## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE BILL No. 1497 Session of 2017

INTRODUCED BY JOZWIAK, TALLMAN, ROTHMAN, BARBIN, M. K. KELLER, MILLARD, A. HARRIS, GROVE, WENTLING, WARD, SONNEY, WHEELAND, MICCARELLI AND RADER, JUNE 5, 2017

## AS AMENDED ON THIRD CONSIDERATION, IN SENATE, OCTOBER 17, 2018

## AN ACT

1	Amending the act of April 12, 1951 (P.L.90, No.21), entitled "An <
2	act relating to alcoholic liquors, alcohol and malt and
3	brewed beverages; amending, revising, consolidating and
4	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 "alcoholic cider"
18	and "public venue"; and, in licenses and regulations for
19	liquor, alcohol and malt and brewed beverages, further
20	providing for sales by liquor licensees and restrictions, for
21	wine and spirits auction permits, for interlocking businesses
22	prohibited, FOR PERFORMING ARTS FACILITY LICENSE, for malt-
23	and brewed beverages manufacturers', distributors' and
24	importing distributors' licenses, for local option and for
25	unlawful acts relative to liquor, malt and brewed beverages
26	and licensees.
27	AMENDING THE ACT OF APRIL 12, 1951 (P.L.90, NO.21), ENTITLED "AN <
28	ACT RELATING TO ALCOHOLIC LIQUORS, ALCOHOL AND MALT AND
29	BREWED BEVERAGES; AMENDING, REVISING, CONSOLIDATING AND
30	CHANGING THE LAWS RELATING THERETO; REGULATING AND
31	RESTRICTING THE MANUFACTURE, PURCHASE, SALE, POSSESSION,

CONSUMPTION, IMPORTATION, TRANSPORTATION, FURNISHING, HOLDING 1 IN BOND, HOLDING IN STORAGE, TRAFFIC IN AND USE OF ALCOHOLIC 2 LIQUORS, ALCOHOL AND MALT AND BREWED BEVERAGES AND THE 3 PERSONS ENGAGED OR EMPLOYED THEREIN; DEFINING THE POWERS AND 4 DUTIES OF THE PENNSYLVANIA LIQUOR CONTROL BOARD; PROVIDING 5 FOR THE ESTABLISHMENT AND OPERATION OF STATE LIQUOR STORES, 6 7 FOR THE PAYMENT OF CERTAIN LICENSE FEES TO THE RESPECTIVE MUNICIPALITIES AND TOWNSHIPS, FOR THE ABATEMENT OF CERTAIN 8 NUISANCES AND, IN CERTAIN CASES, FOR SEARCH AND SEIZURE 9 WITHOUT WARRANT; PRESCRIBING PENALTIES AND FORFEITURES; 10 PROVIDING FOR LOCAL OPTION, AND REPEALING EXISTING LAWS," IN 11 PRELIMINARY PROVISIONS, FURTHER PROVIDING FOR DEFINITIONS; IN 12 LICENSES AND REGULATIONS AND LIQUOR, ALCOHOL AND MALT AND 13 BREWED BEVERAGES, FURTHER PROVIDING FOR APPLICATIONS FOR 14 HOTEL, RESTAURANT AND CLUB LIQUOR LICENSES, FOR SALES BY 15 LIQUOR LICENSEES AND RESTRICTIONS, FOR WINE AND SPIRITS 16 AUCTION PERMITS, FOR PUBLIC VENUE LICENSE, FOR PERFORMING 17 ARTS FACILITY LICENSE, FOR WINE EXPANDED PERMITS, FOR CASINO 18 LIQUOR LICENSE, FOR APPLICATION FOR DISTRIBUTORS', IMPORTING 19 DISTRIBUTORS' AND RETAIL DISPENSERS' LICENSES AND, FOR 20 <---BREWERIES, PROVIDING FOR TAXES DUE ON SALES MADE BY A HOLDER <--21 OF A MANUFACTURER'S LICENSE, FURTHER PROVIDING AND FOR 22 <---LIMITING NUMBER OF RETAIL LICENSES TO BE ISSUED IN EACH 23 COUNTY, PROVIDING FOR LIQUOR CODE SUSPENSION FOR DEFICIENCY - --24 25 AND FURTHER PROVIDING FOR LOCAL OPTION AND FOR UNLAWFUL ACTS <---RELATIVE TO LIQUOR, MALT AND BREWED BEVERAGES AND LICENSEES; 26 IN DISTILLERIES, WINERIES, BONDED WAREHOUSES, BAILEES FOR 27 HIRE AND TRANSPORTERS FOR HIRE, FURTHER PROVIDING FOR LIMITED 28 WINERIES AND FOR DISTILLERIES; AND, IN MISCELLANEOUS 29 <---30 PROVISIONS, FURTHER PROVIDING FOR CONSTRUCTION AND APPLICABILITY; AND MAKING RELATED REPEALS. <---31 32 The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows: 33 34 Section 1. The definitions of "alcoholic cider" and "public- <--35 venue" in section 102 of the act of April 12, 1951 (P.L.90, 36 No.21), known as the Liquor Code, amended November 15, 2016-37 (P.L.1286, No.166), are amended to read: 38 Section 102. Definitions. The following words or phrases, 39 unless the context clearly indicates otherwise, shall have the 40 meanings ascribed to them in this section: 41 \* \* \* 42 "Alcoholic cider" shall mean a beverage which may contain-43 carbonation in an amount not to exceed six and four tenths grams-44 per liter, produced through alcoholic fermentation [of any fruit-45 or fruit juice, which is primarily derived from apples, apple

juice concentrate and water, pears or pear juice concentrate and 1 water, consisting of at least one half of one per centum, but 2 3 not greater than eight and one half per centum, alcohol byvolume and sold or offered for sale as alcoholic cider and not 4 as a wine, a wine product or as a substitute for wine, in-5 bottles, cases, kegs, cans or other suitable containers of the-6 7 type used for the sale of malt or brewed beverages in this-8 Commonwealth.

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10 "Public venue" shall mean a stadium, arena, convention center, museum, zoo, amphitheater or similar structure. If the 11 12 public venue is a cruise terminal owned or leased by a port-13 authority created under the act of June 12, 1931 (P.L.575, 14 No.200), entitled "An act providing for joint action by-15 Pennsylvania and New Jersey in the development of the ports on-16 the lower Delaware River, and the improvement of the facilitiesfor transportation across the river; authorizing the Governor, 17 18 for these purposes, to enter into an agreement with New Jersey; 19 creating The Delaware River Joint Commission and specifying the-20 powers and duties thereof, including the power to finance projects by the issuance of revenue bonds; transferring to the-21 22 new commission all the powers of the Delaware River Bridge Joint-23 Commission; and making an appropriation," it shall have no-24 permanent seating requirement. If the public venue is an open-25 air amphitheater owned by a port authority created under the act-26 of December 6, 1972 (P.L.1392, No.298), known as the "Third-27 Class City Port Authority Act," it shall have no permanent-28 seating requirement. If the public venue is owned by a political-29 subdivision, a municipal authority, the Commonwealth, anauthority created under the act of July 29, 1953 (P.L.1034,-30

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No.270), known as the "Public Auditorium Authorities Law," an-1 authority created under Article XXV A of the act of July 28, 2 3 1953 (P.L.723, No.230), known as the "Second Class County Code," an art museum established under the authority of the act of 4 April 6, 1791 (3 Sm.L.20, No.1536), entitled "An act to confer-5 on certain associations of the citizens of this commonwealth the 6 7 powers and immunities of corporations, or bodies politic in-8 law," [or] an authority created under Article XXIII (n) or (o) of the act of August 9, 1955 (P.L.323, No.130), known as "The-9 10 County Code, " or it is located in a neighborhood improvement zone created under Article XIX B of the act of March 4, 1971-11 12 (P.L.6, No.2), known as the Tax Reform Code of 1971, located in 13 <u>a city of the third class, it shall have permanent seating for</u> at least one thousand (1,000) people; otherwise, it shall have 14 15 permanent seating for at least two thousand (2,000) people. The 16 term shall also mean any regional history center, multipurposecultural and science facility, museum or convention or trade-17 18 show center, regardless of owner and seating capacity, that has 19 a floor area of at least sixty thousand (60,000) square feet in-20 one building. The term shall also mean a convention or conference center owned by a city of the third class or a 21 university which is a member of the Pennsylvania State System of 22 23 Higher Education which is operated by a university foundation or-24 alumni association, regardless of seating capacity, that has a 25 floor area of at least fifteen thousand (15,000) square feet in-26 one building. The term shall also mean a visitor center, 27 regardless of floor area or seating capacity, that was-28 established under the authority of the Gateway Visitor Center-29 Authorization Act of 1999 (Public Law 106-131, 113 Stat. 1678, <del>16 U.S.C. § 407m).</del> 30

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2	Section 2. Section 406(d) of the act is amended to read:
3	Section 406. Sales by Liquor Licensees; Restrictions* * *
4	(d) Subject to section 412, licensed public venues may sell-
5	liquor and malt or brewed beverages on Sundays from eleven-
6	o'clock antemeridian until midnight without the need to acquire-
7	or qualify for a special permit. In addition, subject to section-
8	413, licensed performing arts facilities may sell liquor and
9	malt or brewed beverages on Sundays from [one o'clock-
10	<del>postmeridian] <u>ten o'clock antemeridian</u> until ten o'clock-</del>
11	postmeridian without the need to acquire or qualify for a
12	special permit.
13	* * *
14	section 3. sections 408.12(a)(6), (10), (11) and (12) and
15	411(d) and (e) of the act, amended november 15, 2016 (p.l.1286,
16	no.166), are amended to read:
17	Section 408.12. Wine and Spirits Auction Permits(a) Upon-
18	application of:
19	* * *
20	(6) any [nationally recognized] community based voluntary
21	health organization committed to fighting cancer [which has been-
22	in existence for at least ninety years];
23	* * *
24	(10) institution of higher education; or
25	(11) any nationally recognized community-based health-
26	organization committed to funding Type 1 Diabetes research; [or]
27	<pre>[(12) any nationally recognized community-based voluntary-</pre>
28	health organization committed to fighting cancer which has been-
29	in existence for at least twenty years;]
30	and upon payment of a fee of thirty dollars (\$30) per day, the

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1 board shall issue a wine and spirits auction permit good for a 2 period of not more than four consecutive or nonconsecutive days 3 per calendar year.

4 \* \* \*

5 Section 411. Interlocking Business Prohibited. \* \* \* 6 (d) Excepting as herein provided, no hotel licensee, restaurant licensee or club licensee, and no officer, director, 7 8 stockholder, agent or employe of any such licensee shall in any 9 wise be interested, either directly or indirectly, [in the-10 ownership or leasehold of any property or the equipment of anyproperty or any mortgage lien against the same, used by a 11 manufacturer in manufacturing liquor or malt or brewed-12 beverages; nor shall any hotel, restaurant or club licensee, or-13 any officer, director, stockholder, agent or employe of any such-14 15 licensee, either directly or indirectly,] lend any moneys,-16 credit, or give anything of value or the equivalent thereof, to-17 any manufacturer for equipping, fitting out, or maintaining and 18 conducting, either in whole or in part, an establishment used 19 for the manufacture of liquor or malt or brewed beverages. 20 (e) Except as herein provided, no hotel, restaurant, retail 21 dispenser or club licensee, and no officer, director orstockholder, agent or employe of any such licensee shall in any-22 23 wise be interested, directly or indirectly, in the ownership orleasehold of any property or the equipment of any property or 24 25 any mortgage lien against the same, used by a distributor, -26 importing distributor, or by an importer or sacramental wine-27 licensee, in the conduct of his business; nor shall any hotel, restaurant, retail dispenser or club licensee, or any officer, 28 29 director, stockholder, agent or employe of any such licensee, 30 either directly or indirectly, lend any moneys, credit, or give-

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anything of value or the equivalent thereof, to any distributor,
 importing distributor, importer or sacramental wine licensee,
 for equipping, fitting out, or maintaining and conducting,
 either in whole or in part, an establishment used in the conduct
 of his business.

6 The purpose of this section is to require a separation of the financial and business interests between manufacturers and 7 holders of hotel or restaurant liquor licenses and, as herein 8 provided, of club licenses, issued under this article, and no-9 person shall, by any device whatsoever, directly or indirectly,-10 11 evade the provisions of the section. But in view of existing 12 economic conditions, nothing contained in this section shall beconstrued to prohibit the ownership of property or conflicting-13 14 interest by a manufacturer of any place occupied by a licensee 15 under this article after the manufacturer has continuously ownedand had a conflicting interest in such place for a period of at-16 least five years prior to July eighteenth, one thousand nine-17 18 hundred thirty five: Provided, however, That this clause shall 19 not prohibit any hotel, restaurant or club liquor licensee, or-20 any officer, director or stockholder of any such licensee, from-21 owning land or buildings which are leased to a holder of a 22 retail dispenser's license, [a distillery license or a limiteddistillery license] or a manufacturer's license: And, provided 23 further, That nothing contained in this section shall be 24 25 construed to prohibit any hotel, restaurant, retail dispenser or 26 club licensee or any officer, director or stockholder, agent or 27 employe of any such licensee from having a financial or other interest, directly or indirectly in [the ownership or leasehold-28 29 of any property or] the equipment of any property or any mortgage lien against same, used, leased by an importer or-30

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sacramental wine licensee for the exclusive purpose of-1 maintaining commercial offices and on the condition that said 2 3 property is not used for the storage or sale of liquor or malt 4 or brewed beverages in any quantity: And, provided further, Thatnothing contained in this section shall prohibit an officer or-5 6 member of a licensed privately owned private golf course catering club from having an interest in a limited winery-7 license: And, provided further, That nothing contained in this-8 section shall be construed to prohibit a member of the governing-9 10 board of a public authority created under subdivision (n) of 11 Article XXIII of the act of August 9, 1955 (P.L.323, No.130), 12 known as "The County Code," from having an interest in a distributor or importing distributor license notwithstanding the-13 14 fact that the public authority has an interest in one or more 15 retail licenses or acts as a landlord for one or more retail licenses: And, provided further, That, nothing in this section-16 may prohibit an employe of a hotel or restaurant licensee from 17 18 having an interest in any property used by a limited winery-19 licensee or in guaranteeing any loans, or lending any moneys, providing credit or giving anything of value to a limited winery-20 21 licensee or its officers, directors and shareholders, provided 22 that the person also is not an officer of or does not have anyinterest in or exercise any control over any other licensed 23 24 entity that engages in any sales to or from the licensee: And, 25 provided further, That, notwithstanding any other provision of this section, an entity may acquire both a manufacturer's-26 27 license or a limited winery license and a hotel, restaurant orretail dispenser license for use at the same location and more-28 than one location may be so licensed. And, provided further, 29 That, notwithstanding any other provision of this section, an-30

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1	entity licensed as a limited winery may hold and operate a
2	restaurant liquor license at one of its additional, board-
3	approved locations instead of at its primary location where
4	manufacturing occurs. The licenses and a person's interest in
5	the licenses or in the entity holding the licenses shall not be
6	subject to this section. Provided further, That, a person who is
7	a holder of ten per centum (10%) or less of securities or other
8	interests in a publicly or privately held domestic or foreign
9	corporation, partnership, limited liability company or other
10	form of legal entity owning a retail license shall not be deemed
11	to possess a financial interest and is not subject to the
12	provisions of this section, provided that the person is not an
13	officer of, employe of or does not have any interest in or
14	exercise any control over any other licensed entity that engages
15	in any sales to or from the retail licensee in which the person-
16	holds the ten per centum (10%) or less interest[.] <u>: And,</u>
17	provided further, That nothing in this section shall prohibit a
18	<u>person who has an ownership interest in a limited winery license</u>
19	from being employed by an entity that holds a hotel, restaurant,
20	eating place or club license so long as the person is not
21	employed as an alcohol service personnel or as manager.
22	* * *
23	section 4. section 413(f)(1) of the act is amended to read:
24	Section 413. Performing Arts Facility License* * *
25	(f) Licenses issued under this section are to be considered
26	restaurant liquor licenses. However, the following additional
27	restrictions and privileges apply:
28	(1) Sales of liquor and malt or brewed beverages may be made-
29	two hours before, during and one hour after any performance at
30	the facility; however, sales may not be made from two o'clock

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1	antemeridian to seven o'clock antemeridian. In addition, sales
2	may not occur prior to [one o'clock postmeridian] <u>ten o'clock</u>
3	<u>antemeridian</u> or after ten o'clock postmeridian on Sundays.
4	However, facilities that had been licensed under former section-
5	408.3(a) and 408.3(a.2) may sell liquor and malt or brewed
6	beverages anytime except from two o'clock antemeridian to seven-
7	<del>o'clock antemeridian or prior to one o'clock postmeridian or</del>
8	after ten o'clock postmeridian on Sundays, regardless of whether-
9	there is a performance at the facility.
10	* * *
11	section 5. section 431(b) of the act, reenacted and amended
12	november 15, 2016 (P.L.1286, No.166), 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. In addition, a-
24	distributor license holder may sell malt or brewed beverages in-
25	any amount to a person not licensed by the board for off
26	premises consumption. The sales shall not be required to be in
27	the package configuration designated by the manufacturer and may-
28	be sold in refillable growlers. The board shall have the
29	discretion to refuse a license to any person or to any
30	corporation, partnership or association if such person, or any

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officer or director of such corporation, or any member or 1 partner of such partnership or association shall have been 2 3 convicted or found guilty of a felony within a period of fiveyears immediately preceding the date of application for the said-4 license: And provided further, That, in the case of any new-5 license or the transfer of any license to a new location, the 6 7 board may, in its discretion, grant or refuse such new license-8 or transfer if such place proposed to be licensed is within-9 three hundred feet of any church, hospital, charitable-10 institution, school or public playground, or if such new licenseor transfer is applied for a place which is within two hundred-11 12 feet of any other premises which is licensed by the board: And 13 provided further, That the board shall refuse any application 14 for a new license or the transfer of any license to a new-15 location if, in the board's opinion, such new license or transfer would be detrimental to the welfare, health, peace and 16 morals of the inhabitants of the neighborhood within a radius of-17 18 five hundred feet of the place proposed to be licensed. The 19 board shall not license the area where liquid fuels or oil is 20 sold. No sales of liquid fuels or oil may be made from a 21 licensee's licensed premises. A licensed premises may not have-22 an interior connection with a location that sells liquid fuels-23 or oil unless it first receives permission from the board for-24 the interior connection. The approval shall be required 25 regardless of whether the licensee or another party is the-26 entity selling the liquid fuels or oil. The board may enter intoan agreement with the applicant concerning additional-27 28 restrictions on the license in question. If the board and the 29 applicant enter into such an agreement, such agreement shall be-30 binding on the applicant. Failure by the applicant to adhere to

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the agreement will be sufficient cause to form the basis for a 1 citation under section 471 and for the nonrenewal of the license-2 3 under section 470. If the board enters into an agreement with anapplicant concerning additional restrictions, those restrictions-4 shall be binding on subsequent holders of the license until the 5 license is transferred to a new location or until the board 6 7 enters into a subsequent agreement removing those restrictions. 8 If the application in question involves a location previously licensed by the board, then any restrictions imposed by the-9 10 board on the previous license at that location shall be bindingon the applicant unless the board enters into a new agreement 11 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 of hotel, restaurant and club liquor licensees. 16 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 importingdistributors licensed under this article. In the case of an-26 27 importing distributor, the holder of such a license shall be 28 authorized to store and repackage malt or brewed beverages owned-29 by a manufacturer at a segregated portion of a warehouse orother storage facility authorized by section 441(d) and operated 30

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by the importing distributor within its appointed territory and 1 2 deliver such beverages to another importing distributor who has 3 been granted distribution rights by the manufacturer as provided herein. The importing distributor shall be permitted to receive-4 5 a fee from the manufacturer for any related storage, repackaging or delivery services. In the case of a bailee for hire hired by-6 7 a manufacturer, the holder of such a permit shall be authorized: 8 to receive, store and repackage malt or brewed beverages 9 produced by that manufacturer for sale by that manufacturer to 10 importing distributors to whom that manufacturer has givendistribution rights pursuant to this subsection or to purchasers 11 12 outside this Commonwealth for delivery outside this-13 Commonwealth; or to ship to that manufacturer's storage-14 facilities outside this Commonwealth. The bailee for hire shall be permitted to receive a fee from the manufacturer for any-15 16 related storage, repackaging or delivery services. The baileefor hire shall, as required in Article V of this act, keep-17 18 complete and accurate records of all transactions, inventory, 19 receipts and shipments and make all records and the licensed 20 areas available for inspection by the board and for the Pennsylvania State Police, Bureau of Liquor Control Enforcement, 21 22 during normal business hours. 23 Each out of State manufacturer of malt or brewed beverages 24 whose products are sold and delivered in this Commonwealth shall-25 give distributing rights for such products in designated 26 geographical areas to specific importing distributors, and such-27 importing distributor shall not sell or deliver malt or brewed 28 beverages manufactured by the out of State manufacturer to any-29 person issued a license under the provisions of this act whose licensed premises are not located within the geographical area-30 20170HB1497PN4300 - 13 -

1	for which he has been given distributing rights by such-
2	manufacturer. In addition, the holder of a distributor license-
3	may not sell or deliver malt or brewed beverages to any licensee-
4	whose licensed premises is located within the designated
5	geographical area granted to an importing distributor other than
6	the importing distributor that sold the malt or brewed beverages
7	to the distributor. If the licensee purchasing the malt or
8	brewed beverages from the distributor license holder holds
9	multiple licenses or operates at more than one location, then
10	the malt or brewed beverages may not be consumed or sold at
11	licensed premises located within the designated geographical
12	area granted to an importing distributor other than the
13	importing distributor that sold the malt or brewed beverages to
14	the distributor. Should a licensee accept the delivery of malt-
15	or brewed beverages or transfer malt or brewed beverages in-
16	violation of this section, said licensee shall be subject to a
17	suspension of his license for at least thirty days: Provided,
18	That the importing distributor holding such distributing rights
19	for such product shall not sell or deliver the same to another-
20	importing distributor without first having entered into a
21	written agreement with the said secondary importing distributor
22	setting forth the terms and conditions under which such products
23	are to be resold within the territory granted to the primary-
24	importing distributor by the manufacturer.
25	When a Pennsylvania manufacturer of malt or brewed beverages
26	licensed under this article names or constitutes a distributor-
27	or importing distributor as the primary or original supplier of
28	his product, he shall also designate the specific geographical
29	area for which the said distributor or importing distributor is
30	given distributing rights, and such distributor or importing
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distributor shall not sell or deliver the products of such-1 manufacturer to any person issued a license under the provisions-2 3 of this act whose licensed premises are not located within the geographical area for which distributing rights have been given-4 to the distributor and importing distributor by the said 5 manufacturer. In addition, the holder of a distributor license-6 7 may not sell or deliver malt or brewed beverages to a licensee 8 whose licensed premises is located within the designated geographical area granted to an importing distributor other than-9 10 the importing distributor that sold the malt or brewed beveragesto the distributor. If the licensee purchasing the malt or-11 12 brewed beverages from the distributor license holder holds-13 multiple licenses or operates at more than one location, the 14 malt or brewed beverages may not be consumed or sold at licensed-15 premises located within the designated geographical area granted 16 to an importing distributor other than the importing distributor-17 that sold the malt or brewed beverages to the distributor. [If a 18 licensee accepts the delivery of malt or brewed beverages or 19 transfers malt or brewed beverages in violation of this section,-20 the licensee shall be subject to suspension of his license for 21 at least thirty days: Provided, That the] The importing 22 distributor holding such distributing rights for such product 23 shall not sell or deliver the same to another importing 24 distributor without first having entered into a written-25 agreement with the said secondary importing distributor setting-26 forth the terms and conditions under which such products are tobe resold within the territory granted to the primary importing-27 28 distributor by the manufacturer. Nothing herein contained shall-29 be construed to prevent any manufacturer from authorizing the-30 importing distributor holding the distributing rights for a

