONSISTENCY WITH THIS ACT.

10 SECTION 12. THIS ACT SHALL TAKE EFFECT IN 60 DAYS.