

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 770 Session of 2015

INTRODUCED BY MASSER, SCHREIBER, PICKETT, COHEN, FREEMAN, SANKEY, HEFFLEY, WATSON, MILLARD, HARHAI, HARHART, GABLER, MOUL, GIBBONS AND FARRY, MARCH 10, 2015

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, MAY 11, 2015

AN ACT

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

21 The General Assembly of the Commonwealth of Pennsylvania

22 hereby enacts as follows:

23 Section 1. The definition of "eligible entity" in section
24 102 of the act of April 12, 1951 (P.L.90, No.21), known as the
25 Liquor Code, reenacted and amended June 29, 1987 (P.L.32, No.14)
26 and amended July 5, 2012 (P.L.1007, No.116), is amended to read:

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

4 * * *

5 "Eligible entity" shall mean a city of the third class, a
6 hospital, a church, a synagogue, a volunteer fire company, a
7 volunteer ambulance company, a volunteer rescue squad, a unit of
8 a nationally chartered club which has been issued a club liquor
9 license, a club which has been issued a club liquor license and
10 which, as of December 31, 2002, has been in existence for at
11 least 100 years, a library, a nationally accredited Pennsylvania
12 nonprofit zoological institution licensed by the United States
13 Department of Agriculture, a nonprofit agricultural association
14 in existence for at least ten years, a bona fide sportsmen's
15 club in existence for at least ten years, a nationally chartered
16 veterans' organization and any affiliated lodge or subdivision
17 of such organization, a fraternal benefit society that is
18 licensed to do business in this Commonwealth and any affiliated
19 lodge or subdivision of such fraternal benefit society, a museum
20 operated by a nonprofit corporation, a nonprofit corporation
21 engaged in the performing arts, an arts council, a nonprofit
22 corporation that operates an arts facility or museum, a
23 nonprofit organization as defined under section 501(c)(3) of the
24 Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. §
25 501(c)(3)) whose purpose is to protect the architectural
26 heritage of boroughs or a township of the second class and which
27 has been recognized as such by a municipal resolution, a
28 nonprofit organization as defined under section 501(c)(3) of the
29 Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. §
30 501(c)(3)) conducting a regatta in a city of the second class

1 with the permit to be used on State park grounds or conducting a
2 family-oriented celebration as part of Welcome America in a city
3 of the first class on property leased from that city for more
4 than fifty years, a nonprofit organization as defined under
5 section 501(c)(3) of the Internal Revenue Code of 1986 (26
6 U.S.C. § 501(c)(3)) whose purpose is to raise funds for the
7 research and treatment of cystic fibrosis, a nonprofit
8 organization as defined under section 501(c)(3) of the Internal
9 Revenue Code of 1986 (26 U.S.C. § 501(c)(3)) whose purpose is to
10 educate the public on issues dealing with watershed
11 conservation, a nonprofit organization as defined under section
12 501(c)(3) of the Internal Revenue Code of 1986 (Public Law 99-
13 514, 26 U.S.C. § 501(c)(3)) whose purpose is to provide equine
14 assisted activities for children and adults with special needs,
15 a nonprofit economic development agency in a city of the second
16 class with the primary function to serve as an economic
17 generator for the greater southwestern Pennsylvania region by
18 attracting and supporting film, television and related media
19 industry projects and coordinating government and business
20 offices in support of a production, a county tourist promotion
21 agency as defined in section 3(1) of the act of April 28, 1961
22 (P.L.111, No.50), known as the "Tourist Promotion Law," a junior
23 league that is a nonprofit organization as defined under section
24 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. §
25 501(c)(3)) that is comprised of women whose purpose is
26 exclusively educational and charitable in promoting the
27 volunteerism of women and developing and participating in
28 community projects and that has been in existence for over
29 seventy years, a nonprofit organization as defined under section
30 501(c)(3) of the Internal Revenue Code of 1986 and whose purpose

1 is the education and promotion of American history, a nonprofit
2 organization as defined under section 501(c)(6) of the Internal
3 Revenue Code of 1986 whose purpose is to support business and
4 industry, a brewery which has been issued a license to
5 manufacture malt or brewed beverages and has been in existence
6 for at least 100 years or a club recognized by Rotary
7 International and whose purpose is to provide service to others,
8 to promote high ethical standards and to advance world
9 understanding, goodwill and peace through its fellowship of
10 business, professional and community leaders or a nonprofit
11 organization as defined under section 501(c)(3) of the Internal
12 Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3))
13 whose purpose is to promote mushrooms while supporting local and
14 regional charities, a museum operated by a not-for-profit
15 corporation in a city of the second class A, a nonprofit
16 organization as defined under section 501(c)(3) of the Internal
17 Revenue Code of 1986 which is located in a city of the second
18 class A and has as its purpose economic and community
19 development, a nonprofit organization as defined under section
20 501(c)(3) or (6) of the Internal Revenue Code of 1986 that is
21 located in a city of the third class in a county of the fifth
22 class, a nonprofit social service organization defined under
23 section 501(c)(3) of the Internal Revenue Code of 1986 located
24 in a county of the third class whose purpose is to serve
25 individuals and families in that county of the third class, a
26 nonprofit organization as defined under section 501(c)(3) of the
27 Internal Revenue Code of 1986 whose main purpose is to
28 temporarily foster stray and unwanted animals and match them to
29 suitable permanent homes or a nonprofit organization as defined
30 under section 501(c)(3) of the Internal Revenue Code of 1986 who