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1	designated geographical area from selling the products of such-
2	manufacturer to another importing distributor also holding
3	distributing rights from the same manufacturer for another
4	geographical area, providing such authority be contained in-
5	writing and a copy thereof be given to each of the importing
6	distributors so affected.
7	<u>A distributor who violates the provisions of this section and </u>
8	delivers to a licensee outside of the designated geographical
9	area shall be subject to citation by the enforcement bureau of
10	the board which shall result in penalties as follows: The
11	receipt of a first citation will result in a fine of not less
12	than five hundred dollars (\$500), nor more than one thousand
13	dollars (\$1,000); the receipt of a second citation will result
14	in a fine of not less than one thousand dollars (\$1,000), nor
15	more than two thousand five hundred dollars (\$2,500) and
16	suspension of operating privileges for at least two days; the
17	receipt of a third or subsequent citation will result in a fine
18	of not less than two thousand five hundred dollars (\$2,500), nor-
19	more than five thousand (\$5,000) and suspension of operating
20	<del>privileges for seven days.</del>
21	<u>A licensee who accepts product in violation of the provisions</u>
22	of this section shall be subject to citation by the enforcement
23	bureau of the board, which shall result in penalties as follows:
24	the receipt of a first citation will result in a warning and
25	will serve as official notice that the licensee is accepting
26	product in violation of this act; the receipt of a second
27	citation will result in a fine of not less than five hundred
28	dollars (\$500), nor more than one thousand dollars (\$1,000); the
29	receipt of a third citation will result in a fine of not less
30	than one thousand dollars (\$1,000), nor more than two thousand

1	five hundred dollars (\$2,500) and suspension of operating
2	privileges for at least two days; the receipt of a fourth or
3	subsequent citation will result in a fine of not less than two
4	thousand five hundred dollars (\$2,500), nor more than five
5	thousand (\$5,000) and suspension of operating privileges for
6	<u>seven days.</u>
7	* * *
8	section 6. section 472(a) of the act, amended november 15,
9	2016 (P.L.1286, no.166), is amended to read:
10	Section 472. Local Option (a) In any municipality or any
11	part of a municipality where such municipality is split so that
12	each part thereof is separated by another municipality, an-
13	election may be held, subject to subsection (c), not oftener
14	than once in four years, to determine the will of the electors
15	with respect to the granting of liquor licenses to hotels,
16	restaurants, resort facilities and clubs, not oftener than once-
17	in four years, to determine the will of the electors with
18	respect to the granting of liquor licenses to public venues, to-
19	performing arts facilities, to continuing care retirement
20	communities, to hotels located on property owned by an-
21	accredited college or university, to privately owned private
22	golf courses or to privately owned public golf courses, not-
23	oftener than once in four years, to determine the will of the
24	electors with respect to the granting of licenses to retail
25	dispensers of malt and brewed beverages, not oftener than once-
26	in four years, to determine the will of the electors with-
27	respect to granting of licenses to wholesale distributors and
28	importing distributors, not more than once in two years, to-
29	determine the will of the electors with respect to the granting-
30	of club liquor licenses or club retail dispenser licenses to-
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1	incorporated units of national veterans' organizations, not-
2	oftener than once in two years to determine the will of the-
3	electors with respect to the granting of special occasion
4	permits to qualified organizations, not more than once in four-
5	years, to determine the will of the electors with respect to the
6	establishment, operation and maintenance by the board of
7	Pennsylvania liquor stores, within the limits of such-
8	municipality or part of a split municipality, or not more than
9	once in two years, to determine the will of the electors with
10	respect to the granting of liquor licenses to ski resort
11	facilities, under the provisions of this act: Provided, That an-
12	election on the question of establishing and operating a State
13	liquor store shall be initiated only in those municipalities, or-
14	that part of a split municipality that shall have voted against
15	the granting of liquor licenses; and that an election on the
16	question of granting wholesale distributor and importing
17	distributor licenses shall be initiated only in those-
18	municipalities or parts of split municipalities that shall have
19	at a previous election voted against the granting of dispenser's
20	licenses. Whenever electors equal to at least twenty five per-
21	centum of the highest vote cast for any office in the
22	municipality or part of a split municipality at the last
23	preceding general election shall file a petition with the county-
24	board of elections of the county for a referendum on the
25	question of granting any of said classes of licenses or the-
26	establishment of Pennsylvania liquor stores, the said county-
27	board of elections shall cause a question to be placed on the
28	ballots or on the voting machine board and submitted at any-
29	election, except a special election. Separate petitions must be
30	filed for each question to be voted on. Said proceedings shall-
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1	be in the manner and subject to the provisions of the election
2	laws which relate to the signing, filing and adjudication of
3	nomination petitions, with respect to a question to be placed on
4	the ballot in a primary election, and nomination papers, with
5	respect to a question to be placed on the ballot in a municipal
6	or general election, in each case insofar as such provisions are
7	applicable.
8	When the question is in respect to the granting of liquor
9	licenses, it shall be in the following form:
10	Do you favor the granting of liquor licenses for the
11	sale of liquor in Yes
12	of? No
13	When the question is in respect to the granting of liquor
14	licenses to resort facilities in those municipalities that do-
15	not already allow the retail sale of liquor, it shall be in the
16	following form:
17	Do you favor the granting of liquor licenses to resort
18	facilities for the sale of liquor in the Yes
19	of? No
20	When the question is in respect to the granting of liquor
21	licenses to ski resorts in those municipalities that do not-
22	already allow the retail sale of liquor, it shall be in the-
23	following form:
24	Do you favor the granting of liquor licenses to ski
25	resort facilities for the sale of liquor in the Yes
26	? No
27	When the question is in respect to the granting of restaurant
28	liquor licenses for use at public venues in those municipalities
29	that do not already allow the retail sale of liquor, it shall be
30	in the following form:

1	Do you favor the granting of liquor licenses to public-
2	venues for the sale of liquor in the Yes
3	of? No
4	When the question is in respect to the granting of restaurant
5	liquor licenses for use at performing arts facilities in those
6	municipalities that do not already allow the retail sale of
7	alcohol, it shall be in the following form:
8	Do you favor the granting of liquor licenses to
9	performing arts facilities for the sale of liquor in-
10	theYes
11	of? No
12	When the question is in respect to the granting of liquor-
13	licenses for hotels located on property owned by an accredited
14	college or university in those municipalities that do not-
15	already allow the granting of liquor licenses, it shall be in
16	the following form:
17	Do you favor the granting of liquor licenses to hotels
18	on property owned by an accredited college or
19	university in the Yes
20	of? No
21	When the question is in respect to the granting of liquor-
22	licenses, for privately owned private golf courses, it shall be-
23	in the following form:
24	<del>Do you favor the granting of liquor licenses for</del>
25	privately-owned private golf courses for the sale of
26	liquor in Yes
27	of? No
28	When the question is in respect to the granting of liquor-
29	licenses, for privately-owned public golf courses, it shall be-
30	in the following form:

1	Do you favor the granting of liquor licenses for
2	privately owned public golf courses for the sale of
3	liquor in Yes
4	of? No
5	When the question is in respect to the granting of liquor-
6	licenses to continuing care retirement communities in those-
7	municipalities that have not already approved the granting of
8	liquor licenses, it shall be in the following form:
9	Do you favor the granting of liquor licenses for
10	continuing care retirement communities-
11	in
12	of? No
13	When the question is in respect to the granting of licenses
14	to retail dispensers of malt and brewed beverages, it shall be
15	in the following form:
16	Do you favor the granting of malt and brewed beverage
17	retail dispenser licenses for consumption on premises
18	where sold in the Yes
19	of? No
20	When the question is in respect to the granting of licenses
21	to wholesale distributors of malt or brewed beverages and
22	importing distributors, it shall be in the following form:
23	Do you favor the granting of malt and brewed beverage
24	wholesale distributor's and importing distributor's-
25	licenses not for consumption on premises where sold in-
26	the Yes
27	of? No
28	When the question is in respect to the granting of club
29	liquor licenses to incorporated units of national veterans'
30	organizations, it shall be in the following form:

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1	Do you favor the granting of club liquor licenses to	
2	incorporated units of national veterans' organizations	
3	in the Ye	es
4	of	<del>No</del>
5	When the question is in respect to the granting of club-	
6	retail dispenser licenses to incorporated units of national	
7	veterans' organizations, it shall be in the following form:	
8	Do you favor the granting of club retail dispenser	
9	licenses to incorporated units of national veterans'	
10	organizations in the Ye	<del>) S</del>
11	of	<del>VO</del>
12	When the question is in respect to the granting of special	
13	occasion permits allowing the sale of liquor by qualified	
14	organizations in municipalities that do not already allow the	
15	retail sale of liquor, it shall be in the following form:	
16	Do you favor the granting of special occasion permits	
17	to allow the sale of liquor by qualified organizations	
18	in the Ye	es
19	of?	<del>VO</del>
20	When the question is in respect to the granting of special	
21	occasion permits allowing the sale of malt or brewed beverages	
22	only by qualified organizations in municipalities that do not-	
23	already allow the retail sale of malt or brewed beverages, it	
24	shall be in the following form:	
25	Do you favor the granting of special occasion permits	
26	to allow the sale of malt or brewed beverages only by-	
27	qualified organizations in the Ye	es
28	of?	<del>VO</del>
29	When the question is in respect to the establishment,	
30	operation and maintenance of Pennsylvania liquor stores it shal	<del>1</del> —
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1	be in the following form:
2	Do you favor the establishment, operation and
3	maintenance of Pennsylvania liquor stores in
4	theYes
5	of? No
6	When the question is in respect to the granting of liquor
7	licenses to an airport authority in those municipalities that do-
8	not already allow the retail sale of liquor, it shall be in the
9	following form:
10	Do you favor the granting of liquor licenses to an-
11	airport authority for the sale of liquor in
12	theYes
13	of? No
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, ski resorts, resort facilities and clubs, or liquor-
18	licenses shall be granted by the board to public venues, to
19	performing arts facilities, to continuing care retirement
20	communities, to hotels located on property owned by an-
21	accredited college or university, to privately owned private
22	golf courses or to privately owned public golf courses, or malt-
23	and brewed beverage retail dispenser licenses or wholesale-
24	distributor's and importing distributor's license for the sale
25	of malt or brewed beverages shall be granted by the board, or
26	club liquor licenses or club retail dispenser licenses shall be
27	granted by the board to incorporated units of national veterans'
28	organizations, or special occasion permits may be issued to
29	qualified organizations, or the board may establish, operate and
30	maintain Pennsylvania liquor stores, as the case may be, in such-
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municipality or part of a split municipality, as provided by-1 this act; but if a majority of the electors voting on any such-2 question vote "no," then the board shall have no power to grant-3 or to renew upon their expiration any licenses of the class so-4 voted upon in such municipality or part of a split municipality;-5 6 or if the negative vote is on the question in respect to the-7 establishment, operation and maintenance of Pennsylvania liquor-8 stores, the board shall not open and operate a Pennsylvania-9 liquor store in such municipality or part of a split 10 municipality, nor continue to operate a then existing-Pennsylvania liquor store in the municipality or part of a split-11 municipality for more than two years thereafter or after the-12 13 expiration of the term of the lease on the premises occupied by such store, whichever period is less, unless and until at a-14 15 later election a majority of the voting electors vote "yes" on-16 such question. \* \* \* 17 18 section 7. section 493(11) of the act is amended to read: 19 Section 493. Unlawful Acts Relative to Liquor, Malt and 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, unless the context clearly indicates 22 23 otherwise. 24 It shall be unlawful-\* \* \* 25 26 (11) Licensees Employed by Others. For any hotel, restaurantor club liquor licensee, or any malt or brewed beverage-27 28 licensee, or any officer, servant, agent or employe of such-29 licensee, to be at the same time employed, directly orindirectly, by any distributor, importing distributor,-30

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manufacturer, importer or vendor licensee or any out of State 1 manufacturer. It shall also be unlawful for any distributor or-2 3 importing distributor, or any officer, servant, agent or employe 4 of such licensee, to be at the same time employed, directly orindirectly, by any other distributor, importing distributor, 5 6 manufacturer, importer, vendor, out of State manufacturer, hotel restaurant, malt or brewed beverage licensee, or club liquor 7 8 licensee. It shall also be unlawful for any manufacturer, importer, or vendor licensee, or any out of State manufacturer, 9 10 or any officer, servant, agent or employe of such licensee or 11 manufacturer, to be at the same time employed, directly or-12 indirectly, by any hotel, restaurant or club liquor licensee orany malt or brewed beverage licensee or any distributor or-13 14 importing distributor licensee. Nothing in this subsection shall 15 be construed to prohibit a manufacturer or limited winery-16 licensee, or any officer, servant, agent or employe of such 17 licensee, to be employed at the same time by a hotel, restaurant-18 or retail dispenser licensee if the hotel, restaurant or retail 19 dispenser licensee is located at the manufacturer or limited 20 winery premises pursuant to section 443. For the purposes of 21 this subsection, an officer, servant, agent or employe of a licensee or manufacturer is an individual who has either an 22 ownership interest in the licensee or manufacturer or who 23 receives compensation for his or her work on behalf of the-24 licensee or manufacturer[.]: Provided further, That nothing in\_ 25 26 this section shall prohibit a person who has an ownership 27 interest in a limited winery license from being employed by anentity that holds a hotel, restaurant, eating place or club-28 29 license so long as the person is not employed as an alcohol service personnel or as manager. 30

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2 Section 8. This act shall take effect in 60 days.

3 SECTION 1. THE DEFINITIONS OF "ALCOHOLIC CIDER," "MIXED-USE <--</li>
4 TOWN CENTER DEVELOPMENT PROJECT" AND "PUBLIC VENUE" IN SECTION
5 102 OF THE ACT OF APRIL 12, 1951 (P.L.90, NO.21), KNOWN AS THE
6 LIQUOR CODE, ARE AMENDED AND THE SECTION IS AMENDED BY ADDING A
7 DEFINITION TO READ:

8 SECTION 102. DEFINITIONS.--THE FOLLOWING WORDS OR PHRASES, 9 UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE, SHALL HAVE THE 10 MEANINGS ASCRIBED TO THEM IN THIS SECTION:

11 \* \* \*

12 "ALCOHOLIC CIDER" SHALL MEAN A BEVERAGE WHICH MAY CONTAIN 13 CARBONATION IN AN AMOUNT NOT TO EXCEED SIX AND FOUR TENTHS GRAMS 14 PER LITER, PRODUCED THROUGH ALCOHOLIC FERMENTATION [OF ANY FRUIT 15 OR FRUIT JUICE] WHICH IS PRIMARILY DERIVED FROM APPLES, APPLE JUICE CONCENTRATE AND WATER, PEARS OR PEAR JUICE CONCENTRATE AND 16 17 WATER, CONSISTING OF AT LEAST ONE-HALF OF ONE PER CENTUM, BUT 18 NOT GREATER THAN EIGHT AND ONE-HALF PER CENTUM, ALCOHOL BY 19 VOLUME AND SOLD OR OFFERED FOR SALE AS ALCOHOLIC CIDER AND NOT 20 AS A WINE, A WINE PRODUCT OR AS A SUBSTITUTE FOR WINE, IN 21 BOTTLES, CASES, KEGS, CANS OR OTHER SUITABLE CONTAINERS OF THE 22 TYPE USED FOR THE SALE OF MALT OR BREWED BEVERAGES IN THIS 23 COMMONWEALTH.

24 \* \* \*

25 "FERMENTED FRUIT BEVERAGE" SHALL MEAN A BEVERAGE WHICH MAY
26 CONTAIN CARBONATION IN AN AMOUNT NOT TO EXCEED SIX AND FOUR
27 TENTHS GRAM PER LITER, PRODUCED THROUGH ALCOHOLIC FERMENTATION
28 OF FRUIT, FRUIT JUICE, FRUIT JUICE CONCENTRATE AND WATER WITH OR
29 WITHOUT FLAVORINGS, CONSISTING OF AT LEAST ONE-HALF OF ONE PER
30 CENTUM, BUT NOT GREATER THAN EIGHT AND ONE-HALF PER CENTUM,

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ALCOHOL BY VOLUME AND SOLD OR OFFERED FOR SALE NOT AS A WINE, A
 WINE PRODUCT OR AS A SUBSTITUTE FOR WINE, IN BOTTLES, CASES,
 KEGS, CANS OR OTHER SUITABLE CONTAINERS OF THE TYPE USED FOR THE
 SALE OF MALT OR BREWED BEVERAGES IN THIS COMMONWEALTH.

5 \* \* \*

6 "MIXED-USE TOWN CENTER DEVELOPMENT PROJECT" SHALL MEAN A 7 PLANNED DEVELOPMENT, WITH NO BUILDING CONSTRUCTION COMMENCED 8 PRIOR TO JULY 1, 2006, SITUATED ON NO FEWER THAN ONE HUNDRED 9 CONTIGUOUS ACRES, WITH AT LEAST ONE MILLION SQUARE FEET OF 10 ACTUAL OR PROPOSED DEVELOPMENT, WITH A MIX OF RETAIL, HOSPITALITY, COMMERCIAL [AND] OR RESIDENTIAL USES, WITH 11 COMMUNITY FACILITIES AND WHICH HAS BEEN DESIGNATED AS A MIXED-12 13 USE TOWN CENTER DEVELOPMENT PROJECT BY THE MUNICIPALITY IN WHICH 14 IT IS LOCATED. A MIXED-USE TOWN CENTER DEVELOPMENT PROJECT MAY 15 HAVE ONE OR MULTIPLE OWNERS AND MAY BE DEVELOPED IN ONE OR MORE PHASES, ALL OF WHICH SHALL BE INCLUDED IN DETERMINING THE ACTUAL 16 OR PROPOSED DEVELOPMENT. IF THE SITE MEETS ADDITIONAL CRITERIA 17 18 STATED IN SECTION 461(B.4)(5), A PROJECT COMPRISING NINETY-FIVE 19 CONTIGUOUS ACRES WILL MEET THE SIZE REQUIREMENT IN THIS 20 DEFINITION.

21 \* \* \*

"PUBLIC VENUE" SHALL MEAN A STADIUM, ARENA, CONVENTION 22 23 CENTER, MUSEUM, ZOO, AMPHITHEATER OR SIMILAR STRUCTURE. IF THE 24 PUBLIC VENUE IS A CRUISE TERMINAL OWNED OR LEASED BY A PORT 25 AUTHORITY CREATED UNDER THE ACT OF JUNE 12, 1931 (P.L.575, 26 NO.200), ENTITLED "AN ACT PROVIDING FOR JOINT ACTION BY 27 PENNSYLVANIA AND NEW JERSEY IN THE DEVELOPMENT OF THE PORTS ON 28 THE LOWER DELAWARE RIVER, AND THE IMPROVEMENT OF THE FACILITIES 29 FOR TRANSPORTATION ACROSS THE RIVER; AUTHORIZING THE GOVERNOR, 30 FOR THESE PURPOSES, TO ENTER INTO AN AGREEMENT WITH NEW JERSEY;

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CREATING THE DELAWARE RIVER JOINT COMMISSION AND SPECIFYING THE 1 POWERS AND DUTIES THEREOF, INCLUDING THE POWER TO FINANCE 2 3 PROJECTS BY THE ISSUANCE OF REVENUE BONDS; TRANSFERRING TO THE NEW COMMISSION ALL THE POWERS OF THE DELAWARE RIVER BRIDGE JOINT 4 5 COMMISSION; AND MAKING AN APPROPRIATION," IT SHALL HAVE NO PERMANENT SEATING REQUIREMENT. IF THE PUBLIC VENUE IS AN OPEN-6 AIR AMPHITHEATER OWNED BY A PORT AUTHORITY CREATED UNDER THE ACT 7 8 OF DECEMBER 6, 1972 (P.L.1392, NO.298), KNOWN AS THE "THIRD 9 CLASS CITY PORT AUTHORITY ACT," IT SHALL HAVE NO PERMANENT 10 SEATING REQUIREMENT. IF THE PUBLIC VENUE IS OWNED BY A POLITICAL SUBDIVISION, A MUNICIPAL AUTHORITY, THE COMMONWEALTH, AN 11 AUTHORITY CREATED UNDER THE ACT OF JULY 29, 1953 (P.L.1034, 12 13 NO.270), KNOWN AS THE "PUBLIC AUDITORIUM AUTHORITIES LAW," AN AUTHORITY CREATED UNDER ARTICLE XXV-A OF THE ACT OF JULY 28, 14 1953 (P.L.723, NO.230), KNOWN AS THE "SECOND CLASS COUNTY CODE," 15 AN ART MUSEUM ESTABLISHED UNDER THE AUTHORITY OF THE ACT OF 16 APRIL 6, 1791 (3 SM.L.20, NO.1536), ENTITLED "AN ACT TO CONFER 17 18 ON CERTAIN ASSOCIATIONS OF THE CITIZENS OF THIS COMMONWEALTH THE POWERS AND IMMUNITIES OF CORPORATIONS, OR BODIES POLITIC IN 19 20 LAW," [OR] AN AUTHORITY CREATED UNDER ARTICLE XXIII (N) OR (O) 21 OF THE ACT OF AUGUST 9, 1955 (P.L.323, NO.130), KNOWN AS "THE 22 COUNTY CODE," OR IT IS LOCATED IN A NEIGHBORHOOD IMPROVEMENT 23 ZONE CREATED UNDER ARTICLE XIX-B OF THE ACT OF MARCH 4, 1971 24 (P.L.6, NO.2), KNOWN AS THE "TAX REFORM CODE OF 1971," LOCATED 25 IN A CITY OF THE THIRD CLASS, IT SHALL HAVE PERMANENT SEATING 26 FOR AT LEAST ONE THOUSAND (1,000) PEOPLE; OTHERWISE, IT SHALL 27 HAVE PERMANENT SEATING FOR AT LEAST TWO THOUSAND (2,000) PEOPLE. 28 THE TERM SHALL ALSO MEAN ANY REGIONAL HISTORY CENTER, 29 MULTIPURPOSE CULTURAL AND SCIENCE FACILITY, MUSEUM OR CONVENTION 30 OR TRADE SHOW CENTER, REGARDLESS OF OWNER AND SEATING CAPACITY,

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THAT HAS A FLOOR AREA OF AT LEAST SIXTY THOUSAND (60,000) SQUARE 1 FEET IN ONE BUILDING. THE TERM SHALL ALSO MEAN A CONVENTION OR 2 3 CONFERENCE CENTER OWNED BY A CITY OF THE THIRD CLASS OR A UNIVERSITY WHICH IS A MEMBER OF THE PENNSYLVANIA STATE SYSTEM OF 4 HIGHER EDUCATION WHICH IS OPERATED BY A UNIVERSITY FOUNDATION OR 5 ALUMNI ASSOCIATION, REGARDLESS OF SEATING CAPACITY, THAT HAS A 6 FLOOR AREA OF AT LEAST FIFTEEN THOUSAND (15,000) SOUARE FEET IN 7 8 ONE BUILDING. THE TERM SHALL ALSO MEAN A VISITOR CENTER, 9 REGARDLESS OF FLOOR AREA OR SEATING CAPACITY, THAT WAS 10 ESTABLISHED UNDER THE AUTHORITY OF THE GATEWAY VISITOR CENTER AUTHORIZATION ACT OF 1999 (PUBLIC LAW 106-131, 113 STAT. 1678, 11 16 U.S.C. § 407M). 12

