THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 947 Session of 2019

INTRODUCED BY SCHWEYER, FREEMAN, OTTEN, HILL-EVANS, SCHLOSSBERG, MADDEN, KULIK, DEASY, RAVENSTAHL AND MALAGARI, MARCH 25, 2019

AS REPORTED FROM COMMITTEE ON LIQUOR CONTROL, HOUSE OF REPRESENTATIVES, AS AMENDED, APRIL 8, 2019

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	licenses and regulations, liquor, alcohol and malt and brewed
18	beverages, further providing for hours of operation relative
19	to manufacturers, importing distributors and distributors;
20	and, in distilleries, wineries, bonded warehouses, bailees
21	for hire and transporters for hire, further providing for
22	distilleries.
23	The General Assembly of the Commonwealth of Pennsylvania
24	hereby enacts as follows:
25	Section 1. Sections 492.1(a) and (c) and 505.4(b)(1) and (5) <
26	and (c) of the act of April 12, 1951 (P.L.90, No.21), known as
27	the Liquor Code, are amended to read:

1	Section 492.1. Hours of Operation Relative to Manufacturers,
2	Importing Distributors and Distributors(a) (1)
3	Manufacturers may sell or deliver malt or brewed beverages
4	between two o'clock antemeridian of any Monday and twelve
5	o'clock midnight of the following Saturday.
6	(2) Notwithstanding any other provision of law,
7	manufacturers may sell malt and brewed beverages and alcohol
8	subject to section 446(a)(2) for on-premises consumption between
9	the hours of nine o'clock antemeridian and twelve o'clock
10	antemeridian Monday through Saturday and Sunday between the
11	hours of nine o'clock antemeridian and eleven o'clock
12	postmeridian.
13	* * *
14	(c) (1) In addition to the hours authorized under <
15	subsections (a) and (b), [manufacturers,] importing distributors
16	and distributors, upon purchasing a permit from the board at an-
17	annual fee of one hundred dollars (\$100), may sell malt or
18	brewed beverages to persons not licensed under this act or to a
19	holder of a special occasion permit on Sunday between the hours-
20	of nine o'clock antemeridian and nine o'clock postmeridian.
21	(2) Manufacturers may sell malt or brewed beverages to
22	holders of a special occasion permit between the hours of nine
23	<u>o'clock antemeridian and nine o'clock postmeridian.</u>
24	* * *
25	Section 505.4. Distilleries* * *
26	(b) (1) The board may issue a limited distillery license
27	that will allow the holder thereof to operate a distillery that
28	shall not exceed production of one hundred thousand (100,000)
29	gallons of distilled liquor per year. The holder of the license
30	may manufacture and sell bottled liquors produced on the
201	90HB0947PN1329 - 2 -

licensed premises to the board, to entities licensed by the 1 2 board and to the public between the hours of nine o'clock 3 antemeridian and [eleven o'clock postmeridian] twelve o'clock antemeridian Monday through Saturday and Sunday between the 4 hours of nine o'clock antemeridian through eleven o'clock 5 postmeridian so long as a specific code of distilled liquor 6 7 which is listed for sale as a stock item by the board in State 8 liquor stores may not be offered for sale at a licensed limited 9 distillery location at a price which is lower than that charged 10 by the board and under such conditions and regulations as the board may enforce. The holder of a limited distillery license 11 may not sell a product or a substantially similar product which 12 is listed for sale as a stock item by the board in State Liquor 13 14 Stores to a licensee at a price which is lower than that charged 15 by the board and under such conditions and regulations as the 16 board may enforce. The holder of a limited distillery license may also sell wine and alcoholic cider produced by a licensed 17 18 limited winery, liquor produced by a licensed distillery or 19 limited distillery and malt or brewed beverages produced by a 20 licensed brewery for on-premises consumption. The combined sales of wine, malt or brewed beverages and liquor produced by another 21 licensed distillery or limited distillery may not, on a yearly 22 23 basis, exceed fifty per centum of the on-premises sales of the 24 limited distillery's own sales of liquor for the preceding 25 calendar year: however, if a limited distillery did not operate 26 for an entire calendar year during the preceding year, then its combined sales of wine, malt or brewed beverages and liquor 27 28 produced by another licensed distillery or limited distillery 29 may not, on a yearly basis, exceed fifty per centum of the on-30 premises sales of the limited distillery's own liquor for that

20190HB0947PN1329

- 3 -

1 year.

2 * * *

3 (5) The holder of a limited distillery license may provide tasting samples of liquor that in total do not exceed one and 4 5 one-half (1.5) fluid ounces per person on the licensed premises 6 and at the two (2) board-approved locations. Samples may be sold 7 or provided free of charge and may only be provided between the 8 hours of nine o'clock antemeridian and [eleven o'clock postmeridian] twelve o'clock antemeridian Monday through 9 10 Saturday and Sunday between the hours of nine o'clock 11 antemeridian through eleven o'clock postmeridian.

12 * * *

13 (C) (1)The holder of a distillery license as issued under 14 section 505 may sell bottled liquors produced on the licensed 15 premises to the board, to entities licensed by the board and to 16 the public between the hours of nine o'clock antemeridian and 17 [eleven o'clock postmeridian] twelve o'clock antemeridian Monday_ 18 through Saturday and Sunday between the hours of nine o'clock 19 antemeridian through eleven o'clock postmeridian so long as a 20 specific code of distilled liquor which is listed for sale as a 21 stock item by the board in State liquor stores may not be 22 offered for sale at a licensed distillery location at a price 23 which is lower than that charged by the board and under such 24 conditions and regulations as the board may enforce. The holder of a distillery license may not sell a product or a 25 26 substantially similar product which is listed for sale as a 27 stock item by the board in State Liquor Stores to a licensee at 28 a price which is lower than that charged by the board and under 29 such conditions and regulations as the board may enforce. The 30 holder of a distillery license may also sell its liquor, wine

20190HB0947PN1329

```
- 4 -
```

and alcoholic cider produced by a licensed limited winery, 1 2 liquor produced by a licensed distillery or limited distillery 3 and malt or brewed beverages produced by a licensed brewery for on-premises consumption. The combined sales of wine, malt or 4 brewed beverages and liquor produced by another licensed 5 distillery or limited distillery may not, on a yearly basis, 6 7 exceed fifty per centum of the on-premises sales of the 8 distillery's own sales of liquor for the preceding calendar year: however, if a distillery did not operate for an entire 9 10 calendar year during the preceding year, then its combined sales 11 of wine, malt or brewed beverages and liquor produced by another 12 licensed distillery or limited distillery may not, on a yearly 13 basis, exceed fifty per centum of the on-premises sales of the 14 distillery's own liquor for that year.

15 The holder of a distillery license as issued under (2) 16 section 505 may provide tasting samples of liquor that in total 17 do not exceed one and one-half (1.5) fluid ounces. Samples may 18 be sold or provided free of charge between the hours of nine 19 o'clock antemeridian and [eleven o'clock postmeridian] twelve o'clock antemeridian Monday through Saturday and Sunday between 20 the hours of nine o'clock antemeridian through eleven o'clock 21 22 postmeridian.

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

20190HB0947PN1329

- 5 -