1 operates either a Main Street Program or Elm Street Program
2 recognized by the Commonwealth, the National Trust for Historic
3 Preservation or both, a nonprofit radio station that is a member
4 of the National Public Radio network, a nonprofit public
5 television station that is a member of the Pennsylvania Public
6 Television Network [or], a nonprofit organization as defined
7 under section 501(c)(3) of the Internal Revenue Code of 1986
8 whose purpose is to promote awareness, education and research
9 and to provide a support system for patients with neutropenia
10 and their families through a national resource network or a
11 nonprofit organization as defined under section 501(c)(3) of the
12 Internal Revenue Code of 1986 that is located in a city of the
13 first class and has been in existence for over fifteen years <--
14 whose purpose is community based economic development.[.] FIRST <--
15 CLASS, WAS ORGANIZED IN 1995 AS A COMMUNITY DEVELOPMENT
16 CORPORATION TO PROMOTE THE HEALTH, SAFETY AND WELFARE OF THE
17 RESIDENTS, BUSINESSES AND INSTITUTIONS OF A NEIGHBORHOOD OF A
18 CITY OF THE FIRST CLASS, AND WHOSE WORKS INCLUDE PUBLIC
19 PROMOTIONS, NEIGHBORHOOD IMPROVEMENT PROJECTS AND COMMERCIAL
20 CORRIDOR IMPROVEMENTS, INCLUDING A BUSINESS IMPROVEMENT
21 DISTRICT.

22 Section 2. Section 493(24) of the act, amended November 29,
23 2006 (P.L.1421, No.155), is amended to read:

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

29 It shall be unlawful--

30 * * *

1 (24) (i) Things of Value Offered as Inducement. Except as
2 provided in [subclause (ii)] subclauses (ii) and (iii), for any
3 licensee under the provisions of this article, or the board or
4 any manufacturer, or any employe or agent of a manufacturer,
5 licensee or of the board, to offer to give anything of value or
6 to solicit or receive anything of value as a premium for the
7 return of caps, stoppers, corks, stamps or labels taken from any
8 bottle, case, barrel or package containing liquor or malt or
9 brewed beverage, or to offer or give or solicit or receive
10 anything of value as a premium or present to induce directly the
11 purchase of liquor or malt or brewed beverage, or for any
12 licensee, manufacturer or other person to offer or give to trade
13 or consumer buyers any prize, premium, gift or other inducement
14 to purchase liquor or malt or brewed beverages, except
15 advertising novelties of nominal value which the board shall
16 define. This section shall not prevent any manufacturer or any
17 agent of a manufacturer from offering and honoring coupons which
18 offer monetary rebates on purchases of wines and spirits through
19 State Liquor Stores or purchases of malt or brewed beverages
20 through distributors and importing distributors in accordance
21 with conditions or regulations established by the board. The
22 board may redeem coupons offered by a manufacturer or an agent
23 of a manufacturer at the time of purchase. Coupons offered by a
24 manufacturer or an agent of a manufacturer shall not be redeemed
25 without proof of purchase. This section shall not apply to the
26 return of any monies specifically deposited for the return of
27 the original container to the owners thereof.

28 (ii) Notwithstanding subclause (i) or any other provision of
29 law, a holder of a restaurant license that is also approved to
30 hold a slot machine license or a conditional slot machine

1 license under 4 Pa.C.S. Part II (relating to gaming) may give
2 liquor and malt or brewed beverages free of charge to any person
3 actively engaged in playing a slot machine.

4 (iii) Notwithstanding subclause (i) or any other provision
5 of law or regulation, a holder of a license under provisions of
6 this clause may offer discounts of food or malt or brewed
7 beverages and disproportionate serving amounts that act as a
8 discount to patrons who are part of a bona fide club or group
9 program offered by the licensee to promote its business or
10 products in a commercially reasonable manner.

11 (iv) No discounts of food or malt or brewed beverages and
12 disproportionate serving amounts offered pursuant to subclause
13 (iii) shall be given between the hours of midnight and the legal
14 closing time on any given day.

15 * * *

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