13 \* \* \*

14 SECTION 2. SECTIONS 403(A), 406(D), 408.12(A), 412(F)(1), 15 413(F)(1), 415(F), 416, 436(B) AND 446(A) INTRODUCTORY PARAGRAPH 16 AND (2) OF THE ACT ARE AMENDED TO READ:

17 SECTION 403. APPLICATIONS FOR HOTEL, RESTAURANT AND CLUB 18 LIQUOR LICENSES.--(A) EVERY APPLICANT FOR A HOTEL LIQUOR 19 LICENSE, RESTAURANT LIQUOR LICENSE OR CLUB LIQUOR LICENSE OR FOR THE TRANSFER OF AN EXISTING LICENSE TO ANOTHER PREMISES NOT THEN 20 21 LICENSED OR TO ANOTHER PERSON SHALL FILE A WRITTEN APPLICATION 22 WITH THE BOARD IN SUCH FORM AND CONTAINING SUCH INFORMATION AS 23 THE BOARD SHALL FROM TIME TO TIME PRESCRIBE, WHICH SHALL BE 24 ACCOMPANIED BY A FILING FEE AND AN ANNUAL LICENSE FEE AS PRESCRIBED IN SECTION 614-A OF THE ACT OF APRIL 9, 1929 25 26 (P.L.177, NO.175), KNOWN AS "THE ADMINISTRATIVE CODE OF 1929." EVERY SUCH APPLICATION SHALL CONTAIN A DESCRIPTION OF THAT PART 27 28 OF THE HOTEL, RESTAURANT OR CLUB FOR WHICH THE APPLICANT DESIRES 29 A LICENSE AND SHALL SET FORTH SUCH OTHER MATERIAL INFORMATION, 30 DESCRIPTION OR PLAN OF THAT PART OF THE HOTEL, RESTAURANT OR

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CLUB WHERE IT IS PROPOSED TO KEEP AND SELL LIQUOR AS MAY BE 1 2 REQUIRED BY THE REGULATIONS OF THE BOARD. THE DESCRIPTIONS, 3 INFORMATION AND PLANS REFERRED TO IN THIS SUBSECTION SHALL SHOW THE HOTEL, RESTAURANT, CLUB, OR THE PROPOSED LOCATION FOR THE 4 5 CONSTRUCTION OF A HOTEL, RESTAURANT OR CLUB, AT THE TIME THE APPLICATION IS MADE, AND SHALL SHOW ANY ALTERATIONS PROPOSED TO 6 7 BE MADE THERETO, OR THE NEW BUILDING PROPOSED TO BE CONSTRUCTED 8 AFTER THE APPROVAL BY THE BOARD OF THE APPLICATION FOR A LICENSE 9 OR FOR THE TRANSFER OF AN EXISTING LICENSE TO ANOTHER PREMISES 10 NOT THEN LICENSED OR TO ANOTHER PERSON. NO PHYSICAL ALTERATIONS, 11 IMPROVEMENTS OR CHANGES SHALL BE REQUIRED TO BE MADE TO ANY 12 HOTEL, RESTAURANT OR CLUB, NOR SHALL ANY NEW BUILDING FOR ANY 13 SUCH PURPOSE, BE REQUIRED TO BE CONSTRUCTED UNTIL APPROVAL OF 14 THE APPLICATION FOR LICENSE OR FOR THE TRANSFER OF AN EXISTING 15 LICENSE TO ANOTHER PREMISES NOT THEN LICENSED OR TO ANOTHER 16 PERSON BY THE BOARD. AFTER APPROVAL OF THE APPLICATION, THE 17 LICENSEE SHALL MAKE THE PHYSICAL ALTERATIONS, IMPROVEMENTS AND 18 CHANGES TO THE LICENSED PREMISES, OR SHALL CONSTRUCT THE NEW 19 BUILDING IN THE MANNER SPECIFIED BY THE BOARD AT THE TIME OF 20 APPROVAL, AND THE LICENSEE SHALL NOT TRANSACT ANY BUSINESS UNDER 21 THE LICENSE UNTIL THE BOARD HAS APPROVED THE COMPLETED PHYSICAL 22 ALTERATIONS, IMPROVEMENTS AND CHANGES TO THE LICENSED PREMISES, 23 OR THE COMPLETED CONSTRUCTION OF THE NEW BUILDING AS CONFORMING 24 TO THE SPECIFICATIONS REQUIRED BY THE BOARD AT THE TIME OF 25 ISSUANCE OR TRANSFER OF THE LICENSE, AND IS SATISFIED THAT THE 26 ESTABLISHMENT IS A RESTAURANT, HOTEL OR CLUB AS DEFINED BY THIS 27 ACT. THE BOARD MAY REQUIRE THAT ALL SUCH ALTERATIONS OR 28 CONSTRUCTION OR CONFORMITY TO DEFINITION BE COMPLETED WITHIN SIX 29 MONTHS FROM THE TIME OF ISSUANCE OR TRANSFER OF THE LICENSE. THE TIME BETWEEN THE APPROVAL OF THE INITIAL APPLICATION AND 30

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ISSUANCE OF OPERATING AUTHORITY TO THE LICENSEE SHALL BE 1 2 CONSIDERED AS TIME IN SAFEKEEPING. FAILURE TO COMPLY WITH THESE 3 REOUIREMENTS SHALL BE CONSIDERED CAUSE FOR REVOCATION OF THE LICENSE. NO SUCH LICENSE SHALL BE TRANSFERABLE BETWEEN THE TIME 4 OF ISSUANCE OR TRANSFER OF THE LICENSE AND THE APPROVAL OF THE 5 COMPLETED ALTERATIONS OR CONSTRUCTION BY THE BOARD AND FULL 6 7 COMPLIANCE BY THE LICENSEE WITH THE REOUIREMENTS OF THIS ACT, 8 EXCEPT IN THE CASE OF DEATH OF THE LICENSEE PRIOR TO FULL 9 COMPLIANCE [WITH ALL OF THE AFOREMENTIONED REQUIREMENTS OR 10 UNLESS FULL COMPLIANCE IS IMPOSSIBLE FOR REASONS BEYOND THE LICENSEE'S CONTROL, IN WHICH EVENT, THE LICENSE MAY BE 11 12 TRANSFERRED BY THE BOARD AS PROVIDED IN THIS ACT.], UNLESS THE 13 TRANSFER APPLICATION IS ACCOMPANIED BY A SURCHARGE. THE 14 SURCHARGE SHALL BE TWENTY THOUSAND DOLLARS (\$20,000) IF THE LICENSE IS LOCATED IN A COUNTY OF THE FIRST THROUGH FOURTH 15 16 CLASS, AND THE SURCHARGE SHALL BE FIVE THOUSAND DOLLARS (\$5,000) IF THE LICENSE IS LOCATED IN A COUNTY OF THE FIFTH THROUGH 17 18 EIGHTH CLASS. 19 \* \* \* 20 SECTION 406. SALES BY LIQUOR LICENSEES; RESTRICTIONS.--\* \* \* SUBJECT TO SECTION 412, LICENSED PUBLIC VENUES MAY SELL 21 (D)

LIQUOR AND MALT OR BREWED BEVERAGES ON SUNDAYS FROM [ELEVEN] TEN\_ 22 23 O'CLOCK ANTEMERIDIAN UNTIL MIDNIGHT WITHOUT THE NEED TO ACQUIRE 24 OR QUALIFY FOR A SPECIAL PERMIT. IN ADDITION, SUBJECT TO SECTION 25 413, LICENSED PERFORMING ARTS FACILITIES MAY SELL LIQUOR AND MALT OR BREWED BEVERAGES ON SUNDAYS FROM [ONE O'CLOCK 26 27 POSTMERIDIAN] TEN O'CLOCK ANTEMERIDIAN UNTIL TEN O'CLOCK 28 POSTMERIDIAN WITHOUT THE NEED TO ACQUIRE OR QUALIFY FOR A 29 SPECIAL PERMIT.

30 \* \* \*

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1 SECTION 408.12. WINE AND SPIRITS AUCTION PERMITS.--(A) UPON
2 APPLICATION OF:

3 (1) ANY NONPROFIT HOSPITAL;

4 (2) ANY NONPROFIT PUBLIC TELEVISION STATION WHICH IS A
5 MEMBER OF THE PENNSYLVANIA PUBLIC TELEVISION NETWORK;

6 (3) ANY ORCHESTRA LOCATED IN A COUNTY OF THE FIRST, SECOND7 OR THIRD CLASS WHICH IS OPERATED BY A NONPROFIT CORPORATION;

8 (4) ANY MUSEUM LOCATED IN A COUNTY OF THE FIRST, SECOND,9 THIRD OR FOURTH CLASS WHICH IS OPERATED BY A NONPROFIT

10 CORPORATION;

11 (5) ANY NONPROFIT CORPORATION LOCATED IN ANY COUNTY OF THE 12 THIRD CLASS WHICH TRAINS AND PLACES DOGS FOR PEOPLE WHO ARE 13 PHYSICALLY HANDICAPPED;

14 (6) ANY NATIONALLY RECOGNIZED COMMUNITY-BASED VOLUNTARY
15 HEALTH ORGANIZATION COMMITTED TO FIGHTING CANCER [WHICH HAS BEEN
16 IN EXISTENCE FOR AT LEAST NINETY YEARS];

17 (7) ANY NATIONALLY RECOGNIZED EMERGENCY RESPONSE
18 ORGANIZATION THAT OFFERS HUMANITARIAN CARE TO VICTIMS OF WAR OR
19 NATURAL DISASTER AND HAS BEEN IN EXISTENCE FOR AT LEAST ONE
20 HUNDRED TWENTY-FIVE YEARS;

(8) ANY NATIONALLY RECOGNIZED ORGANIZATION WHOSE PURPOSE IS 21 TO SERVE AS AN AGENT TO COLLECT FUNDS FOR LOCAL CHARITIES, AS 22 23 WELL AS TO COORDINATE RELIEF SERVICES, COUNSEL AND REFER CLIENTS 24 TO COOPERATING AGENCIES AND MAKE EMERGENCY ASSISTANCE GRANTS AND 25 HAS BEEN IN EXISTENCE FOR AT LEAST ONE HUNDRED TWENTY YEARS; 26 (9) ANY HOSPICE AS DEFINED UNDER SECTION 802.1 OF THE ACT OF JULY 19, 1979 (P.L.130, NO.48), KNOWN AS THE "HEALTH CARE 27 FACILITIES ACT"; 28

29 (10) INSTITUTION OF HIGHER EDUCATION;

30 (11) ANY NATIONALLY RECOGNIZED COMMUNITY-BASED HEALTH

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ORGANIZATION COMMITTED TO FUNDING TYPE 1 DIABETES RESEARCH; [OR
 (12) ANY NATIONALLY RECOGNIZED COMMUNITY-BASED VOLUNTARY

3 HEALTH ORGANIZATION COMMITTED TO FIGHTING CANCER WHICH HAS BEEN 4 IN EXISTENCE FOR AT LEAST TWENTY YEARS;]

5 (13) ANY COMMUNITY-BASED VOLUNTARY HEALTH ORGANIZATION IN A
6 COUNTY OF THE SECOND CLASS WHICH ENRICHES THE LIVES OF CHILDREN
7 AND ADULTS WITH DISABILITIES AND CHRONIC ILLNESSES; OR

8 (14) ANY NONPROFIT ORGANIZATION LOCATED IN ANY COUNTY OF THE 9 THIRD CLASS ESTABLISHED TO PROVIDE GENERAL SUPPORT AND FOOD

10 ASSISTANCE FOR STUDENTS IN PRE-KINDERGARTEN THROUGH TWELFTH

11 <u>GRADE;</u>

12 AND UPON PAYMENT OF A FEE OF THIRTY DOLLARS (\$30) PER DAY, THE 13 BOARD SHALL ISSUE A WINE AND SPIRITS AUCTION PERMIT GOOD FOR A 14 PERIOD OF NOT MORE THAN FOUR CONSECUTIVE OR NONCONSECUTIVE DAYS 15 PER CALENDAR YEAR.

16 \* \* \*

17 SECTION 412. PUBLIC VENUE LICENSE.--\* \* \*

18 (F) LICENSES ISSUED UNDER THIS SECTION ARE TO BE CONSIDERED 19 RESTAURANT LIQUOR LICENSES. HOWEVER, THE FOLLOWING ADDITIONAL 20 RESTRICTIONS AND PRIVILEGES APPLY:

21 (1) SALES MAY ONLY BE MADE ONE HOUR BEFORE, DURING AND ONE 22 HOUR AFTER ANY ATHLETIC PERFORMANCE, PERFORMING ARTS EVENT, 23 TRADE SHOW, CONVENTION, BANQUET OR ANY OTHER PERFORMANCE AT THE 24 FACILITY; HOWEVER, SALES MAY NOT BE MADE FROM TWO O'CLOCK 25 ANTEMERIDIAN TO SEVEN O'CLOCK ANTEMERIDIAN. IN ADDITION, SALES MAY NOT OCCUR PRIOR TO [ELEVEN] TEN O'CLOCK ANTEMERIDIAN ON 26 27 SUNDAYS OR SEVEN O'CLOCK ANTEMERIDIAN ON MONDAYS. 28 NOTWITHSTANDING THIS SECTION, FACILITIES THAT HAD BEEN LICENSED 29 UNDER FORMER SECTIONS 408.9 AND 408.14 MAY SELL LIQUOR AND/OR

30 MALT OR BREWED BEVERAGES ANYTIME EXCEPT FROM TWO O'CLOCK

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ANTEMERIDIAN TO SEVEN O'CLOCK ANTEMERIDIAN OR PRIOR TO ELEVEN
 O'CLOCK ANTEMERIDIAN ON SUNDAYS OR SEVEN O'CLOCK ANTEMERIDIAN ON
 MONDAYS, REGARDLESS OF WHETHER THERE IS A PERFORMANCE AT THE
 FACILITY.

5 \* \* \*

6 SECTION 413. PERFORMING ARTS FACILITY LICENSE.--\* \* \*

7 (F) LICENSES ISSUED UNDER THIS SECTION ARE TO BE CONSIDERED
8 RESTAURANT LIQUOR LICENSES. HOWEVER, THE FOLLOWING ADDITIONAL
9 RESTRICTIONS AND PRIVILEGES APPLY:

10 (1) SALES OF LIQUOR AND MALT OR BREWED BEVERAGES MAY BE MADE TWO HOURS BEFORE, DURING AND ONE HOUR AFTER ANY PERFORMANCE AT 11 THE FACILITY; HOWEVER, SALES MAY NOT BE MADE FROM TWO O'CLOCK 12 13 ANTEMERIDIAN TO SEVEN O'CLOCK ANTEMERIDIAN. IN ADDITION, SALES 14 MAY NOT OCCUR PRIOR TO [ONE O'CLOCK POSTMERIDIAN] TEN O'CLOCK 15 ANTEMERIDIAN OR AFTER TEN O'CLOCK POSTMERIDIAN ON SUNDAYS. 16 HOWEVER, FACILITIES THAT HAD BEEN LICENSED UNDER FORMER SECTION 408.3(A) AND 408.3(A.2) MAY SELL LIQUOR AND MALT OR BREWED 17 18 BEVERAGES ANYTIME EXCEPT FROM TWO O'CLOCK ANTEMERIDIAN TO SEVEN 19 O'CLOCK ANTEMERIDIAN OR PRIOR TO ONE O'CLOCK POSTMERIDIAN OR 20 AFTER TEN O'CLOCK POSTMERIDIAN ON SUNDAYS, REGARDLESS OF WHETHER THERE IS A PERFORMANCE AT THE FACILITY. 21

22 \* \* \*

23 SECTION 415. WINE EXPANDED PERMITS.--\* \* \*

(F) A WINE EXPANDED PERMIT HOLDER MAY <u>SELL A WINE PRODUCT</u>
<u>FOR OFF-PREMISES CONSUMPTION AT A PRICE THAT IS DIFFERENT THAN</u>
<u>THE PRICE IT CHARGES FOR THE WINE PRODUCT FOR ON-PREMISES</u>
<u>CONSUMPTION; HOWEVER, IT MAY</u> NOT SELL A WINE PRODUCT FOR OFFPREMISES CONSUMPTION AT A PRICE LESS THAN THE LICENSEE'S
PURCHASE PRICE FROM THE BOARD OF THE WINE PRODUCT.

30 \* \* \*

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1 SECTION 416. CASINO LIQUOR LICENSE. -- (A) NOTWITHSTANDING 2 ANY PROVISION OF LAW OR REGULATION, [A SLOT MACHINE LICENSEE OR 3 AN AFFILIATED DESIGNEE HOLDING A RESTAURANT LIOUOR OR EATING PLACE RETAIL DISPENSER LICENSE AND WHICH SELLS LIQUOR OR MALT OR 4 5 BREWED BEVERAGES AT OR ADJACENT TO A GAMING FACILITY UNDER THIS ACT MAY APPLY TO THE BOARD FOR A CASINO LIQUOR LICENSE. THE 6 7 BOARD MAY ISSUE A CASINO LIOUOR LICENSE TO A SLOT MACHINE 8 LICENSEE FOR USE AT THE CASINO LIOUOR LICENSEE'S LICENSED 9 FACILITY IN ACCORDANCE WITH THIS SECTION.] THE BOARD MAY ISSUE A 10 CASINO LIQUOR LICENSE TO A SLOT MACHINE LICENSEE IN ACCORDANCE WITH THIS SECTION. A CASINO LIQUOR LICENSE SHALL AUTHORIZE THE 11 HOLDER TO SELL LIQUOR OR MALT OR BREWED BEVERAGES AS PROVIDED 12 13 FOR IN THIS SECTION. (A.1) A SLOT MACHINE LICENSEE MAY APPLY TO THE BOARD FOR A 14 CASINO LIQUOR LICENSE TO SELL LIQUOR OR MALT OR BREWED BEVERAGES 15 16 AS PROVIDED FOR IN THIS SECTION. A SLOT MACHINE LICENSEE SHALL 17 FILE A SEPARATE APPLICATION AND PAY A SEPARATE FEE FOR EACH 18 CASINO LIQUOR LICENSE THAT IS SOUGHT FOR EACH LICENSED FACILITY. 19 UPON ISSUANCE OF EACH CASINO LIQUOR LICENSE TO A SLOT MACHINE LICENSEE UNDER THIS SECTION, THE SLOT MACHINE LICENSEE SHALL PAY 20 21 A FEE OF ONE MILLION DOLLARS (\$1,000,000), WHICH SHALL BE PAID 22 TO THE BOARD IN NONREFUNDABLE, EQUAL INSTALLMENTS OF TWO HUNDRED 23 FIFTY THOUSAND DOLLARS (\$250,000) FOR A PERIOD OF FOUR YEARS 24 IMMEDIATELY FOLLOWING THE ISSUANCE OF THE LICENSE. THE FIRST PAYMENT SHALL BE MADE AT THE TIME THE CASINO LIQUOR LICENSE IS 25 26 ISSUED. NOTWITHSTANDING THE PROVISIONS OF SECTION 802, ALL FEES 27 COLLECTED OR RECEIVED BY THE BOARD UNDER THIS SUBSECTION SHALL 28 BE PAID INTO THE STATE TREASURY THROUGH THE DEPARTMENT OF 29 REVENUE FOR DEPOSIT INTO THE GENERAL FUND.

30 (B) [EACH APPLICATION FOR A CASINO LICENSE UNDER THIS

1 SECTION SHALL BE ACCOMPANIED BY A FEE OF ONE MILLION DOLLARS

2 (\$1,000,000).] (RESERVED).

3 (B.1) [EACH RESTAURANT LICENSEE THAT DOES NOT HOLD A SLOT
4 MACHINE LICENSE BUT OPERATES WITHIN OR ADJACENT TO THE GAMING
5 FACILITY MUST PAY A ONE-TIME FEE OF TEN THOUSAND DOLLARS
6 (\$10,000).] (RESERVED).

7 (C) THE FOLLOWING SHALL APPLY TO RENEWALS:

8 (1) A CASINO LIQUOR LICENSE MUST BE RENEWED ON AN ANNUAL9 BASIS.

10 (2) [FOR THE FIRST FOUR YEARS AFTER THE INITIAL ISSUE OF THE
11 CASINO LIQUOR LICENSE, THE CASINO LIQUOR LICENSE SHALL BE
12 SUBJECT TO AN ANNUAL RENEWAL FEE OF ONE MILLION DOLLARS
13 (\$1,000,000).] (RESERVED).

14 (3) AFTER THE [PERIOD UNDER PARAGRAPH (2), THE] <u>INSTALLMENT</u>
15 <u>PAYMENT PERIOD UNDER SUBSECTION (A.1), A</u> CASINO LIQUOR LICENSE
16 SHALL BE SUBJECT TO AN ANNUAL RENEWAL FEE OF [TWO HUNDRED AND
17 FIFTY THOUSAND DOLLARS (\$250,000)] <u>TWO THOUSAND FIVE HUNDRED</u>
18 <u>DOLLARS (\$2,500)</u>.

(4) NOTWITHSTANDING THE PROVISIONS OF SECTION 802, ALL FEES
COLLECTED OR RECEIVED BY THE BOARD UNDER THIS SUBSECTION SHALL
BE PAID INTO THE STATE TREASURY THROUGH THE DEPARTMENT OF
REVENUE FOR DEPOSIT INTO THE GENERAL FUND.

(D) THE FOLLOWING SHALL APPLY TO <u>THE</u> DISPOSITION OF <u>A</u>
RESTAURANT LIQUOR OR EATING PLACE RETAIL DISPENSER [LICENSES]
<u>LICENSE HELD BY A SLOT MACHINE LICENSEE THAT RECEIVES A CASINO</u>
<u>LIQUOR LICENSE</u>:

(1) [AN APPLICANT] <u>A SLOT MACHINE LICENSEE SEEKING A CASINO</u>
<u>LIQUOR LICENSE</u> UNDER THIS SECTION THAT CURRENTLY HOLDS A
RESTAURANT LIQUOR OR EATING PLACE RETAIL DISPENSER LICENSE MAY
CONTINUE TO UTILIZE THE LICENSE UNTIL THE CASINO LIQUOR LICENSE

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IS ISSUED BY THE BOARD. UPON ISSUANCE OF A CASINO LIQUOR
 LICENSE, THE [APPLICANT] <u>SLOT MACHINE LICENSEE</u> MUST SURRENDER
 THE RESTAURANT LIQUOR OR EATING PLACE RETAIL DISPENSER LICENSE
 TO THE BOARD.

(2) [AN APPLICANT] A SLOT MACHINE LICENSEE SEEKING A CASINO 5 LIQUOR LICENSE UNDER THIS SECTION THAT CURRENTLY HOLDS A 6 7 RESTAURANT LIQUOR OR EATING PLACE RETAIL DISPENSER LICENSE THAT 8 IS SUBJECT TO THE OUOTA RESTRICTIONS UNDER SECTION 461(A) MAY 9 CONTINUE TO UTILIZE THAT LICENSE UNTIL THE CASINO LIQUOR LICENSE 10 IS ISSUED BY THE BOARD. UPON ISSUANCE OF A CASINO LIQUOR LICENSE, THE APPLICANT MAY SELL THE RESTAURANT LIQUOR OR EATING 11 PLACE RETAIL DISPENSER LICENSE. 12

13 NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A HOLDER OF (E) A CASINO LIQUOR LICENSE MAY SELL OR SERVE LIQUOR AND MALT OR 14 15 BREWED BEVERAGES TWENTY-FOUR (24) HOURS A DAY, SEVEN (7) DAYS A WEEK ANYWHERE WITHIN THE LICENSED FACILITY THAT IS NOT SUBJECT <--16 TO A DIFFERENT LICENSE ISSUED BY THE BOARD. PREMISES; FURTHER, <--17 18 THE HOLDER OF A CASINO LIQUOR LICENSE MAY SELL OR SERVE LIQUOR 19 AND MALT OR BREWED BEVERAGES FROM SEVEN O'CLOCK ANTEMERIDIAN OF ANY DAY UNTIL TWO O'CLOCK ANTEMERIDIAN OF THE FOLLOWING DAY 20 ANYWHERE IN THE LICENSED FACILITY THAT IS NOT SUBJECT TO A 21

22 <u>DIFFERENT LICENSE ISSUED BY THE BOARD</u>.

(F) A CASINO LIQUOR LICENSE SHALL BE NONTRANSFERABLE, EXCEPT THAT NOTHING IN THIS SUBSECTION SHALL PRECLUDE A TRANSFER OF OWNERSHIP OF A CASINO LIQUOR LICENSE TO ANOTHER ELIGIBLE PERSON TO BE USED AT THE SAME LICENSED FACILITY.

27 (G) A CASINO LIQUOR LICENSE SHALL EXPIRE UNDER THE FOLLOWING28 CIRCUMSTANCES:

29 (1) REVOCATION BY AN ADMINISTRATIVE LAW JUDGE UNDER SECTION 30 471;

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1 (2) NONRENEWAL BY THE BOARD UNDER SECTION 470; 2 NONRENEWAL OF THE LICENSE BY A SLOT MACHINE LICENSEE OR (3) 3 ITS DESIGNEE; [OR] 4 UPON REQUEST BY THE SLOT MACHINE LICENSEE[.]; OR (4) 5 (5) THE CASINO LIQUOR LICENSEE FAILS TO PAY THE APPROPRIATE 6 FEE UNDER SUBSECTIONS (A.1) AND (C). 7 THE BOARD MAY ISSUE A CASINO LIQUOR LICENSE AT ANY TIME (H) 8 TO A NEW APPLICANT EVEN IF THE PREVIOUS LICENSE HAD: 9 (1)BEEN REVOKED BY AN ADMINISTRATIVE LAW JUDGE UNDER 10 SECTION 471; 11 (2) NOT BEEN RENEWED BY THE BOARD UNDER SECTION 470; 12 NOT BEEN RENEWED BY THE SLOT MACHINE LICENSEE; OR (3) 13 (4) EXPIRED UPON REQUEST BY THE SLOT MACHINE LICENSEE. 14 IN ADDITION TO ANY OTHER RESTRICTIONS AND PRIVILEGES, A (I) CASINO LIQUOR LICENSE SHALL BE SUBJECT TO THE FOLLOWING: 15 16 [SALES MAY BE MADE AT ANY TIME THE FACILITY IS OPEN TO (1)THE PUBLIC.] EXCEPT AS PROVIDED UNDER THIS SECTION AND SUBJECT 17 18 TO SECTION 472, A CASINO LIQUOR LICENSE SHALL BE TREATED AS A 19 RESTAURANT LIQUOR LICENSE OR, IF RESTAURANT LIQUOR LICENSES MAY NOT BE ISSUED IN THE MUNICIPALITY, AS AN EATING PLACE RETAILER 20 DISPENSER LICENSE. 21 22 (1.1) A CASINO LIQUOR LICENSEE MAY SELL, FURNISH OR GIVE 23 LIOUOR OR MALT OR BREWED BEVERAGES AFTER SEVEN O'CLOCK 24 ANTEMERIDIAN OF ANY DAY UNTIL TWO O'CLOCK ANTEMERIDIAN OF THE 25 FOLLOWING DAY ON THE UNLICENSED PORTION OF THE LICENSED FACILITY IF THE LIQUOR OR MALT OR BREWED BEVERAGES REMAIN ON THE LICENSED 26 FACILITY. 27

(2) LIQUOR OR MALT OR BREWED BEVERAGES MAY BE TRANSPORTED
 AND CONSUMED [OFF THE GAMING FLOOR] <u>ANYWHERE ON THE PROPERTY ON</u>
 <u>WHICH THE LICENSED FACILITY IS LOCATED</u> IF THE LIQUOR OR MALT OR

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BREWED BEVERAGE REMAINS [WITHIN THE PREMISES] <u>ON THE PROPERTY</u> OF
 THE LICENSED FACILITY[.], EXCEPT THAT IT MAY NOT BE TRANSPORTED
 <u>TO AND CONSUMED WITHIN ANOTHER RESTAURANT LIQUOR OR EATING PLACE</u>
 <u>RETAIL DISPENSER LICENSEE LOCATION WITHIN THE LICENSED FACILITY.</u>

5 (3) SALES OF MALT OR BREWED BEVERAGES FOR OFF-PREMISES
6 CONSUMPTION ARE PROHIBITED, NOR SHALL THE LICENSE BE ELIGIBLE
7 FOR A WINE EXPANDED PERMIT.

8 (4) IN ADDITION TO THE PROVISIONS OF SECTION 493(24)(II), 9 THE HOLDER OF A CASINO LIQUOR LICENSE MAY GIVE LIQUOR AND MALT 10 OR BREWED BEVERAGES FREE OF CHARGE TO ANY PERSON ATTENDING AN 11 INVITATION-ONLY EVENT HELD ANYWHERE ON THE PREMISES OF THE 12 LICENSED FACILITY.

13 (5) LICENSES ISSUED UNDER THIS SECTION SHALL NOT BE SUBJECT 14 TO:

15 (I) THE PROXIMITY PROVISIONS OF SECTIONS 402 AND 404;

16 (II) THE RESTRICTIONS ON DISCOUNT PRICING PRACTICES SET 17 FORTH IN SECTIONS 406(G) AND 442(G);

18 (III) THE QUOTA RESTRICTIONS UNDER SECTION 461;

19 (IV) THE PROVISIONS OF SECTION 493(10);

20 (V) THE PROHIBITION AGAINST MINORS FREQUENTING AS DESCRIBED21 IN SECTION 493(14);

22 (VI) THE COST AND TOTAL DISPLAY AREA LIMITATIONS OF SECTION 23 493(20)(I);

(VII) THE RESTRICTIONS ON EVENTS, TOURNAMENTS OR CONTESTS IN
40 PA. CODE § 5.32 (RELATING TO RESTRICTIONS/EXCEPTIONS) OR ANY
26 SUCCESSOR REGULATION; AND

(VIII) THE RESTRICTIONS ON THE AWARDING OF TROPHIES, PRIZES
OR PREMIUMS SET FORTH IN 40 PA. CODE § 5.32 OR ANY SUCCESSOR
REGULATION.

30 [(J) MORE THAN ONE CASINO LIQUOR LICENSE ISSUED BY THE BOARD 20170HB1497PN4300 - 39 -

1	MAY BE IN EFFECT AT A LICENSED FACILITY AT ANY ONE TIME, EXCEPT
2	THAT NO MORE THAN ONE CASINO LIQUOR LICENSE SHALL BE IN EFFECT
3	AT A SPECIFIC LOCATION WITHIN THE PREMISES OF A LICENSED
4	FACILITY AT THE SAME TIME.]
5	(K) IF A CASINO LIQUOR LICENSE IS REVOKED OR NONRENEWED BUT
6	THE SLOT MACHINE LICENSEE CONTINUES TO OPERATE THE LICENSED
7	FACILITY, THE SLOT MACHINE LICENSEE MAY APPLY FOR A NEW
8	RESTAURANT LIQUOR OR EATING PLACE RETAIL DISPENSER LICENSE UNDER
9	<u>4 PA.C.S. § 1521 (RELATING TO LIQUOR LICENSES AT LICENSED</u>
10	FACILITIES), OR IF THE SLOT MACHINE LICENSEE HAD PREVIOUSLY
11	SURRENDERED ITS RESTAURANT LIQUOR OR EATING PLACE RETAIL
12	DISPENSER LICENSE TO THE BOARD UNDER SUBSECTION (D)(1), THE
13	BOARD MAY REISSUE THE PREVIOUSLY SURRENDERED LICENSE.
14	(L) THE ADDITIONAL RESTRICTIONS AND PRIVILEGES GRANTED TO A
15	CASINO LIQUOR LICENSE ISSUED UNDER THIS SECTION SHALL NOT AFFECT
16	THE RESTRICTIONS AND PRIVILEGES OF ANY OTHER LICENSES OR PERMITS
17	ISSUED FOR USE AT LOCATIONS WITHIN THE LICENSED FACILITY.
18	(M) AS USED IN THIS SECTION, THE FOLLOWING WORDS AND PHRASES
19	SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SUBSECTION:
20	"LICENSED FACILITY" SHALL HAVE THE MEANING GIVEN THE TERM
21	UNDER 4 PA.C.S. § 1103 AND THAT IS OPERATED BY A SLOT MACHINE
22	LICENSEE. THE TERM SHALL NOT INCLUDE A CATEGORY 4 LICENSED
23	FACILITY.
24	"SLOT MACHINE LICENSEE" SHALL MEAN THE HOLDER OF ANY OF THE
25	FOLLOWING:
26	(1) A CATEGORY 1 SLOT MACHINE LICENSE AS PROVIDED FOR UNDER
27	<u>4 PA.C.S. § 1302 (RELATING TO CATEGORY 1 SLOT MACHINE LICENSE);</u>
28	(2) A CATEGORY 2 SLOT MACHINE LICENSE AS PROVIDED FOR UNDER
29	<u>4 PA.C.S. § 1304 (RELATING TO CATEGORY 2 SLOT MACHINE LICENSE);</u>
30	OR

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(3) A CATEGORY 3 SLOT MACHINE LICENSE AS PROVIDED FOR UNDER
 4 PA.C.S. § 1305 (RELATING TO CATEGORY 3 SLOT MACHINE LICENSE).
 3 THE TERM SHALL NOT INCLUDE A CATEGORY 4 SLOT MACHINE LICENSE AS
 4 PROVIDED FOR IN 4 PA.C.S. § 1305.1 (RELATING TO CATEGORY 4 SLOT
 5 MACHINE LICENSE).

6 SECTION 436. APPLICATION FOR DISTRIBUTORS', IMPORTING 7 DISTRIBUTORS' AND RETAIL DISPENSERS' LICENSES.--APPLICATION FOR 8 DISTRIBUTORS', IMPORTING DISTRIBUTORS' AND RETAIL DISPENSERS' 9 LICENSES, OR FOR THE TRANSFER OF AN EXISTING LICENSE TO ANOTHER 10 PREMISES NOT THEN LICENSED OR TO ANOTHER PERSON, SHALL CONTAIN 11 OR HAVE ATTACHED THERETO THE FOLLOWING INFORMATION AND

12 STATEMENTS:

13 \* \* \*

(B) THE PARTICULAR PLACE FOR WHICH THE LICENSE IS DESIRED 14 15 AND A DETAILED DESCRIPTION THEREOF. THE DESCRIPTION, INFORMATION 16 AND PLANS REFERRED TO IN THIS SUBSECTION SHALL SHOW THE PREMISES OR THE PROPOSED LOCATION FOR THE CONSTRUCTION OF THE PREMISES AT 17 18 THE TIME THE APPLICATION IS MADE, AND SHALL SHOW ANY ALTERATIONS 19 PROPOSED TO BE MADE THERETO, OR THE NEW BUILDING PROPOSED TO BE 20 CONSTRUCTED AFTER THE APPROVAL BY THE BOARD OF THE APPLICATION FOR A LICENSE, OR FOR THE TRANSFER OF AN EXISTING LICENSE TO 21 22 ANOTHER PREMISES NOT THEN LICENSED OR TO ANOTHER PERSON. NO 23 PHYSICAL ALTERATIONS, IMPROVEMENTS OR CHANGES SHALL BE REQUIRED 24 TO BE MADE TO ANY HOTEL, EATING PLACE OR CLUB, NOR SHALL ANY NEW 25 BUILDING FOR ANY SUCH PURPOSE BE REQUIRED TO BE CONSTRUCTED 26 UNTIL APPROVAL OF THE APPLICATION FOR LICENSE OR FOR THE 27 TRANSFER OF AN EXISTING LICENSE TO ANOTHER PREMISES NOT THEN 28 LICENSED OR TO ANOTHER PERSON BY THE BOARD. AFTER APPROVAL OF 29 THE APPLICATION, THE LICENSEE SHALL MAKE THE PHYSICAL 30 ALTERATIONS, IMPROVEMENTS AND CHANGES TO THE LICENSED PREMISES,

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OR SHALL CONSTRUCT THE NEW BUILDING IN THE MANNER SPECIFIED BY 1 2 THE BOARD AT THE TIME OF APPROVAL. THE LICENSEE SHALL NOT 3 TRANSACT ANY BUSINESS UNDER THE LICENSE UNTIL THE BOARD HAS APPROVED THE COMPLETED PHYSICAL ALTERATIONS, IMPROVEMENTS AND 4 5 CHANGES OF THE LICENSED PREMISES OR THE COMPLETED CONSTRUCTION OF THE NEW BUILDING AS CONFORMING TO THE SPECIFICATIONS REQUIRED 6 BY THE BOARD AT THE TIME OF ISSUANCE OR TRANSFER OF THE LICENSE 7 8 AND IS SATISFIED THAT THE PREMISES MEET THE REQUIREMENTS FOR A 9 DISTRIBUTOR'S OR IMPORTING DISTRIBUTOR'S LICENSE AS SET FORTH IN 10 THIS ACT OR THAT THE ESTABLISHMENT IS AN EATING PLACE, HOTEL OR CLUB AS DEFINED BY THIS ACT. THE BOARD MAY REQUIRE THAT ALL SUCH 11 ALTERATIONS OR CONSTRUCTION OR CONFORMITY TO DEFINITION BE 12 13 COMPLETED WITHIN SIX MONTHS FROM THE TIME OF ISSUANCE OR 14 TRANSFER OF THE LICENSE. THE TIME BETWEEN THE APPROVAL OF THE 15 INITIAL APPLICATION AND ISSUANCE OF OPERATING AUTHORITY TO THE LICENSEE SHALL BE CONSIDERED AS TIME IN SAFEKEEPING. FAILURE TO 16 17 COMPLY WITH THESE REQUIREMENTS SHALL BE CONSIDERED CAUSE FOR 18 REVOCATION OF THE LICENSE. NO SUCH LICENSE SHALL BE TRANSFERABLE 19 BETWEEN THE TIME OF ISSUANCE OR TRANSFER OF THE LICENSE AND THE 20 APPROVAL OF THE COMPLETED ALTERATIONS OR CONSTRUCTION BY THE 21 BOARD AND FULL COMPLIANCE BY THE LICENSEE WITH THE REQUIREMENTS OF THIS ACT, EXCEPT IN THE CASE OF DEATH OF THE LICENSEE PRIOR 22 23 TO FULL COMPLIANCE [WITH ALL OF THE AFOREMENTIONED REQUIREMENTS 24 OR UNLESS FULL COMPLIANCE IS IMPOSSIBLE FOR REASONS BEYOND THE LICENSEE'S CONTROL, IN WHICH EVENT THE LICENSE MAY BE 25 26 TRANSFERRED BY THE BOARD AS PROVIDED IN THIS ACT.], UNLESS THE 27 TRANSFER APPLICATION IS ACCOMPANIED BY A SURCHARGE. THE 28 SURCHARGE SHALL BE TWENTY THOUSAND DOLLARS (\$20,000) IF THE 29 LICENSE IS LOCATED IN A COUNTY OF THE FIRST THROUGH FOURTH 30 CLASS, AND THE SURCHARGE SHALL BE FIVE THOUSAND DOLLARS (\$5,000)

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1 IF THE LICENSE IS LOCATED IN A COUNTY OF THE FIFTH THROUGH

2 EIGHTH CLASS.

3 \* \* \*

4 SECTION 446. BREWERIES.--(A) [HOLDERS] <u>SUBJECT TO THE</u>
5 <u>RESTRICTIONS APPLICABLE TO ON-PREMISE CONSUMPTION SET FORTH IN</u>
6 SECTION 472, HOLDERS OF A BREWERY LICENSE MAY:

7 \* \* \*

8 (2) OPERATE A RESTAURANT OR BREWERY PUB ON THE LICENSED PREMISES UNDER SUCH CONDITIONS AND REGULATIONS AS THE BOARD MAY 9 10 ENFORCE: PROVIDED, HOWEVER, THAT SALES ON SUNDAY MAY BE MADE IRRESPECTIVE OF THE VOLUME OF FOOD SALES IF THE LICENSED 11 12 PREMISES ARE AT A PUBLIC VENUE LOCATION. THE HOLDER OF A BREWERY 13 LICENSE MAY SELL WINES [AND], ALCOHOLIC CIDER AND FERMENTED 14 FRUIT BEVERAGES PRODUCED BY THE HOLDER OF A LIMITED WINERY LICENSE, MALT OR BREWED BEVERAGES PRODUCED BY A MANUFACTURER 15 16 LICENSED BY THE BOARD AND LIOUOR PRODUCED BY A LIMITED 17 DISTILLERY OR DISTILLERY LICENSED BY THE BOARD: PROVIDED, 18 HOWEVER, THAT SAID WINES, MALT OR BREWED BEVERAGES PRODUCED BY 19 ANOTHER MANUFACTURER AND LIQUOR MUST BE CONSUMED AT THE LICENSED 20 PREMISES. IN ADDITION, THE COMBINED SALES OF WINE, MALT OR 21 BREWED BEVERAGES PRODUCED BY ANOTHER MANUFACTURER AND LIQUOR MAY 22 NOT, ON A YEARLY BASIS, EXCEED FIFTY PER CENTUM (50%) OF THE ON-23 PREMISES SALES OF THE BREWERY'S OWN MALT OR BREWED BEVERAGES FOR 24 THE PRECEDING CALENDAR YEAR: HOWEVER, IF A BREWERY DID NOT 25 OPERATE FOR AN ENTIRE CALENDAR YEAR DURING THE PRECEDING YEAR, 26 THEN ITS COMBINED SALES OF WINE, MALT OR BREWED BEVERAGES 27 PRODUCED BY ANOTHER MANUFACTURER AND LIQUOR MAY NOT, ON A YEARLY 28 BASIS, EXCEED FIFTY PER CENTUM (50%) OF THE ON-PREMISES SALES OF 29 THE BREWERY'S OWN MALT OR BREWED BEVERAGES FOR THAT YEAR.

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1	SECTION 3. THE ACT IS AMENDED BY ADDING A SECTION TO READ: <
2	SECTION 449. TAXES DUE ON SALES MADE BY A HOLDER OF A
3	MANUFACTURER'S LICENSE. (A) NOTWITHSTANDING ANY LAW TO THE
4	CONTRARY, SALES MADE BY A HOLDER OF A MANUFACTURER'S LICENSE
5	ISSUED UNDER THIS ARTICLE WHO SELLS THE LICENSE HOLDER'S OWN
6	MALT AND BREWED BEVERAGES UNDER THE LICENSE TO THE PUBLIC FOR
7	CONSUMPTION ON PREMISES OR OFF PREMISES SHALL BE RESPONSIBLE FOR
8	PAYING COLLECTING AND REMITTING THE SALES AND USE TAX IMPOSED BY <
9	SECTION 202 OF THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS
10	THE "TAX REFORM CODE OF 1971," IN THE FOLLOWING MANNER:
11	(1) THE PURCHASE PRICE OF MALT OR BREWED BEVERAGES SOLD BY A
12	MANUFACTURER DIRECTLY TO THE ULTIMATE CONSUMER FOR CONSUMPTION
13	ON PREMISES SHALL BE THE WHOLESALE PRICE. AS USED IN THIS
14	PARAGRAPH, THE TERM "WHOLESALE PRICE" SHALL BE THE PRICE AT_
15	WHICH THE MANUFACTURER SELLS THE SAME PRODUCT TO A DISTRIBUTOR
16	<u>OR IMPORTING DISTRIBUTOR.</u>
16 17	OR IMPORTING DISTRIBUTOR. (2) IF THE MANUFACTURER DOES NOT SELL THE PRODUCT TO A
-	
17	<u>(2) if the manufacturer does not sell the product to a</u>
17 18	<u>(2) IF THE MANUFACTURER DOES NOT SELL THE PRODUCT TO A</u> <u>DISTRIBUTOR OR IMPORTING DISTRIBUTOR, THEN THE MANUFACTURER</u>
17 18 19	<u>(2) IF THE MANUFACTURER DOES NOT SELL THE PRODUCT TO A</u> <u>DISTRIBUTOR OR IMPORTING DISTRIBUTOR, THEN THE MANUFACTURER</u> <u>SHALL DETERMINE A CONSTRUCTIVE PURCHASE PRICE FOR THE</u>
17 18 19 20	(2) IF THE MANUFACTURER DOES NOT SELL THE PRODUCT TO A DISTRIBUTOR OR IMPORTING DISTRIBUTOR, THEN THE MANUFACTURER SHALL DETERMINE A CONSTRUCTIVE PURCHASE PRICE FOR THE MANUFACTURER'S OWN PRODUCTS IN A MANNER CONSISTENT WITH SECTION
17 18 19 20 21	(2) IF THE MANUFACTURER DOES NOT SELL THE PRODUCT TO A DISTRIBUTOR OR IMPORTING DISTRIBUTOR, THEN THE MANUFACTURER SHALL DETERMINE A CONSTRUCTIVE PURCHASE PRICE FOR THE MANUFACTURER'S OWN PRODUCTS IN A MANNER CONSISTENT WITH SECTION 201(G)(3) OF THE "TAX REFORM CODE OF 1971." IN DETERMINING A
17 18 19 20 21 22	(2) IF THE MANUFACTURER DOES NOT SELL THE PRODUCT TO A DISTRIBUTOR OR IMPORTING DISTRIBUTOR, THEN THE MANUFACTURER SHALL DETERMINE A CONSTRUCTIVE PURCHASE PRICE FOR THE MANUFACTURER'S OWN PRODUCTS IN A MANNER CONSISTENT WITH SECTION 201(G)(3) OF THE "TAX REFORM CODE OF 1971." IN DETERMINING A CONSTRUCTIVE PURCHASE PRICE UNDER THIS SUBSECTION, A HOLDER OF A
17 18 19 20 21 22 23	(2) IF THE MANUFACTURER DOES NOT SELL THE PRODUCT TO A DISTRIBUTOR OR IMPORTING DISTRIBUTOR, THEN THE MANUFACTURER SHALL DETERMINE A CONSTRUCTIVE PURCHASE PRICE FOR THE MANUFACTURER'S OWN PRODUCTS IN A MANNER CONSISTENT WITH SECTION 201(G)(3) OF THE "TAX REFORM CODE OF 1971." IN DETERMINING A CONSTRUCTIVE PURCHASE PRICE UNDER THIS SUBSECTION, A HOLDER OF A MANUFACTURER'S LICENSE MAKING SALES UNDER THIS SUBSECTION SHALL
17 18 19 20 21 22 23 24	(2) IF THE MANUFACTURER DOES NOT SELL THE PRODUCT TO A DISTRIBUTOR OR IMPORTING DISTRIBUTOR, THEN THE MANUFACTURER SHALL DETERMINE A CONSTRUCTIVE PURCHASE PRICE FOR THE MANUFACTURER'S OWN PRODUCTS IN A MANNER CONSISTENT WITH SECTION 201(G)(3) OF THE "TAX REFORM CODE OF 1971." IN DETERMINING A CONSTRUCTIVE PURCHASE PRICE UNDER THIS SUBSECTION, A HOLDER OF A MANUFACTURER'S LICENSE MAKING SALES UNDER THIS SUBSECTION SHALL DETERMINE A PURCHASE PRICE WHICH WOULD NATURALLY AND FAIRLY BE
17 18 19 20 21 22 23 24 25	(2) IF THE MANUFACTURER DOES NOT SELL THE PRODUCT TO A DISTRIBUTOR OR IMPORTING DISTRIBUTOR, THEN THE MANUFACTURER SHALL DETERMINE A CONSTRUCTIVE PURCHASE PRICE FOR THE MANUFACTURER'S OWN PRODUCTS IN A MANNER CONSISTENT WITH SECTION 201(G)(3) OF THE "TAX REFORM CODE OF 1971." IN DETERMINING A CONSTRUCTIVE PURCHASE PRICE UNDER THIS SUBSECTION, A HOLDER OF A MANUFACTURER'S LICENSE MAKING SALES UNDER THIS SUBSECTION SHALL DETERMINE A PURCHASE PRICE WHICH WOULD NATURALLY AND FAIRLY BE CHARGED IN AN ARMS LENGTH TRANSACTION TO PURCHASE MALT AND
17 18 19 20 21 22 23 24 25 26	(2) IF THE MANUFACTURER DOES NOT SELL THE PRODUCT TO A DISTRIBUTOR OR IMPORTING DISTRIBUTOR, THEN THE MANUFACTURER SHALL DETERMINE A CONSTRUCTIVE PURCHASE PRICE FOR THE MANUFACTURER'S OWN PRODUCTS IN A MANNER CONSISTENT WITH SECTION 201(G)(3) OF THE "TAX REFORM CODE OF 1971." IN DETERMINING A CONSTRUCTIVE PURCHASE PRICE UNDER THIS SUBSECTION, A HOLDER OF A MANUFACTURER'S LICENSE MAKING SALES UNDER THIS SUBSECTION SHALL DETERMINE A PURCHASE PRICE WHICH WOULD NATURALLY AND FAIRLY BE CHARGED IN AN ARMS LENGTH TRANSACTION TO PURCHASE MALT AND DREWED DEVERAGES FROM ANOTHER MANUFACTURER IN WHICH NO COMMON
17 18 19 20 21 22 23 24 25 26 27	(2) IF THE MANUFACTURER DOES NOT SELL THE PRODUCT TO A DISTRIBUTOR OR IMPORTING DISTRIBUTOR, THEN THE MANUFACTURER SHALL DETERMINE A CONSTRUCTIVE PURCHASE PRICE FOR THE MANUFACTURER'S OWN PRODUCTS IN A MANNER CONSISTENT WITH SECTION 201(G)(3) OF THE "TAX REFORM CODE OF 1971." IN DETERMINING A CONSTRUCTIVE PURCHASE PRICE UNDER THIS SUBSECTION, A HOLDER OF A MANUFACTURER'S LICENSE MAKING SALES UNDER THIS SUBSECTION SHALL DETERMINE A FURCHASE PRICE WHICH WOULD NATURALLY AND FAIRLY DE CHARGED IN AN ARMS LENGTH TRANSACTION TO FURCHASE MALT AND DREWED DEVERAGES FROM ANOTHER MANUFACTURER IN WHICH NO COMMON INTEREST EXISTS AND ANY OTHER ELEMENT CAUSING A DISTORTION OF

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USING THE ACTUAL RETAIL PRICE OF THE MALT OR BREWED BEVERAGES 1 2 SOLD TO CONSUMERS AS THE PURCHASE PRICE UPON WHICH THE SALES AND 3 USE TAX IMPOSED BY SECTION 202 OF THE "TAX REFORM CODE OF 1971" MUST BE PAID TO THE COMMONWEALTH. 4 5 (C)DEPARTMENT OF REVENUE MAY REOUIRE INFORMATION NECESSARY TO DOCUMENT THAT A HOLDER OF A MANUFACTURER'S LICENSE 6 MAKING SALES UNDER SUBSECTION (A) IS IN COMPLIANCE WITH THIS 7 8 SECTION. 9 (D) WITHIN 180 DAYS FROM THE EFFECTIVE DATE OF THIS SECTION, 10 THE DEPARTMENT OF REVENUE SHALL PROMULGATE WRITTEN GUIDELINES FOR THE IMPLEMENTATION OF THIS SECTION. 11 SECTION 4 3. SECTION 461(B.3) AND (B.4) OF THE ACT ARE 12 <---13 AMENDED TO READ: 14 SECTION 461. LIMITING NUMBER OF RETAIL LICENSES TO BE ISSUED 15 IN EACH COUNTY.--\* \* \* 16 (B.3) AN INTERMUNICIPAL TRANSFER OF A LICENSE [OR], ISSUANCE 17 OF A LICENSE FOR ECONOMIC DEVELOPMENT UNDER SUBSECTION (B.1)(2) 18 (I) OR ISSUANCE OF A LICENSE FOR USE AT A MIXED-USE TOWN CENTER 19 DEVELOPMENT PROJECT UNDER SUBSECTION (B.4) MUST FIRST BE APPROVED BY THE GOVERNING BODY OF THE RECEIVING MUNICIPALITY 20 21 WHEN THE TOTAL NUMBER OF EXISTING RESTAURANT LIQUOR LICENSES AND EATING PLACE RETAIL DISPENSER LICENSES IN THE RECEIVING 22 23 MUNICIPALITY EOUAL OR EXCEED ONE LICENSE PER THREE THOUSAND 24 INHABITANTS. UPON REQUEST FOR APPROVAL OF AN INTERMUNICIPAL 25 TRANSFER OF A LICENSE [OR] ISSUANCE OF AN ECONOMIC DEVELOPMENT 26 LICENSE OR ISSUANCE OF A LICENSE FOR USE AT A MIXED-USE TOWN 27 CENTER DEVELOPMENT PROJECT BY AN APPLICANT, AT LEAST ONE PUBLIC 28 HEARING SHALL BE HELD BY THE MUNICIPAL GOVERNING BODY FOR THE 29 PURPOSE OF RECEIVING COMMENTS AND RECOMMENDATIONS OF INTERESTED 30 INDIVIDUALS RESIDING WITHIN THE MUNICIPALITY CONCERNING THE

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APPLICANT'S INTENT TO TRANSFER A LICENSE INTO THE MUNICIPALITY 1 [OR] ACQUIRE AN ECONOMIC DEVELOPMENT LICENSE OR ACQUIRE A 2 3 LICENSE FOR USE AT A MIXED-USE TOWN CENTER DEVELOPMENT PROJECT FROM THE PENNSYLVANIA LIQUOR CONTROL BOARD. THE GOVERNING BODY 4 5 SHALL, WITHIN FORTY-FIVE DAYS OF A REQUEST FOR APPROVAL, RENDER A DECISION BY ORDINANCE OR RESOLUTION TO APPROVE OR DISAPPROVE 6 THE APPLICANT'S REQUEST [FOR AN INTERMUNICIPAL TRANSFER OF A 7 8 LICENSE OR ISSUANCE OF AN ECONOMIC DEVELOPMENT LICENSE]. THE 9 MUNICIPALITY MAY APPROVE THE REQUEST. A DECISION BY THE 10 GOVERNING BODY OF THE MUNICIPALITY TO DENY THE REQUEST MAY NOT BE APPEALED. A COPY OF THE APPROVAL MUST BE SUBMITTED WITH THE 11 LICENSE APPLICATION. THE APPROVAL REQUIREMENT SHALL NOT APPLY TO 12 13 LICENSES TRANSFERRED INTO A TAX INCREMENT DISTRICT CREATED 14 PURSUANT TO THE ACT OF JULY 11, 1990 (P.L.465, NO.113), KNOWN AS 15 THE "TAX INCREMENT FINANCING ACT," LOCATED IN A TOWNSHIP OF THE 16 SECOND CLASS THAT IS LOCATED WITHIN A COUNTY OF THE SECOND CLASS IF THE DISTRICT WAS CREATED PRIOR TO DECEMBER 31, 2002, AND THE 17 18 GOVERNING BODY OF THE TOWNSHIP HAS ADOPTED AN AGREEMENT AT A 19 PUBLIC MEETING THAT CONSENTS TO THE TRANSFER OF LICENSES INTO 20 THE TAX INCREMENT DISTRICT. FAILURE BY THE GOVERNING BODY OF THE MUNICIPALITY TO RENDER A DECISION WITHIN FORTY-FIVE DAYS OF THE 21 22 APPLICANT'S REQUEST FOR APPROVAL SHALL BE DEEMED AN APPROVAL OF 23 THE APPLICATION IN TERMS AS PRESENTED UNLESS THE GOVERNING BODY 24 HAS NOTIFIED THE APPLICANT IN WRITING OF THEIR ELECTION FOR AN 25 EXTENSION OF TIME NOT TO EXCEED SIXTY DAYS. FAILURE BY THE 26 GOVERNING BODY OF THE MUNICIPALITY TO RENDER A DECISION WITHIN 27 THE EXTENDED TIME PERIOD SHALL BE DEEMED AN APPROVAL OF THE 28 APPLICATION IN TERMS AS PRESENTED.

(B.4) (1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACTTO THE CONTRARY, THE BOARD MAY [APPROVE THE TRANSFER OF A

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RESTAURANT LIQUOR OR EATING PLACE RETAIL DISPENSER LICENSE FROM 1 2 A CITY OF THE FIRST CLASS TO A COUNTY DESIGNATED AS A SECOND 3 CLASS A COUNTY OR A COUNTY OF THE THIRD CLASS FOR THE PURPOSE OF ECONOMIC DEVELOPMENT, ] ISSUE A RESTAURANT LIQUOR LICENSE OR 4 5 EATING PLACE RETAIL DISPENSER LICENSE FOR USE AT A MIXED-USE TOWN CENTER DEVELOPMENT PROJECT THAT IS LOCATED IN A COUNTY OF 6 7 THE FOURTH CLASS. THE BOARD MAY ALSO ISSUE A RESTAURANT LIQUOR 8 LICENSE OR EATING PLACE RETAIL DISPENSER LICENSE FOR USE AT A 9 MIXED-USE TOWN CENTER DEVELOPMENT PROJECT LOCATED IN A COUNTY OF 10 THE SECOND CLASS A THAT IS PART OF A MIXED-USE TOWN CENTER DEVELOPMENT PROJECT PREVIOUSLY ACKNOWLEDGED AS SUCH BY THE 11 BOARD, SO LONG AS A PETITION AND FEE IS FILED IN ACCORDANCE WITH 12 13 THIS SECTION. PRIOR TO ISSUING ANY LICENSES, AN INTERESTED PARTY MUST FIRST PETITION THE BOARD TO HAVE A SPECIFIC AREA DESIGNATED 14 AS A MIXED-USE TOWN CENTER DEVELOPMENT PROJECT. THE BOARD SHALL 15 16 DETERMINE WHAT INFORMATION MUST BE CONTAINED IN THE PETITION AND 17 THE PETITION MUST BE ACCOMPANIED BY A FEE OF ONE MILLION DOLLARS 18 (\$1,000,000), WITH SAID FEE TO BE PLACED IN THE STATE STORES FUND. THE BOARD SHALL GRANT THE PETITION UNLESS THE PROPOSED 19 20 LOCATION DOES NOT MEET THE DEFINITION OF A MIXED-USE TOWN CENTER 21 DEVELOPMENT PROJECT, THE APPLICANT FAILS TO PROVIDE THE 22 INFORMATION REQUIRED IN THE PETITION OR THE BOARD FINDS THAT 23 GRANTING THE PETITION WOULD BE DETRIMENTAL TO THE WELFARE, 24 HEALTH, PEACE AND MORALS OF THE INHABITANTS OF THE PROPOSED 25 LOCATION. LICENSES APPLIED FOR UNDER THIS SECTION ARE NOT 26 LIMITED TO THE PERSON WHO PETITIONED THE BOARD AND ARE SUBJECT 27 TO THE FOLLOWING CONDITIONS: 28 THE APPLICATION TO THE BOARD IS ACCOMPANIED BY MUNICIPAL (I) 29 APPROVAL AS SET FORTH IN SUBSECTION [(B.1)(2)(II)] (B.3). 30 (II) THE PROPOSED LOCATION IS LOCATED WITHIN A MIXED-USE

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1 TOWN CENTER DEVELOPMENT PROJECT AS THE TERM IS DEFINED IN 2 SECTION 102.

3 (III) THE APPLICATION TO THE BOARD IS ACCOMPANIED BY A
4 RESOLUTION OR ORDINANCE INDICATING THAT THE MUNICIPALITY HAS
5 DESIGNATED THE LOCATION IN QUESTION AS BEING WITHIN THE CONFINES
6 OF A DESIGNATED MIXED-USE TOWN CENTER DEVELOPMENT PROJECT.
7 (IV) THE ISSUANCE OR TRANSFER OF A RESTAURANT LIQUOR OR
8 EATING PLACE RETAIL DISPENSER LICENSE IS PERMISSIBLE UNDER
9 SECTION 472.

10 (V) THE APPLICATION IS ACCOMPANIED BY AN APPLICATION
11 SURCHARGE OF FIFTY THOUSAND DOLLARS (\$50,000), WHICH SHALL BE
12 PLACED IN THE STATE STORES FUND.

13 [(VI) THE APPLICANT HAS DEMONSTRATED TO THE BOARD THAT IT 14 HAS EXHAUSTED REASONABLE MEANS FOR OBTAINING A SUITABLE LICENSE 15 WITHIN THE COUNTY. THIS REQUIREMENT SHALL BE DEEMED SATISFIED IF 16 THE APPLICANT SUBMITS AN INTRA-COUNTY AFFIRMATION AS PROVIDED IN 17 SUBCLAUSE (VII).

18 (VII) THE APPLICATION TO THE BOARD IS ACCOMPANIED BY THE APPLICANT'S WRITTEN INTRA-COUNTY AFFIRMATION THAT DEMONSTRATES 19 THAT THE APPLICANT, ITS AGENTS, EMPLOYES OR BROKERS ARE UNABLE 20 TO SECURE, AT A PRICE THAT IS, TO THE BEST OF THE APPLICANT'S 21 KNOWLEDGE, INFORMATION AND BELIEF, THE RELATIVE MARKET PRICE, AS 22 23 DEFINED IN THIS SECTION, AN EXISTING LICENSE IN THE COUNTY IN 24 WHICH THE APPLICANT'S PROPOSED PREMISES ARE TO BE LOCATED. SAID 25 AFFIRMATION SHALL BE ACCOMPANIED BY AN AFFIDAVIT FROM A REAL 26 ESTATE AGENT, LICENSE BROKER OR OTHER SIMILAR PROFESSIONAL 27 ATTESTING TO THE UNAVAILABILITY OF A LIQUOR LICENSE TO THE 28 APPLICANT AT A PRICE THAT IS COMPARABLE TO PRICES PAID BY BONA 29 FIDE PURCHASERS FOR VALUE FOR LIQUOR LICENSES IN THE RESPECTIVE 30 COUNTY IMMEDIATELY PRIOR TO OBTAINING MUNICIPAL APPROVAL UNDER

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SUBCLAUSE (III), SUCH COMPARABLE PRICE BEING REFERRED TO AS THE 1 2 "RELATIVE MARKET PRICE" FOR THE RESPECTIVE COUNTY. SAID 3 AFFIRMATION SHALL SET FORTH ANY MEASURES TAKEN TO SECURE AN EXISTING LICENSE, INCLUDING THE TIME PERIOD DURING WHICH THE 4 APPLICANT ATTEMPTED TO SECURE A LICENSE, AS WELL AS ANY OTHER 5 PERTINENT INFORMATION. THE BOARD SHALL NOT APPROVE THE ISSUANCE 6 7 OF A LICENSE UNDER THIS SECTION WHERE IT REASONABLY DETERMINES AN EXISTING LICENSE WAS AVAILABLE TO THE APPLICANT AT THE 8 9 RELATIVE MARKET PRICE PRIOR TO THE APPLICANT FILING A REQUEST 10 FOR A LICENSE UNDER THIS SECTION.] 11 (VIII) A TRANSFER APPLICATION SUBMITTED UNDER THIS SUBSECTION MUST BE FILED WITH THE BOARD PRIOR TO THE EFFECTIVE 12 13 DATE OF THIS SUBCLAUSE. (2) A RESTAURANT LIQUOR OR EATING PLACE RETAIL DISPENSER 14 LICENSE THAT HAS BEEN TRANSFERRED FROM A CITY OF THE FIRST CLASS 15 TO A COUNTY DESIGNATED AS A SECOND CLASS A COUNTY OR A COUNTY OF 16 THE THIRD CLASS UNDER THIS SECTION MAY NOT BE SUBSEQUENTLY 17 18 TRANSFERRED TO ANY LOCATION OUTSIDE OF THE MIXED-USE TOWN CENTER 19 DEVELOPMENT PROJECT. A RESTAURANT LIQUOR OR EATING PLACE RETAIL 20 DISPENSER LICENSE THAT HAS BEEN ISSUED UNDER THIS SUBSECTION MAY NOT BE SUBSEQUENTLY TRANSFERRED TO ANY LOCATION OUTSIDE OF THE 21 22 MIXED-USE TOWN CENTER DEVELOPMENT PROJECT. 23 [(3) NO MORE THAN ONE LICENSE FOR EACH FIFTY THOUSAND SQUARE 24 FEET OF PROPOSED OR ACTUAL CONSTRUCTION MAY BE TRANSFERRED INTO A MIXED-USE TOWN CENTER DEVELOPMENT PROJECT UNDER THE PROVISIONS 25 26 OF THIS SECTION. THE APPLICANT SHALL DEMONSTRATE THAT THIS REQUIREMENT HAS BEEN MET BY PROVIDING DOCUMENTATION ON ITS 27 28 APPLICATION TO THE BOARD THAT THE DEVELOPMENT HAS SUFFICIENT 29 PROPOSED OR ACTUAL SOUARE FOOTAGE TO SUPPORT THE TRANSFER OF

30 LICENSES UNDER THIS SECTION.]

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1 (4) THE BOARD MAY APPROVE LICENSURE OF EXTERIOR SERVING 2 AREAS FOR PREMISES TO BE LOCATED WITHIN A MIXED-USE TOWN CENTER 3 DEVELOPMENT PROJECT WHERE SUCH EXTERIOR SERVING AREAS ARE SITUATED ON MUNICIPAL-OWNED OR PRIVATE-OWNED PROPERTY, 4 5 REGARDLESS OF WHETHER SUCH EXTERIOR SERVING AREAS ARE LOCATED IMMEDIATELY ADJACENT, ABUTTING OR CONTIGUOUS TO THE BUILDING TO 6 BE LICENSED, PROVIDED THAT THE EMPLOYES OF LICENSEES IN A 7 8 OUALIFIED MIXED-USE TOWN CENTER DEVELOPMENT PROJECT MAY TRAVERSE 9 UNLICENSED AREAS IN ORDER TO DELIVER ALCOHOL TO PATRONS WHO ARE 10 SEATED IN ANY SUCH LICENSED SERVING AREA THAT IS NOT IMMEDIATE, ADJACENT, ABUTTING AND CONTIGUOUS TO THE LICENSEE'S PRIMARY 11 LICENSED PREMISES; AND PROVIDED FURTHER THAT ANY SUCH LICENSED 12 13 SERVING AREA IS DELINEATED FROM ALL ADJACENT PUBLIC AREAS BY A 14 RAILING, BARRIER OR OTHER PARTITION FOR THE PURPOSE OF TABLE 15 SERVICE ONLY; AND PROVIDED FURTHER THAT THE ENTIRETY OF SUCH NONCONTIGUOUS LICENSED EXTERIOR SERVING AREA OR AREAS IS NOT 16 LOCATED MORE THAN THIRTY-FIVE FEET FROM THE NEAREST POINT OF THE 17 18 LICENSED STRUCTURE; AND PROVIDED FURTHER THAT SUCH NONCONTIGUOUS 19 LICENSED EXTERIOR SERVING AREAS SHALL NOT INCLUDE ANY ADDITIONAL 20 ENCLOSED STRUCTURE WITH FOUR WALLS AND A ROOF OTHER THAN THE PRIMARY LICENSED BUILDING; AND PROVIDED FURTHER THAT ANY AND ALL 21 22 PUBLIC THOROUGHFARE OR THOROUGHFARES SITUATED BETWEEN THE 23 LICENSED BUILDING AND THE NONCONTIGUOUS EXTERIOR LICENSED 24 SERVING AREA IS OR ARE USED PRIMARILY FOR PEDESTRIAN FOOT 25 TRAFFIC AND NOT VEHICULAR TRAFFIC; AND PROVIDED FURTHER THAT THE 26 LOCAL MUNICIPALITY HAS APPROVED, BY ORDINANCE OR RESOLUTION, THE 27 USE OF SUCH AREAS BY THE APPLICANT; AND PROVIDED FURTHER THAT, 28 IN THE CASE OF MUNICIPAL-OWNED PROPERTY, A SIDEWALK CAFE OR 29 SIMILAR PERMIT, AS APPLICABLE, IS FIRST OBTAINED BY THE 30 APPLICANT; AND PROVIDED FURTHER THAT THE APPLICANT COMPLIES WITH

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ANY REGULATION ISSUED BY THE BOARD PURSUANT HERETO OR IN 1 FURTHERANCE HEREOF. ANY RESTAURANT ("R"), EATING PLACE ("E") OR 2 3 HOTEL ("H") LICENSE TRANSFERRED TO OR ISSUED FOR PREMISES LOCATED WITHIN A MIXED-USE TOWN CENTER DEVELOPMENT SHALL HAVE 4 THE PRIVILEGES OF THIS SUBSECTION SO LONG AS SUCH LICENSE 5 REMAINS WITHIN THE MIXED-USE TOWN CENTER DEVELOPMENT. 6 NOTWITHSTANDING ANY OTHER PROVISION OF LAW, LICENSES ISSUED BY 7 8 THE BOARD UNDER THIS SUBSECTION SHALL NOT HAVE THE AUTHORITY TO 9 SELL ALCOHOL FOR OFF-PREMISES CONSUMPTION, NOR SHALL THE LICENSE 10 BE ELIGIBLE FOR WINE EXPANDED PERMITS. PATRONS MAY TAKE WINE AND MALT OR BREWED BEVERAGES OFF OF THE LICENSED PREMISES SO LONG AS 11 THE WINE AND MALT OR BREWED BEVERAGES REMAIN IN THE AREA 12 13 PREVIOUSLY DESIGNATED BY THE BOARD AS PART OF THE MIXED-USE TOWN 14 CENTER DEVELOPMENT PROJECT. (5) A DEVELOPMENT SITE OF AT LEAST NINETY-FIVE ACRES THAT 15 MEETS THE FOLLOWING ADDITIONAL CRITERIA SHALL SATISFY THE SIZE 16 17 REQUIREMENT TO QUALIFY AS A MIXED-USE TOWN CENTER DEVELOPMENT 18 PROJECT: (I) AT LEAST SEVENTY-FIVE ACRES OF THE PROJECT WERE SECURED, 19 20 WHETHER BY PURCHASE OR LEASE, BY THE DEVELOPER PRIOR TO JULY 1,

21 2004;

(II) AT LEAST SIXTY ACRES OF THE PROJECT HAVE BEEN ENTERED
INTO THE PROGRAM OF THE DEPARTMENT OF ENVIRONMENTAL PROTECTION
RELATING TO LAND RECYCLING AND ENVIRONMENTAL REMEDIATION

25 STANDARDS;

26 (III) AT LEAST THIRTY-FIVE ACRES OF THE PROJECT HAVE BEEN
27 DESIGNATED AS A BROWNFIELD ACTION TEAM SITE BY THE DEPARTMENT OF
28 ENVIRONMENTAL PROTECTION AND OVERLAP, IN WHOLE OR PART, BETWEEN
29 THE AREAS IN SUBCLAUSES (II) AND (III); AND

30 (IV) THE PROJECT SITE IS BOUNDED BY A TOWNSHIP ROAD AND A 20170HB1497PN4300 - 51 - 1 STATE ROAD.

2 \* \* \* 3 SECTION 5 4. THE ACT IS AMENDED BY ADDING A SECTION TO READ: <--SECTION 470.4. LIOUOR CODE SUSPENSION FOR DEFICIENCY.--(A) 4 5 (1) IF THE BOARD FINDS, THROUGH AN INSPECTION BY A BOARD 6 EMPLOYE, THAT A LICENSEE DOES NOT MEET A REQUIREMENT UNDER THIS 7 ACT OR THE BOARD'S REGULATIONS THAT RENDERS THE LICENSEE 8 INELIGIBLE FOR THE LICENSE, INCLUDING INSTANCES WHEN THE 9 LICENSEE NO LONGER MEETS THE SEATING, SQUARE FOOTAGE, FOOD, 10 HEALTH LICENSE OR ROOM REQUIREMENTS FOR THE LICENSE, THE BOARD MAY IMMEDIATELY IMPOSE AN ADMINISTRATIVE SUSPENSION OF THE 11 OPERATING PRIVILEGES OF THE LICENSEE AND SHALL GIVE WRITTEN 12 13 NOTICE TO THE LICENSEE AS TO THE EXACT DEFICIENCY OBSERVED. THE 14 OPERATING PRIVILEGES SHALL REMAIN SUSPENDED UNTIL THE LICENSEE 15 CAN ESTABLISH TO THE BOARD'S SATISFACTION THAT THE LICENSEE IS 16 AGAIN ELIGIBLE FOR THE LICENSE. 17 (2) IF AN EMPLOYE OF THE ENFORCEMENT BUREAU, A COUNTY 18 DEPARTMENT OF PUBLIC HEALTH OR A COUNTY DEPARTMENT OF LICENSES 19 AND INSPECTIONS OR A SIMILAR EMPLOYE OF THE COMMONWEALTH OR A 20 MUNICIPALITY FINDS THAT A LICENSEE DOES NOT MEET THE 21 REOUIREMENTS OF EITHER THIS ACT OR THE BOARD'S REGULATIONS AS 22 PROVIDED UNDER PARAGRAPH (1), THE EMPLOYE MAY INFORM THE BOARD 23 OF THE DEFICIENCY SO THAT THE BOARD MAY PROCEED UNDER PARAGRAPH 24 (1). 25 (B) SECTION 464 AND 42 PA.C.S. § 933(A)(1)(V) (RELATING TO 26 APPEALS FROM GOVERNMENT AGENCIES) SHALL NOT APPLY TO AN 27 ADMINISTRATIVE SUSPENSION UNDER SUBSECTION (A) (1). IF THE BOARD 28 REFUSES TO REINSTATE A SUSPENDED LICENSEE'S OPERATING 29 PRIVILEGES, THE SUSPENDED LICENSEE MAY REQUEST A HEARING BEFORE COMMONWEALTH COURT UNDER 42 PA.C.S. § 761(A)(4) (RELATING TO 30

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ORIGINAL JURISDICTION) SOLELY ON THE ISSUE OF WHETHER THE 1 2 SUSPENDED LICENSEE IS ELIGIBLE FOR REINSTATEMENT OF OPERATING 3 PRIVILEGES. THE COMMONWEALTH COURT SHALL HOLD A HEARING WITHIN TEN DAYS OF THE FILING OF THE REQUEST FOR A HEARING UNDER THIS 4 5 SUBSECTION. 6 (C) AN ADMINISTRATIVE SUSPENSION UNDER SUBSECTION (A) (1) 7 SHALL BE IN ADDITION TO ANY OTHER PENALTY PROVIDED BY LAW. 8 (D) OTHER VIOLATIONS OF THIS ACT OR OUESTIONS AS TO THE CONTINUED FITNESS OF A LICENSEE, WHICH ARE CURRENTLY ADDRESSED 9 10 THROUGH THE CITATION PROCESS UNDER SECTION 471 OR THE BOARD'S NONRENEWAL PROCESS UNDER SECTION 470(A.1) SHALL CONTINUE TO BE 11 ADDRESSED IN THAT MANNER AND NOT THROUGH THE ADMINISTRATIVE 12 13 SUSPENSION PROCESS UNDER SUBSECTIONS (A) (1) AND (B). 14 (E) IN ADDITION TO THE ENFORCEMENT POWERS AND DUTIES UNDER SECTION 211(A) OF THIS ACT, THE ENFORCEMENT BUREAU SHALL 15 ESTABLISH AN INSPECTION SCHEDULE WHICH PROVIDES FOR THE 16 17 INSPECTION OF A PREMISES LICENSED AS A RESTAURANT LIQUOR 18 ESTABLISHMENT OR LICENSED AS AN EATING PLACE ESTABLISHMENT FOR 19 COMPLIANCE AND ISSUE CITATIONS FOR VIOLATIONS OF THIS ACT DISCOVERED DURING THE INSPECTION. 20 21 SECTION 6 5. SECTION 472(A) OF THE ACT IS AMENDED AND THE <--22 SECTION IS AMENDED BY ADDING A SUBSECTION TO READ: SECTION 472. LOCAL OPTION. -- (A) IN ANY MUNICIPALITY OR ANY 23 24 PART OF A MUNICIPALITY WHERE SUCH MUNICIPALITY IS SPLIT SO THAT 25 EACH PART THEREOF IS SEPARATED BY ANOTHER MUNICIPALITY, AN 26 ELECTION MAY BE HELD, SUBJECT TO SUBSECTION (C), NOT OFTENER 27 THAN ONCE IN FOUR YEARS, TO DETERMINE THE WILL OF THE ELECTORS 28 WITH RESPECT TO THE GRANTING OF LIQUOR LICENSES TO HOTELS, 29 RESTAURANTS, RESORT FACILITIES AND CLUBS, NOT OFTENER THAN ONCE 30 IN FOUR YEARS, TO DETERMINE THE WILL OF THE ELECTORS WITH

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RESPECT TO THE GRANTING OF LIQUOR LICENSES TO PUBLIC VENUES, TO 1 2 PERFORMING ARTS FACILITIES, TO CONTINUING CARE RETIREMENT 3 COMMUNITIES, TO HOTELS LOCATED ON PROPERTY OWNED BY AN 4 ACCREDITED COLLEGE OR UNIVERSITY, TO PRIVATELY-OWNED PRIVATE GOLF COURSES OR TO PRIVATELY-OWNED PUBLIC GOLF COURSES, NOT 5 OFTENER THAN ONCE IN FOUR YEARS, TO DETERMINE THE WILL OF THE 6 7 ELECTORS WITH RESPECT TO THE GRANTING OF LICENSES TO RETAIL DISPENSERS OF MALT AND BREWED BEVERAGES, NOT OFTENER THAN ONCE 8 IN FOUR YEARS, TO DETERMINE THE WILL OF THE ELECTORS WITH 9 10 RESPECT TO GRANTING OF LICENSES TO WHOLESALE DISTRIBUTORS AND 11 IMPORTING DISTRIBUTORS, NOT MORE THAN ONCE IN TWO YEARS, TO 12 DETERMINE THE WILL OF THE ELECTORS WITH RESPECT TO THE GRANTING 13 OF CLUB LIQUOR LICENSES OR CLUB RETAIL DISPENSER LICENSES TO 14 INCORPORATED UNITS OF NATIONAL VETERANS' ORGANIZATIONS, NOT 15 OFTENER THAN ONCE IN TWO YEARS TO DETERMINE THE WILL OF THE ELECTORS WITH RESPECT TO THE GRANTING OF SPECIAL OCCASION 16 17 PERMITS TO QUALIFIED ORGANIZATIONS, NOT OFTENER THAN ONCE IN TWO 18 YEARS TO DETERMINE THE WILL OF THE ELECTORS WITH RESPECT TO 19 ALLOWING MANUFACTURERS TO SELL FOR ON-PREMISES CONSUMPTION, NOT 20 MORE THAN ONCE IN FOUR YEARS, TO DETERMINE THE WILL OF THE 21 ELECTORS WITH RESPECT TO THE ESTABLISHMENT, OPERATION AND 22 MAINTENANCE BY THE BOARD OF PENNSYLVANIA LIQUOR STORES, WITHIN 23 THE LIMITS OF SUCH MUNICIPALITY OR PART OF A SPLIT MUNICIPALITY, 24 OR NOT MORE THAN ONCE IN TWO YEARS, TO DETERMINE THE WILL OF THE 25 ELECTORS WITH RESPECT TO THE GRANTING OF LIQUOR LICENSES TO SKI 26 RESORT FACILITIES, UNDER THE PROVISIONS OF THIS ACT: PROVIDED, 27 THAT AN ELECTION ON THE QUESTION OF ESTABLISHING AND OPERATING A 28 STATE LIQUOR STORE SHALL BE INITIATED ONLY IN THOSE MUNICIPALITIES, OR THAT PART OF A SPLIT MUNICIPALITY THAT SHALL 29 HAVE VOTED AGAINST THE GRANTING OF LIQUOR LICENSES; THAT AN 30

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ELECTION ON ALLOWING MANUFACTURERS TO SELL FOR ON-PREMISES 1 2 CONSUMPTION SHALL BE INITIATED ONLY IN THOSE MUNICIPALITIES OR PARTS OF MUNICIPALITIES THAT SHALL HAVE VOTED AGAINST THE 3 4 GRANTING OF LIQUOR LICENSES; AND THAT AN ELECTION ON THE OUESTION OF GRANTING WHOLESALE DISTRIBUTOR AND IMPORTING 5 6 DISTRIBUTOR LICENSES SHALL BE INITIATED ONLY IN THOSE MUNICIPALITIES OR PARTS OF SPLIT MUNICIPALITIES THAT SHALL HAVE 7 AT A PREVIOUS ELECTION VOTED AGAINST THE GRANTING OF DISPENSER'S 8 LICENSES. WHENEVER ELECTORS EQUAL TO AT LEAST TWENTY-FIVE PER 9 10 CENTUM OF THE HIGHEST VOTE CAST FOR ANY OFFICE IN THE 11 MUNICIPALITY OR PART OF A SPLIT MUNICIPALITY AT THE LAST 12 PRECEDING GENERAL ELECTION SHALL FILE A PETITION WITH THE COUNTY 13 BOARD OF ELECTIONS OF THE COUNTY FOR A REFERENDUM ON THE OUESTION OF GRANTING ANY OF SAID CLASSES OF LICENSES OR THE 14 15 ESTABLISHMENT OF PENNSYLVANIA LIQUOR STORES, THE SAID COUNTY BOARD OF ELECTIONS SHALL CAUSE A QUESTION TO BE PLACED ON THE 16 17 BALLOTS OR ON THE VOTING MACHINE BOARD AND SUBMITTED AT ANY 18 ELECTION, EXCEPT A SPECIAL ELECTION. SEPARATE PETITIONS MUST BE 19 FILED FOR EACH OUESTION TO BE VOTED ON. SAID PROCEEDINGS SHALL 20 BE IN THE MANNER AND SUBJECT TO THE PROVISIONS OF THE ELECTION 21 LAWS WHICH RELATE TO THE SIGNING, FILING AND ADJUDICATION OF 22 NOMINATION PETITIONS [, ] WITH RESPECT TO A QUESTION TO BE PLACED 23 ON THE BALLOT IN A PRIMARY ELECTION, AND NOMINATION PAPERS WITH 24 RESPECT TO A QUESTION TO BE PLACED ON A BALLOT IN MUNICIPAL OR 25 GENERAL ELECTION, INSOFAR AS SUCH PROVISIONS ARE APPLICABLE. 26 WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF LIQUOR 27 LICENSES, IT SHALL BE IN THE FOLLOWING FORM: 28 DO YOU FAVOR THE GRANTING OF LIQUOR LICENSES FOR THE 29 30 NO OF....?

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WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF LIQUOR
 LICENSES TO RESORT FACILITIES IN THOSE MUNICIPALITIES THAT DO
 NOT ALREADY ALLOW THE RETAIL SALE OF LIQUOR, IT SHALL BE IN THE
 FOLLOWING FORM:

5 DO YOU FAVOR THE GRANTING OF LIQUOR LICENSES TO RESORT 6 FACILITIES FOR THE SALE OF LIQUOR IN THE..... YES 7 OF....? NO 8 WHEN THE OUESTION IS IN RESPECT TO THE GRANTING OF LIOUOR 9 LICENSES TO SKI RESORTS IN THOSE MUNICIPALITIES THAT DO NOT 10 ALREADY ALLOW THE RETAIL SALE OF LIQUOR, IT SHALL BE IN THE FOLLOWING FORM: 11 DO YOU FAVOR THE GRANTING OF LIQUOR LICENSES TO SKI 12 13 RESORT FACILITIES FOR THE SALE OF LIQUOR IN THE YES 14 ......OF .....? NO WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF RESTAURANT 15 LIOUOR LICENSES FOR USE AT PUBLIC VENUES IN THOSE MUNICIPALITIES 16 THAT DO NOT ALREADY ALLOW THE RETAIL SALE OF LIQUOR, IT SHALL BE 17 18 IN THE FOLLOWING FORM: 19 DO YOU FAVOR THE GRANTING OF LIQUOR LICENSES TO PUBLIC 20 21 OF....? NO WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF RESTAURANT 22 23 LIQUOR LICENSES FOR USE AT PERFORMING ARTS FACILITIES IN THOSE 24 MUNICIPALITIES THAT DO NOT ALREADY ALLOW THE RETAIL SALE OF 25 ALCOHOL, IT SHALL BE IN THE FOLLOWING FORM: 26 DO YOU FAVOR THE GRANTING OF LIOUOR LICENSES TO 27 PERFORMING ARTS FACILITIES FOR THE SALE OF LIQUOR IN 28 THE.....YES 29 OF....? NO 30 WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF LIQUOR

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LICENSES FOR HOTELS LOCATED ON PROPERTY OWNED BY AN ACCREDITED 1 2 COLLEGE OR UNIVERSITY IN THOSE MUNICIPALITIES THAT DO NOT 3 ALREADY ALLOW THE GRANTING OF LIQUOR LICENSES, IT SHALL BE IN THE FOLLOWING FORM: 4 5 DO YOU FAVOR THE GRANTING OF LIQUOR LICENSES TO HOTELS 6 ON PROPERTY OWNED BY AN ACCREDITED COLLEGE OR 7 UNIVERSITY IN THE..... YES 8 OF....? NO 9 WHEN THE OUESTION IS IN RESPECT TO THE GRANTING OF LIOUOR 10 LICENSES, FOR PRIVATELY-OWNED PRIVATE GOLF COURSES, IT SHALL BE 11 IN THE FOLLOWING FORM: 12 DO YOU FAVOR THE GRANTING OF LIQUOR LICENSES FOR 13 PRIVATELY-OWNED PRIVATE GOLF COURSES FOR THE SALE OF 14 LIOUOR IN...... YES 15 OF....? NO WHEN THE OUESTION IS IN RESPECT TO THE GRANTING OF LIOUOR 16 LICENSES, FOR PRIVATELY-OWNED PUBLIC GOLF COURSES, IT SHALL BE 17 18 IN THE FOLLOWING FORM: 19 DO YOU FAVOR THE GRANTING OF LIQUOR LICENSES FOR 20 PRIVATELY-OWNED PUBLIC GOLF COURSES FOR THE SALE OF 21 LIOUOR IN......BY..... YES 22 OF....? NO 23 WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF LIQUOR 24 LICENSES TO CONTINUING CARE RETIREMENT COMMUNITIES IN THOSE MUNICIPALITIES THAT HAVE NOT ALREADY APPROVED THE GRANTING OF 25 LIOUOR LICENSES, IT SHALL BE IN THE FOLLOWING FORM: 26 27 DO YOU FAVOR THE GRANTING OF LIQUOR LICENSES FOR 28 CONTINUING CARE RETIREMENT COMMUNITIES 29 IN..... YES 30 OF....? NO

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1 WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF LICENSES 2 TO RETAIL DISPENSERS OF MALT AND BREWED BEVERAGES, IT SHALL BE 3 IN THE FOLLOWING FORM: 4 DO YOU FAVOR THE GRANTING OF MALT AND BREWED BEVERAGE 5 RETAIL DISPENSER LICENSES FOR CONSUMPTION ON PREMISES 6 WHERE SOLD IN THE..... YES 7 OF....? NO 8 WHEN THE OUESTION IS IN RESPECT TO THE GRANTING OF LICENSES 9 TO WHOLESALE DISTRIBUTORS OF MALT OR BREWED BEVERAGES AND IMPORTING DISTRIBUTORS, IT SHALL BE IN THE FOLLOWING FORM: 10 11 DO YOU FAVOR THE GRANTING OF MALT AND BREWED BEVERAGE 12 WHOLESALE DISTRIBUTOR'S AND IMPORTING DISTRIBUTOR'S 13 LICENSES NOT FOR CONSUMPTION ON PREMISES WHERE SOLD IN 14 THE..... YES 15 OF....? NO 16 WHEN THE OUESTION IS IN RESPECT TO THE GRANTING OF CLUB LIOUOR LICENSES TO INCORPORATED UNITS OF NATIONAL VETERANS' 17 18 ORGANIZATIONS, IT SHALL BE IN THE FOLLOWING FORM: 19 DO YOU FAVOR THE GRANTING OF CLUB LIQUOR LICENSES TO 20 INCORPORATED UNITS OF NATIONAL VETERANS' ORGANIZATIONS 21 IN THE..... YES 22 OF....? NO 23 WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF CLUB 24 RETAIL DISPENSER LICENSES TO INCORPORATED UNITS OF NATIONAL 25 VETERANS' ORGANIZATIONS, IT SHALL BE IN THE FOLLOWING FORM: 26 DO YOU FAVOR THE GRANTING OF CLUB RETAIL DISPENSER LICENSES TO INCORPORATED UNITS OF NATIONAL VETERANS' 27 28 ORGANIZATIONS IN THE..... YES 29 OF....? NO WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF SPECIAL 30

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OCCASION PERMITS ALLOWING THE SALE OF LIQUOR BY QUALIFIED 1 2 ORGANIZATIONS IN MUNICIPALITIES THAT DO NOT ALREADY ALLOW THE 3 RETAIL SALE OF LIQUOR, IT SHALL BE IN THE FOLLOWING FORM: DO YOU FAVOR THE GRANTING OF SPECIAL OCCASION PERMITS 4 5 TO ALLOW THE SALE OF LIQUOR BY QUALIFIED ORGANIZATIONS 6 IN THE..... YES 7 OF....? NO 8 WHEN THE OUESTION IS IN RESPECT TO THE GRANTING OF SPECIAL 9 OCCASION PERMITS ALLOWING THE SALE OF MALT OR BREWED BEVERAGES 10 ONLY BY QUALIFIED ORGANIZATIONS IN MUNICIPALITIES THAT DO NOT ALREADY ALLOW THE RETAIL SALE OF MALT OR BREWED BEVERAGES, IT 11 SHALL BE IN THE FOLLOWING FORM: 12 DO YOU FAVOR THE GRANTING OF SPECIAL OCCASION PERMITS 13 14 TO ALLOW THE SALE OF MALT OR BREWED BEVERAGES ONLY BY QUALIFIED ORGANIZATIONS IN THE..... 15 YES 16 OF....? NO WHEN THE OUESTION IS IN RESPECT TO THE ESTABLISHMENT, 17 18 OPERATION AND MAINTENANCE OF PENNSYLVANIA LIQUOR STORES IT SHALL 19 BE IN THE FOLLOWING FORM: 20 DO YOU FAVOR THE ESTABLISHMENT, OPERATION AND MAINTENANCE OF PENNSYLVANIA LIQUOR STORES IN 21 22 THE.....YES 23 OF.....? NO 24 WHEN THE QUESTION IS IN RESPECT TO THE GRANTING OF LIQUOR LICENSES TO AN AIRPORT AUTHORITY IN THOSE MUNICIPALITIES THAT DO 25 NOT ALREADY ALLOW THE RETAIL SALE OF LIQUOR, IT SHALL BE IN THE 26 27 FOLLOWING FORM: 28 DO YOU FAVOR THE GRANTING OF LIQUOR LICENSES TO AN 29 AIRPORT AUTHORITY FOR THE SALE OF LIQUOR IN 30 THE....... YES

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1 NO OF.....? 2 WHEN THE QUESTION IS IN RESPECT TO ALLOWING THE SALE BY 3 MANUFACTURERS OF ALCOHOL FOR ON-PREMISES CONSUMPTION IN MUNICIPALITIES THAT DO NOT ALREADY ALLOW THE RETAIL SALE OF 4 LIQUOR, IT SHALL BE IN THE FOLLOWING FORM: 5 6 DO YOU FAVOR ALLOWING MANUFACTURERS OF ALCOHOL TO SELL 7 ALCOHOL FOR ON-PREMISES 8 CON<u>SUMPTION.....</u> 9 <u>IN THE.....</u> YES 10 <u>OF</u>....? NO IN CASE OF A TIE VOTE, THE STATUS QUO SHALL OBTAIN. IF A 11 MAJORITY OF THE VOTING ELECTORS ON ANY SUCH QUESTION VOTE "YES," 12 13 THEN LIQUOR LICENSES SHALL BE GRANTED BY THE BOARD TO HOTELS, RESTAURANTS, SKI RESORTS, RESORT FACILITIES AND CLUBS, OR LIQUOR 14 LICENSES SHALL BE GRANTED BY THE BOARD TO PUBLIC VENUES, TO 15 16 PERFORMING ARTS FACILITIES, TO CONTINUING CARE RETIREMENT COMMUNITIES, TO HOTELS LOCATED ON PROPERTY OWNED BY AN 17 18 ACCREDITED COLLEGE OR UNIVERSITY, TO PRIVATELY-OWNED PRIVATE GOLF COURSES OR TO PRIVATELY-OWNED PUBLIC GOLF COURSES, OR MALT 19 20 AND BREWED BEVERAGE RETAIL DISPENSER LICENSES OR WHOLESALE DISTRIBUTOR'S AND IMPORTING DISTRIBUTOR'S LICENSE FOR THE SALE 21 OF MALT OR BREWED BEVERAGES SHALL BE GRANTED BY THE BOARD, OR 22 23 CLUB LIOUOR LICENSES OR CLUB RETAIL DISPENSER LICENSES SHALL BE 24 GRANTED BY THE BOARD TO INCORPORATED UNITS OF NATIONAL VETERANS' 25 ORGANIZATIONS, OR SPECIAL OCCASION PERMITS MAY BE ISSUED TO 26 QUALIFIED ORGANIZATIONS, OR THE BOARD MAY ESTABLISH, OPERATE AND 27 MAINTAIN PENNSYLVANIA LIQUOR STORES, AS THE CASE MAY BE, IN SUCH 28 MUNICIPALITY OR PART OF A SPLIT MUNICIPALITY, AS PROVIDED BY 29 THIS ACT; BUT IF A MAJORITY OF THE ELECTORS VOTING ON ANY SUCH QUESTION VOTE "NO," THEN THE BOARD SHALL HAVE NO POWER TO GRANT 30 20170HB1497PN4300 - 60 -

OR TO RENEW UPON THEIR EXPIRATION ANY LICENSES OF THE CLASS SO 1 2 VOTED UPON IN SUCH MUNICIPALITY OR PART OF A SPLIT MUNICIPALITY; 3 OR IF THE NEGATIVE VOTE IS ON THE OUESTION IN RESPECT TO THE ESTABLISHMENT, OPERATION AND MAINTENANCE OF PENNSYLVANIA LIQUOR 4 5 STORES, THE BOARD SHALL NOT OPEN AND OPERATE A PENNSYLVANIA LIQUOR STORE IN SUCH MUNICIPALITY OR PART OF A SPLIT 6 MUNICIPALITY, NOR CONTINUE TO OPERATE A THEN EXISTING 7 8 PENNSYLVANIA LIQUOR STORE IN THE MUNICIPALITY OR PART OF A SPLIT 9 MUNICIPALITY FOR MORE THAN TWO YEARS THEREAFTER OR AFTER THE EXPIRATION OF THE TERM OF THE LEASE ON THE PREMISES OCCUPIED BY 10 11 SUCH STORE, WHICHEVER PERIOD IS LESS, UNLESS AND UNTIL AT A LATER ELECTION A MAJORITY OF THE VOTING ELECTORS VOTE "YES" ON 12 13 SUCH OUESTION.

14 \* \* \*

15 (G) IF THE ELECTORS OF A MUNICIPALITY HAVE VOTED AGAINST THE GRANTING OF RETAIL LIQUOR LICENSES, THEN MANUFACTURERS WHO WOULD 16 17 OTHERWISE BE AUTHORIZED TO SELL ALCOHOL FOR ON-PREMISES 18 CONSUMPTION MAY NOT DO SO UNLESS ELECTORS OF A MUNICIPALITY VOTE 19 TO ALLOW MANUFACTURERS TO DO SO. A MANUFACTURER THAT BEGAN 20 SELLING ALCOHOL FOR ON-PREMISES CONSUMPTION PRIOR TO THE 21 EFFECTIVE DATE OF THIS ACT, MAY CONTINUE TO DO SO AND ITS 22 AUTHORITY TO CONTINUE TO DO SO SHALL NOT BE SUBJECT TO ANY VOTES 23 TAKEN UNDER THIS SECTION. 24 SECTION 7 6. SECTIONS 493(2) AND 505.2(A) AND (B) OF THE ACT <--25 ARE AMENDED TO READ: 26 SECTION 493. UNLAWFUL ACTS RELATIVE TO LIQUOR, MALT AND 27 BREWED BEVERAGES AND LICENSEES. -- THE TERM "LICENSEE," WHEN USED 28 IN THIS SECTION, SHALL MEAN THOSE PERSONS LICENSED UNDER THE 29 PROVISIONS OF ARTICLE IV, UNLESS THE CONTEXT CLEARLY INDICATES 30 OTHERWISE.

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1 IT SHALL BE UNLAWFUL--

2 \* \* \*

3 (2) PURCHASE OR SALE OF LIOUOR OR MALT OR BREWED BEVERAGES ON CREDIT; IMPORTING DISTRIBUTORS OR DISTRIBUTORS ACCEPTING 4 CASH. FOR ANY LICENSEE, HIS AGENT, SERVANT OR EMPLOYE, TO SELL 5 OR OFFER TO SELL OR PURCHASE OR RECEIVE ANY LIQUOR OR MALT OR 6 BREWED BEVERAGES EXCEPT FOR CASH, EXCEPTING CREDIT EXTENDED BY A 7 8 HOTEL OR CLUB TO A BONA FIDE GUEST OR MEMBER, OR BY RAILROAD OR 9 PULLMAN COMPANIES IN DINING, CLUB OR BUFFET CARS TO PASSENGERS, 10 FOR CONSUMPTION WHILE ENROUTE, HOLDING AUTHORIZED CREDIT CARDS ISSUED BY RAILROAD OR RAILROAD CREDIT BUREAUS OR BY HOTEL, 11 12 RESTAURANT, RETAIL DISPENSER EATING PLACE, CLUB AND PUBLIC 13 SERVICE LICENSEES, IMPORTING DISTRIBUTORS OR DISTRIBUTORS TO 14 CUSTOMERS NOT POSSESSING A LICENSE UNDER THIS ARTICLE AND 15 HOLDING CREDIT CARDS ISSUED IN ACCORDANCE WITH REGULATIONS OF THE BOARD OR CREDIT CARDS ISSUED BY BANKING INSTITUTIONS SUBJECT 16 17 TO STATE OR FEDERAL REGULATION: PROVIDED FURTHER, THAT NOTHING 18 HEREIN CONTAINED SHALL BE CONSTRUED TO PROHIBIT THE USE OF 19 CHECKS OR DRAFTS DRAWN ON A BANK, BANKING INSTITUTION, TRUST COMPANY OR SIMILAR DEPOSITORY, ORGANIZED AND EXISTING UNDER THE 20 LAWS OF THE UNITED STATES OF AMERICA OR THE LAWS OF ANY STATE, 21 TERRITORY OR POSSESSION THEREOF, IN PAYMENT FOR ANY LIQUOR OR 22 23 MALT OR BREWED BEVERAGES IF THE PURCHASER IS THE PAYOR OF THE 24 CHECK OR DRAFT AND THE LICENSEE IS THE PAYEE: PROVIDED FURTHER, 25 THAT NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT TO THE 26 CONTRARY, IT SHALL BE UNLAWFUL FOR AN IMPORTING DISTRIBUTOR OR 27 DISTRIBUTOR TO ACCEPT CASH FOR PAYMENT OF ANY MALT OR BREWED 28 BEVERAGES FROM ANYONE POSSESSING A LICENSE ISSUED UNDER THIS 29 ARTICLE, EXCEPT IT SHALL BE PERMISSIBLE FOR THE IMPORTING 30 DISTRIBUTOR OR DISTRIBUTOR TO ACCEPT CREDIT CARDS, MONEY ORDERS

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OR CASHIERS' CHECKS FOR PAYMENT OF ANY MALT OR BREWED BEVERAGES 1 2 IN ADDITION TO ANY OTHER TYPE OF PAYMENT AUTHORIZED BY THE BOARD 3 FROM ANYONE POSSESSING A LICENSE UNDER THIS ARTICLE. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, 4 5 DISTRIBUTORS AND IMPORTING DISTRIBUTORS MAY ACCEPT CREDIT CARDS FOR PAYMENT OF MALT OR BREWED BEVERAGES, BUT THEY ARE NOT 6 REQUIRED TO ACCEPT CREDIT CARDS. A MANUFACTURER, IMPORTING 7 8 DISTRIBUTOR OR DISTRIBUTOR THAT IS AUTHORIZED TO DELIVER ALCOHOL OR MALT OR BREWED BEVERAGES MAY ACCEPT A CREDIT CARD FOR PAYMENT 9 10 UPON DELIVERY OF THE ALCOHOL OR MALT OR BREWED BEVERAGE SO LONG AS THE PURCHASER HOLDS A LICENSE ISSUED BY THE BOARD; THE TERMS 11 OF THE SALE BETWEEN THE PARTIES MUST BE FINALIZED BEFORE THE 12 13 ALCOHOL OR MALT OR BREWED BEVERAGES LEAVES THE SELLER'S LICENSED 14 PREMISES. NO RIGHT OF ACTION SHALL EXIST TO COLLECT ANY CLAIM 15 FOR CREDIT EXTENDED CONTRARY TO THE PROVISIONS OF THIS CLAUSE. 16 NOTHING HEREIN CONTAINED SHALL PROHIBIT A LICENSEE FROM CREDITING TO A PURCHASER THE ACTUAL PRICE CHARGED FOR ORIGINAL 17 18 CONTAINERS RETURNED BY THE ORIGINAL PURCHASER AS A CREDIT ON ANY SALE, OR FROM REFUNDING TO ANY PURCHASER THE AMOUNT PAID BY SUCH 19 20 PURCHASER FOR SUCH CONTAINERS OR AS A DEPOSIT ON CONTAINERS WHEN TITLE IS RETAINED BY THE VENDOR, IF SUCH ORIGINAL CONTAINERS 21 HAVE BEEN RETURNED TO THE LICENSEE. NOTHING HEREIN CONTAINED 22 23 SHALL PROHIBIT A MANUFACTURER FROM EXTENDING USUAL AND CUSTOMARY 24 CREDIT FOR LIQUOR OR MALT OR BREWED BEVERAGES SOLD TO CUSTOMERS 25 OR PURCHASERS WHO LIVE OR MAINTAIN PLACES OF BUSINESS OUTSIDE OF 26 THE COMMONWEALTH OF PENNSYLVANIA, WHEN THE LIQUOR OR MALT OR 27 BREWED BEVERAGES SO SOLD ARE ACTUALLY TRANSPORTED AND DELIVERED 28 TO POINTS OUTSIDE OF THE COMMONWEALTH: PROVIDED, HOWEVER, THAT 29 AS TO ALL TRANSACTIONS AFFECTING MALT OR BREWED BEVERAGES TO BE 30 RESOLD OR CONSUMED WITHIN THIS COMMONWEALTH, EVERY LICENSEE

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SHALL PAY AND SHALL REQUIRE CASH DEPOSITS ON ALL RETURNABLE
 ORIGINAL CONTAINERS AND ALL SUCH CASH DEPOSITS SHALL BE REFUNDED
 UPON RETURN OF THE ORIGINAL CONTAINERS.

4 SECTION 505.2. LIMITED WINERIES.--(A) IN THE INTEREST OF
5 PROMOTING TOURISM AND RECREATIONAL DEVELOPMENT IN PENNSYLVANIA,
6 HOLDERS OF A LIMITED WINERY LICENSE MAY:

7 (1) PRODUCE <u>AND SELL</u> ALCOHOLIC CIDERS, <u>FERMENTED FRUIT</u>
8 <u>BEVERAGES</u>, MEAD, WINES AND WINE COOLERS, SUBJECT TO THE
9 EXCEPTIONS PROVIDED UNDER THIS SECTION, ONLY FROM AN
10 AGRICULTURAL COMMODITY GROWN IN PENNSYLVANIA[.], <u>AND THE</u>
11 <u>RESTRICTIONS APPLICABLE TO ON-PREMISE CONSUMPTION SET FORTH IN</u>

12 <u>SECTION 472.</u>

(2) SELL ALCOHOLIC CIDER, FERMENTED FRUIT BEVERAGES, MEAD, 13 WINE AND WINE COOLERS PRODUCED BY THE LIMITED WINERY OR 14 15 PURCHASED IN BULK IN BOND FROM ANOTHER PENNSYLVANIA LIMITED 16 WINERY ON THE LICENSED PREMISES, UNDER SUCH CONDITIONS AND 17 REGULATIONS AS THE BOARD MAY ENFORCE, TO THE BOARD, TO 18 INDIVIDUALS AND TO BREWERY, IMPORTING DISTRIBUTOR, DISTRIBUTOR, 19 HOTEL, RESTAURANT, CLUB AND PUBLIC SERVICE LIQUOR LICENSEES, AND 20 TO PENNSYLVANIA WINERY LICENSEES: PROVIDED, THAT A LIMITED 21 WINERY SHALL NOT, IN ANY CALENDAR YEAR, PURCHASE ALCOHOLIC 22 CIDER, FERMENTED FRUIT BEVERAGES, MEAD OR WINE PRODUCED BY OTHER 23 LIMITED WINERIES IN AN AMOUNT IN EXCESS OF FIFTY PER CENTUM OF 24 THE ALCOHOLIC CIDER, FERMENTED FRUIT BEVERAGE, MEAD OR WINE 25 PRODUCED BY THE PURCHASING LIMITED WINERY IN THE PRECEDING 26 CALENDAR YEAR. IN ADDITION, THE HOLDER OF A LIMITED WINERY 27 LICENSE MAY PURCHASE WINE IN BOTTLES FROM ANOTHER PENNSYLVANIA 28 LIMITED WINERY IF THESE WINES UNDERGO A SECOND FERMENTATION 29 PROCESS. SUCH WINE MAY BE SOLD IN BOTTLES BEARING THE PURCHASING 30 LIMITED WINERY'S LABEL OR THE PRODUCING LIMITED WINERY'S LABEL.

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SUCH WINES, IF SOLD BY THE BOARD, MAY BE SOLD BY THE PRODUCING
 LIMITED WINERY TO THE PURCHASING LIMITED WINERY AT A PRICE LOWER
 THAN THE PRICE CHARGED BY THE BOARD.

(2.1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT OR LAW 4 TO THE CONTRARY, ONLY SHIP WINE TO NONLICENSEES IN ACCORDANCE 5 WITH THE PROVISIONS OF SECTION 488. DELIVERY OF WINE TO HOLDERS 6 7 OF LICENSES ISSUED BY THE BOARD AS WELL AS DELIVERY OF ALCOHOLIC 8 CIDER, FERMENTED FRUIT BEVERAGES AND MEAD TO ANY PURCHASER SHALL 9 BE THROUGH THE USE OF VEHICLES PROPERLY REGISTERED BY THE 10 LIMITED WINERY LICENSEE OR THROUGH PROPERLY LICENSED TRANSPORTERS. A LIMITED WINERY LICENSEE MAY ACCEPT A CREDIT CARD 11 FOR PAYMENT UPON DELIVERY SO LONG AS THE PURCHASER HOLDS A 12 13 LICENSE ISSUED BY THE BOARD; THE TERMS OF THE SALE BETWEEN THE PARTIES MUST BE FINALIZED BEFORE THE ALCOHOL LEAVES THE SELLER'S 14

15 <u>LICENSED PREMISES.</u>

16 (3) SEPARATELY OR IN CONJUNCTION WITH OTHER LIMITED 17 WINERIES, SELL ALCOHOLIC CIDER, FERMENTED FRUIT BEVERAGES, MEAD, 18 WINE AND WINE COOLERS PRODUCED BY THE LIMITED WINERY ON NO MORE 19 THAN FIVE (5) BOARD-APPROVED LOCATIONS OTHER THAN THE LICENSED PREMISES, WITH NO BOTTLING OR PRODUCTION REQUIREMENT AT THOSE 20 21 ADDITIONAL BOARD-APPROVED LOCATIONS AND UNDER SUCH CONDITIONS 22 AND REGULATIONS AS THE BOARD MAY ENFORCE, TO THE BOARD, TO 23 INDIVIDUALS AND TO BREWERY, HOTEL, RESTAURANT, CLUB AND PUBLIC 24 SERVICE LIQUOR LICENSEES. IF TWO OR MORE LIMITED WINERIES APPLY 25 TO OPERATE AN ADDITIONAL BOARD-APPROVED LOCATION IN CONJUNCTION 26 WITH EACH OTHER, THE WINERIES NEED ONLY HAVE ONE BOARD-APPROVED 27 MANAGER FOR THE LOCATION, NEED ONLY PAY ONE APPLICATION FEE AND 28 NEED NOT DESIGNATE SPECIFIC OR DISTINCT AREAS FOR EACH WINERY'S 29 LICENSED AREA. EACH LIMITED WINERY MUST FILE AN APPLICATION FOR 30 SUCH AN ADDITIONAL BOARD-APPROVED LOCATION, AND SUCH LOCATION

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SHALL COUNT AS ONE OF THE FIVE PERMITTED FOR EACH LIMITED
 WINERY. EACH LIMITED WINERY IS RESPONSIBLE FOR KEEPING ONLY ITS
 OWN COMPLETE RECORDS. A LIMITED WINERY MAY BE CITED FOR A
 VIOLATION OF THE RECORDKEEPING REQUIREMENTS OF SECTIONS 512 AND
 513 PERTAINING TO ITS OWN RECORDS ONLY.

6 (4) AT THE DISCRETION OF THE BOARD, OBTAIN A SPECIAL PERMIT TO PARTICIPATE IN ALCOHOLIC CIDER, FERMENTED FRUIT BEVERAGE, 7 8 MEAD, WINE AND FOOD EXPOSITIONS OFF THE LICENSED PREMISES. A 9 SPECIAL PERMIT SHALL BE ISSUED UPON PROPER APPLICATION AND 10 PAYMENT OF A FEE OF THIRTY DOLLARS (\$30) PER DAY FOR EACH DAY OF PERMITTED USE, NOT TO EXCEED THIRTY (30) CONSECUTIVE DAYS. THE 11 TOTAL NUMBER OF DAYS FOR ALL THE SPECIAL PERMITS MAY NOT EXCEED 12 13 ONE HUNDRED (100) DAYS IN ANY CALENDAR YEAR. A SPECIAL PERMIT 14 SHALL ENTITLE THE HOLDER TO ENGAGE IN THE SALE BY THE GLASS, BY 15 THE BOTTLE OR IN CASE LOTS OF ALCOHOLIC CIDER, FERMENTED FRUIT BEVERAGE, MEAD OR WINE PRODUCED BY THE PERMITTEE UNDER THE 16 AUTHORITY OF A LIMITED WINERY LICENSE. HOLDERS OF SPECIAL 17 18 PERMITS MAY PROVIDE TASTING SAMPLES OF WINES IN INDIVIDUAL PORTIONS NOT TO EXCEED ONE FLUID OUNCE. SAMPLES AT ALCOHOLIC 19 20 CIDER, FERMENTED FRUIT BEVERAGE, MEAD, WINE AND FOOD EXPOSITIONS MAY BE SOLD OR OFFERED FREE OF CHARGE. EXCEPT AS PROVIDED 21 22 HEREIN, LIMITED WINERIES UTILIZING SPECIAL PERMITS SHALL BE 23 GOVERNED BY ALL APPLICABLE PROVISIONS OF THIS ACT AS WELL AS BY 24 ALL APPLICABLE REGULATIONS OR CONDITIONS ADOPTED BY THE BOARD. 25 FOR THE PURPOSES OF THIS CLAUSE, "ALCOHOLIC CIDER, FERMENTED 26 FRUIT BEVERAGE, MEAD, WINE AND FOOD EXPOSITIONS" ARE DEFINED AS 27 AFFAIRS HELD INDOORS OR OUTDOORS WITH THE INTENT OF PROMOTING 28 PENNSYLVANIA PRODUCTS BY EDUCATING THOSE IN ATTENDANCE OF THE 29 AVAILABILITY, NATURE AND QUALITY OF PENNSYLVANIA-PRODUCED ALCOHOLIC CIDERS, FERMENTED FRUIT BEVERAGES, MEAD AND WINES IN 30

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CONJUNCTION WITH SUITABLE FOOD DISPLAYS, DEMONSTRATIONS AND 1 SALES. ALCOHOLIC CIDER, FERMENTED FRUIT BEVERAGE, MEAD, WINE AND 2 3 FOOD EXPOSITIONS MAY ALSO INCLUDE ACTIVITIES OTHER THAN ALCOHOLIC CIDER, FERMENTED FRUIT BEVERAGE, MEAD, WINE AND FOOD 4 5 DISPLAYS, INCLUDING ARTS AND CRAFTS, MUSICAL ACTIVITIES, CULTURAL EXHIBITS, AGRICULTURAL EXHIBITS AND FARMERS MARKETS. 6 7 (4.1) AT THE DISCRETION OF THE BOARD, OBTAIN A FARMERS 8 MARKET PERMIT. THE PERMIT SHALL ENTITLE THE HOLDER TO 9 PARTICIPATE IN MORE THAN ONE FARMERS MARKET AT ANY GIVEN TIME 10 AND AN UNLIMITED NUMBER THROUGHOUT THE YEAR AND SELL ALCOHOLIC CIDER, FERMENTED FRUIT BEVERAGES, MEAD OR WINE PRODUCED UNDER 11 THE AUTHORITY OF THE UNDERLYING LIMITED WINERY LICENSE BY THE 12 13 BOTTLE OR IN CASE LOTS. SAMPLES NOT TO EXCEED ONE FLUID ONCE PER 14 BRAND OF MEAD OR WINE MAY BE OFFERED FREE OF CHARGE. A FARMERS 15 MARKET PERMIT SHALL BE ISSUED UPON PROPER APPLICATION AND 16 PAYMENT OF AN ANNUAL FEE OF TWO HUNDRED FIFTY DOLLARS (\$250). A PERMIT HOLDER MAY PARTICIPATE IN MORE THAN ONE FARMERS MARKET AT 17 18 ANY GIVEN TIME. SALES BY PERMIT HOLDERS SHALL TAKE PLACE DURING 19 THE STANDARD HOURS OF OPERATION OF THE FARMERS MARKET. WRITTEN 20 NOTICE OF THE DATE, TIMES AND LOCATION THE PERMIT IS TO BE USED SHALL BE PROVIDED BY THE PERMIT HOLDER TO THE ENFORCEMENT BUREAU 21 22 AT LEAST TWO (2) WEEKS PRIOR TO THE EVENT. EXCEPT AS PROVIDED IN 23 THIS SUBSECTION, LIMITED WINERIES UTILIZING FARMERS MARKET 24 PERMITS SHALL BE GOVERNED BY ALL APPLICABLE PROVISIONS OF THIS 25 ACT AS WELL AS BY ALL APPLICABLE REGULATIONS ADOPTED BY THE 26 BOARD.

27 (5) DO EITHER OF THE FOLLOWING:

(I) APPLY FOR AND HOLD A HOTEL LIQUOR LICENSE, A RESTAURANT
 LIQUOR LICENSE OR A MALT AND BREWED BEVERAGES RETAIL LICENSE TO
 SELL FOR CONSUMPTION AT THE RESTAURANT OR LIMITED WINERY ON THE

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LICENSED WINERY PREMISES, LIQUOR, WINE AND MALT OR BREWED
 BEVERAGES REGARDLESS OF THE PLACE OF MANUFACTURE UNDER THE SAME
 CONDITIONS AND REGULATIONS AS ANY OTHER HOTEL LIQUOR LICENSE,
 RESTAURANT LIQUOR LICENSE OR MALT AND BREWED BEVERAGES RETAIL
 LICENSE.

6 (II) APPLY FOR AND HOLD A RESTAURANT LIQUOR LICENSE FOR USE AT ONE OF THE ADDITIONAL BOARD-APPROVED LOCATIONS REFERENCED 7 8 UNDER CLAUSE (3), AS LONG AS SUCH LOCATION DOES NOT SERVE AS AN 9 ADDITIONAL BOARD-APPROVED LOCATION FOR ANY OTHER MANUFACTURER. 10 (6) (I) SECURE A PERMIT FROM THE BOARD TO ALLOW THE HOLDER OF A LIMITED WINERY LICENSE TO USE UP TO TWENTY-FIVE PER CENTUM 11 12 PERMITTED FRUIT, NOT WINE, IN THE CURRENT YEAR'S PRODUCTION. 13 EACH PERMIT IS VALID ONLY FOR THE CALENDAR YEAR IN WHICH IT IS 14 ISSUED.

15 (II) THE FEE FOR A PERMIT TO IMPORT AND USE PERMITTED FRUIT 16 SHALL BE IN AN AMOUNT TO BE DETERMINED BY THE BOARD.

(III) THE PURPOSE OF THIS SECTION IS TO INCREASE THE 17 18 PRODUCTIVITY OF LIMITED WINERIES WHILE AT THE SAME TIME 19 PROTECTING THE INTEGRITY AND UNIQUE CHARACTERISTICS OF WINE 20 PRODUCED FROM FRUIT PRIMARILY GROWN IN THIS COMMONWEALTH. PREVAILING CLIMATIC CONDITIONS HAVE A SIGNIFICANT IMPACT ON THE 21 CHARACTER OF THE FRUIT. ACCORDINGLY, "PERMITTED FRUIT" SHALL 22 23 MEAN FRUIT GROWN OR JUICE DERIVED FROM FRUIT GROWN WITHIN THREE 24 HUNDRED FIFTY (350) MILES OF THE WINERY.

25 (IV) THE DEPARTMENT IS AUTHORIZED TO PROMULGATE REGULATIONS 26 REQUIRING THE FILING OF PERIODIC REPORTS BY LIMITED WINERIES TO 27 ENSURE COMPLIANCE WITH THE PROVISIONS OF THIS SECTION.

(6.1) SELL FOOD FOR CONSUMPTION ON OR OFF THE LICENSED
PREMISES AND AT THE LIMITED WINERY'S ADDITIONAL BOARD-APPROVED
LOCATIONS AND SELL BY THE GLASS, AT THE LICENSED PREMISES AND AT

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THE LIMITED WINERY'S ADDITIONAL BOARD-APPROVED LOCATIONS, WINE, 1 MEAD [AND], ALCOHOLIC CIDERS AND FERMENTED FRUIT BEVERAGES THAT 2 3 MAY OTHERWISE BE SOLD BY THE BOTTLE. IN ADDITION, THE HOLDER OF A LIMITED WINERY LICENSE MAY SELL FOR CONSUMPTION ON THE 4 LICENSED PREMISES AND AT THE LIMITED WINERY'S ADDITIONAL BOARD-5 APPROVED LOCATIONS, LIQUOR PRODUCED BY A LICENSED DISTILLERY OR 6 LIMITED DISTILLERY, WINE [AND], ALCOHOLIC CIDER AND FERMENTED 7 8 FRUIT BEVERAGES PRODUCED BY ANOTHER LIMITED WINERY AND MALT OR BREWED BEVERAGES PRODUCED BY A LICENSED BREWERY. THE COMBINED 9 10 SALES OF WINE [AND] ALCOHOLIC CIDER AND FERMENTED FRUIT BEVERAGES PRODUCED BY ANOTHER LIMITED WINERY, MALT OR BREWED 11 12 BEVERAGES AND LIQUOR MAY NOT, ON A YEARLY BASIS, EXCEED FIFTY 13 PER CENTUM OF THE ON-PREMISES SALES OF THE LIMITED WINERY'S OWN SALES OF WINE [AND], ALCOHOLIC CIDER AND FERMENTED FRUIT 14 BEVERAGES FOR THE PRECEDING CALENDAR YEAR: HOWEVER, IF A LIMITED 15 16 WINERY DID NOT OPERATE FOR AN ENTIRE CALENDAR YEAR DURING THE 17 PRECEDING YEAR, THEN ITS COMBINED SALES OF WINE AND ALCOHOL 18 PRODUCED BY ANOTHER LIMITED WINERY, MALT OR BREWED BEVERAGES AND LIQUOR MAY NOT, ON A YEARLY BASIS, EXCEED FIFTY PER CENTUM OF 19 20 THE ON-PREMISES SALES OF THE LIMITED WINERY'S OWN WINE [AND], 21 ALCOHOLIC CIDER AND FERMENTED FRUIT BEVERAGES FOR THAT YEAR. 22 (6.2) SELL WINE- OR LIQUOR-SCENTED CANDLES ACQUIRED OR 23 PRODUCED BY THE LIMITED WINERY.

(6.3) SELL ALCOHOLIC CIDER, <u>FERMENTED FRUIT BEVERAGES</u>, MEAD,
WINE AND WINE COOLERS ONLY BETWEEN THE HOURS OF NINE O'CLOCK
ANTEMERIDIAN AND ELEVEN O'CLOCK POSTMERIDIAN. A LIMITED WINERY
ALSO MAY REQUEST APPROVAL FROM THE BOARD TO EXTEND SALES HOURS
IN INDIVIDUAL LOCATIONS AT OTHER TIMES DURING THE YEAR OR BEYOND
THE LIMITS SET FORTH IN THIS CLAUSE. THE REQUEST SHALL BE MADE
IN WRITING TO THE BOARD'S OFFICE OF THE CHIEF COUNSEL AND SHALL

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DETAIL THE EXACT LOCATIONS WHERE SALES HOURS ARE PROPOSED TO BE
 EXTENDED, THE PROPOSED HOURS AND DATES OF EXTENDED OPERATION AND
 THE REASON FOR THE PROPOSED EXTENDED HOURS.

(6.4) STORE ALCOHOLIC CIDER, FERMENTED FRUIT BEVERAGES, 4 MEAD, WINE AND WINE COOLERS PRODUCED BY THE LIMITED WINERY AT NO 5 MORE THAN TWO (2) BOARD-APPROVED LOCATIONS OTHER THAN THE 6 LICENSED PREMISES AND THOSE PREMISES REFERENCED IN CLAUSE (3) 7 8 PERTAINING TO THE FIVE (5) BOARD-APPROVED LOCATIONS FOR THE SALE 9 OF WINE, WITH NO BOTTLING OR PRODUCTION REQUIREMENT AT THOSE 10 ADDITIONAL LOCATIONS AND UNDER SUCH CONDITIONS AND REGULATIONS AS THE BOARD MAY ENFORCE. IF TWO (2) OR MORE BUSINESSES WILL 11 OPERATE OUT OF THE SAME STORAGE FACILITY, THE LIMITED WINERY 12 13 MUST DESIGNATE SPECIFIC AND DISTINCT AREAS FOR ITS STORAGE. THE 14 LIMITED WINERY'S DESIGNATED STORAGE AREA MUST BE SECURED AND NO 15 ONE OTHER THAN THE LICENSEE AND HIS EMPLOYEES MAY BE ALLOWED 16 ACCESS TO THE STORAGE AREA. NO BOARD-APPROVED MANAGER WILL BE NECESSARY FOR THE STORAGE FACILITY. THE LIMITED WINERY MUST FILL 17 18 OUT AN APPLICATION FOR SUCH AN ADDITIONAL BOARD-APPROVED STORAGE 19 LOCATION, AND SUCH LOCATION SHALL COUNT AS ONE OF THE TWO 20 PERMITTED FOR EACH LIMITED WINERY. THE LIMITED WINERY IS RESPONSIBLE FOR KEEPING ONLY ITS OWN COMPLETE RECORDS. A LIMITED 21 22 WINERY MAY BE CITED FOR A VIOLATION OF THE RECORDKEEPING 23 REQUIREMENTS OF SECTIONS 512 AND 513 PERTAINING TO ITS OWN 24 RECORDS ONLY.

(B) THE TOTAL PRODUCTION OF ALCOHOLIC CIDERS, <u>FERMENTED</u>
<u>FRUIT BEVERAGES</u>, MEAD, WINE AND WINE COOLERS BY A LIMITED WINERY
MAY NOT EXCEED TWO HUNDRED THOUSAND (200,000) GALLONS PER YEAR.
\* \* \*

29 SECTION 8 7. SECTION 505.4 HEADING, (B) (1) AND (8) AND (C) <--</li>
30 (1) OF THE ACT ARE AMENDED AND THE SECTION IS AMENDED BY ADDING

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1 SUBSECTIONS TO READ:

2 SECTION 505.4. LIMITED DISTILLERIES AND DISTILLERIES.--\* \* \* (1) THE BOARD MAY ISSUE A LIMITED DISTILLERY LICENSE 3 (B) 4 THAT WILL ALLOW THE HOLDER THEREOF TO OPERATE A DISTILLERY THAT SHALL NOT EXCEED PRODUCTION OF ONE HUNDRED THOUSAND (100,000) 5 GALLONS OF DISTILLED LIQUOR PER YEAR. THE HOLDER OF THE LICENSE 6 MAY MANUFACTURE AND SELL BOTTLED LIOUORS PRODUCED ON THE 7 8 LICENSED PREMISES TO THE BOARD, TO ENTITIES LICENSED BY THE 9 BOARD AND TO THE PUBLIC BETWEEN THE HOURS OF NINE O'CLOCK 10 ANTEMERIDIAN AND ELEVEN O'CLOCK POSTMERIDIAN SO LONG AS A SPECIFIC CODE OF DISTILLED LIQUOR WHICH IS LISTED FOR SALE AS A 11 STOCK ITEM BY THE BOARD IN STATE LIQUOR STORES MAY NOT BE 12 13 OFFERED FOR SALE AT A LICENSED LIMITED DISTILLERY LOCATION AT A 14 PRICE WHICH IS LOWER THAN THAT CHARGED BY THE BOARD AND UNDER SUCH CONDITIONS AND REGULATIONS AS THE BOARD MAY ENFORCE. THE 15 16 HOLDER OF A LIMITED DISTILLERY LICENSE MAY NOT SELL A PRODUCT OR A SUBSTANTIALLY SIMILAR PRODUCT WHICH IS LISTED FOR SALE AS A 17 18 STOCK ITEM BY THE BOARD IN STATE LIQUOR STORES TO A LICENSEE AT 19 A PRICE WHICH IS LOWER THAN THAT CHARGED BY THE BOARD AND UNDER 20 SUCH CONDITIONS AND REGULATIONS AS THE BOARD MAY ENFORCE. THE 21 HOLDER OF A LIMITED DISTILLERY LICENSE MAY ALSO SELL WINE [AND], ALCOHOLIC CIDER AND FERMENTED FRUIT BEVERAGES PRODUCED BY A 22 23 LICENSED LIMITED WINERY, LIQUOR PRODUCED BY A LICENSED 24 DISTILLERY OR LIMITED DISTILLERY AND MALT OR BREWED BEVERAGES 25 PRODUCED BY A LICENSED BREWERY FOR ON-PREMISES CONSUMPTION. THE 26 COMBINED SALES OF WINE, MALT OR BREWED BEVERAGES AND LIQUOR 27 PRODUCED BY ANOTHER LICENSED DISTILLERY OR LIMITED DISTILLERY 28 MAY NOT, ON A YEARLY BASIS, EXCEED FIFTY PER CENTUM OF THE ON-29 PREMISES SALES OF THE LIMITED DISTILLERY'S OWN SALES OF LIOUOR FOR THE PRECEDING CALENDAR YEAR: HOWEVER, IF A LIMITED 30

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DISTILLERY DID NOT OPERATE FOR AN ENTIRE CALENDAR YEAR DURING
 THE PRECEDING YEAR, THEN ITS COMBINED SALES OF WINE, MALT OR
 BREWED BEVERAGES AND LIQUOR PRODUCED BY ANOTHER LICENSED
 DISTILLERY OR LIMITED DISTILLERY MAY NOT, ON A YEARLY BASIS,
 EXCEED FIFTY PER CENTUM OF THE ON-PREMISES SALES OF THE LIMITED
 DISTILLERY'S OWN LIQUOR FOR THAT YEAR.

7 \* \* \*

8 (8) AT THE DISCRETION OF THE BOARD THE HOLDER OF A LIMITED 9 DISTILLERY LICENSE MAY OBTAIN A SPECIAL PERMIT TO PARTICIPATE IN 10 [ALCOHOLIC CIDER,] LIQUOR AND FOOD EXPOSITIONS OFF THE LICENSED PREMISES. A SPECIAL PERMIT SHALL BE ISSUED UPON PROPER 11 APPLICATION AND PAYMENT OF A FEE OF THIRTY DOLLARS (\$30) PER DAY 12 13 FOR EACH DAY OF PERMITTED USE, NOT TO EXCEED THIRTY (30) 14 CONSECUTIVE DAYS. THE TOTAL NUMBER OF DAYS FOR ALL THE SPECIAL 15 PERMITS MAY NOT EXCEED ONE HUNDRED (100) DAYS IN ANY CALENDAR 16 YEAR. A SPECIAL PERMIT SHALL ENTITLE THE HOLDER TO ENGAGE IN THE SALE BY THE GLASS, BY THE BOTTLE OR IN CASE LOTS OF LIQUOR 17 18 PRODUCED BY THE PERMITTEE UNDER THE AUTHORITY OF A LIMITED 19 DISTILLERY LICENSE. HOLDERS OF SPECIAL PERMITS MAY PROVIDE 20 TASTING SAMPLES OF LIQUOR IN INDIVIDUAL PORTIONS NOT TO EXCEED 21 ONE AND ONE-HALF (1.5) FLUID OUNCES. SAMPLES AT [ALCOHOLIC 22 CIDER, ] LIQUOR AND FOOD EXPOSITIONS MAY BE SOLD OR OFFERED FREE 23 OF CHARGE. EXCEPT AS PROVIDED IN THIS CLAUSE, LIMITED 24 DISTILLERIES UTILIZING SPECIAL PERMITS SHALL BE GOVERNED BY ALL 25 APPLICABLE PROVISIONS OF THIS ACT AS WELL AS BY ALL APPLICABLE 26 REGULATIONS OR CONDITIONS ADOPTED BY THE BOARD. FOR THE PURPOSES 27 OF THIS CLAUSE, ["ALCOHOLIC CIDER, LIQUOR] "LIQUOR AND FOOD 28 EXPOSITIONS" ARE DEFINED AS AFFAIRS HELD INDOORS OR OUTDOORS 29 WITH THE INTENT OF PROMOTING PENNSYLVANIA PRODUCTS BY EDUCATING 30 THOSE IN ATTENDANCE OF THE AVAILABILITY, NATURE AND QUALITY OF

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PENNSYLVANIA-PRODUCED [ALCOHOLIC CIDERS AND] LIQUORS IN
 CONJUNCTION WITH SUITABLE FOOD DISPLAYS, DEMONSTRATIONS AND
 SALES. [ALCOHOLIC CIDER, LIQUOR] <u>LIQUOR</u> AND FOOD EXPOSITIONS MAY
 ALSO INCLUDE ACTIVITIES OTHER THAN [ALCOHOLIC CIDER,] LIQUOR AND
 FOOD DISPLAYS, INCLUDING ARTS AND CRAFTS, MUSICAL ACTIVITIES,
 CULTURAL EXHIBITS, AGRICULTURAL EXHIBITS AND FARMERS MARKETS.
 \* \* \*

8 (C) (1) THE HOLDER OF A DISTILLERY LICENSE AS ISSUED UNDER 9 SECTION 505 MAY SELL BOTTLED LIQUORS PRODUCED ON THE LICENSED 10 PREMISES TO THE BOARD, TO ENTITIES LICENSED BY THE BOARD AND TO THE PUBLIC BETWEEN THE HOURS OF NINE O'CLOCK ANTEMERIDIAN AND 11 ELEVEN O'CLOCK POSTMERIDIAN SO LONG AS A SPECIFIC CODE OF 12 13 DISTILLED LIOUOR WHICH IS LISTED FOR SALE AS A STOCK ITEM BY THE BOARD IN STATE LIQUOR STORES MAY NOT BE OFFERED FOR SALE AT A 14 15 LICENSED DISTILLERY LOCATION AT A PRICE WHICH IS LOWER THAN THAT CHARGED BY THE BOARD AND UNDER SUCH CONDITIONS AND REGULATIONS 16 AS THE BOARD MAY ENFORCE. THE HOLDER OF A DISTILLERY LICENSE MAY 17 18 NOT SELL A PRODUCT OR A SUBSTANTIALLY SIMILAR PRODUCT WHICH IS 19 LISTED FOR SALE AS A STOCK ITEM BY THE BOARD IN STATE LIQUOR 20 STORES TO A LICENSEE AT A PRICE WHICH IS LOWER THAN THAT CHARGED BY THE BOARD AND UNDER SUCH CONDITIONS AND REGULATIONS AS THE 21 22 BOARD MAY ENFORCE. THE HOLDER OF A DISTILLERY LICENSE MAY ALSO 23 SELL ITS LIQUOR, WINE [AND] \_ ALCOHOLIC CIDER AND FERMENTED FRUIT 24 BEVERAGES PRODUCED BY A LICENSED LIMITED WINERY, LIQUOR PRODUCED 25 BY A LICENSED DISTILLERY OR LIMITED DISTILLERY AND MALT OR 26 BREWED BEVERAGES PRODUCED BY A LICENSED BREWERY FOR ON-PREMISES 27 CONSUMPTION. THE COMBINED SALES OF WINE, MALT OR BREWED 28 BEVERAGES AND LIQUOR PRODUCED BY ANOTHER LICENSED DISTILLERY OR 29 LIMITED DISTILLERY MAY NOT, ON A YEARLY BASIS, EXCEED FIFTY PER CENTUM OF THE ON-PREMISES SALES OF THE DISTILLERY'S OWN SALES OF 30

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LIQUOR FOR THE PRECEDING CALENDAR YEAR: HOWEVER, IF A DISTILLERY
 DID NOT OPERATE FOR AN ENTIRE CALENDAR YEAR DURING THE PRECEDING
 YEAR, THEN ITS COMBINED SALES OF WINE, MALT OR BREWED BEVERAGES
 AND LIQUOR PRODUCED BY ANOTHER LICENSED DISTILLERY OR LIMITED
 DISTILLERY MAY NOT, ON A YEARLY BASIS, EXCEED FIFTY PER CENTUM
 OF THE ON-PREMISES SALES OF THE DISTILLERY'S OWN LIQUOR FOR THAT
 YEAR.

8 \* \* \*

9 (D) SALES FOR ON-PREMISES CONSUMPTION BY DISTILLERIES OF 10 HISTORICAL SIGNIFICANCE, LIMITED DISTILLERIES AND DISTILLERIES ARE SUBJECT TO THE RESTRICTIONS SET FORTH IN SECTION 472. 11 (E) AGGREGATE SALES TO RETAIL LICENSES BY DISTILLERIES OF 12 13 HISTORICAL SIGNIFICANCE, LIMITED DISTILLERIES AND DISTILLERIES 14 MAY NOT EXCEED 50,000 GALLONS DURING A CALENDAR YEAR. A LICENSE 15 OR PERMIT HOLDER THAT WISHES TO ACQUIRE LIQUOR PRODUCED BY A 16 DISTILLERY OR LIMITED DISTILLERY LICENSE HOLDER AFTER THE 17 PRODUCER HAS REACHED ITS AGGREGATE 50,000-GALLON LIMIT MAY STILL 18 ACQUIRE THE PRODUCT IF IT IS AVAILABLE FROM THE BOARD. IF A 19 PERSON HOLDS ANY INTEREST IN MORE THAN ONE DISTILLERY OF 20 HISTORICAL SIGNIFICANCE, DISTILLERY OR LIMITED DISTILLERY 21 LICENSE, EITHER DIRECTLY OR INDIRECTLY, THE SALES FROM ALL SUCH 22 LICENSES SHALL BE CONSIDERED WHEN DETERMINING WHETHER THE 23 50,000-GALLON LIMIT HAS BEEN REACHED. 24 (F) DELIVERY OF LIQUOR BY DISTILLERIES OF HISTORICAL 25 SIGNIFICANCE, LIMITED DISTILLERIES AND DISTILLERIES SHALL BE 26 THROUGH THE USE OF VEHICLES PROPERLY REGISTERED BY THE LICENSEE 27 OR THROUGH PROPERLY LICENSED TRANSPORTERS. A DISTILLERY OF 28 HISTORICAL SIGNIFICANCE, LIMITED DISTILLERY OR DISTILLERY MAY 29 ACCEPT A CREDIT CARD FOR PAYMENT UPON DELIVERY SO LONG AS THE 30 PURCHASER HOLDS A LICENSE ISSUED BY THE BOARD; THE TERMS OF THE

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1 SALE BETWEEN PARTIES MUST BE FINALIZED BEFORE THE LIQUOR LEAVES

2 THE SELLER'S LICENSED PREMISES.

3 SECTION 9 8. SECTION 1001 OF THE ACT IS AMENDED TO READ: 
4 SECTION 1001. CONSTRUCTION AND APPLICABILITY.--(A) EXCEPT
5 AS PROVIDED IN SUBSECTION (B), UNLESS THE CONTEXT CLEARLY
6 INDICATES OTHERWISE, A REFERENCE TO "MALT OR BREWED BEVERAGES"
7 IN A STATUTE SHALL BE CONSTRUED TO INCLUDE ALCOHOLIC CIDER <u>AND</u>
8 <u>FERMENTED FRUIT BEVERAGES</u>.

9 (B) REGARDLESS OF CONTEXT, A REFERENCE TO "MALT OR BREWED 10 BEVERAGES" IN ARTICLE XX OF THE ACT OF MARCH 4, 1971 (P.L.6, 11 NO.2), KNOWN AS THE "TAX REFORM CODE OF 1971," SHALL BE 12 CONSTRUED TO INCLUDE ALCOHOLIC CIDER <u>AND FERMENTED FRUIT</u> 13 BEVERAGES.

14 (C) EXCEPT AS PROVIDED IN SUBSECTION (D), UNLESS THE CONTEXT
15 CLEARLY INDICATES OTHERWISE, A REFERENCE TO "WINE" IN A STATUTE
16 SHALL BE CONSTRUED TO EXCLUDE ALCOHOLIC CIDER <u>AND FERMENTED</u>

17 FRUIT BEVERAGES.

(D) REGARDLESS OF CONTEXT, A REFERENCE TO "WINE" IN THE ACT
OF DECEMBER 5, 1933 (SP.SESS., P.L.38, NO.6), KNOWN AS THE
"SPIRITUOUS AND VINOUS LIQUOR TAX LAW," SHALL BE CONSTRUED TO
EXCLUDE ALCOHOLIC CIDER <u>AND FERMENTED FRUIT BEVERAGES</u>.

22 SECTION <del>10</del> 9. REPEALS ARE AS FOLLOWS:

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(1) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT THE
REPEAL UNDER PARAGRAPH (2) IS NECESSARY TO EFFECTUATE THE
ADDITION OF SECTION 505.4 (E) OF THE ACT.

26 (2) SECTION 1799.5-E OF THE ACT OF APRIL 9, 1929
27 (P.L.343, NO.176), KNOWN AS THE FISCAL CODE, IS REPEALED.

(3) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT THE
REPEAL UNDER PARAGRAPH (4) IS NECESSARY TO EFFECTUATE THE
ADDITION OF SECTION 470.4 OF THE ACT.

1	(4) SECTION 1799.6-E OF THE FISCAL CODE IS REPEALED.
2	SECTION <del>11</del> 10. THIS ACT SHALL TAKE EFFECT AS FOLLOWS: <
3	(1) THE FOLLOWING SHALL TAKE EFFECT IMMEDIATELY:
4	(I) THIS SECTION.
5	(II) THE AMENDMENT OF SECTIONS 406(D) AND 413(F)(1)
6	OF THE ACT.
7	(2) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 30
8	DAYS.