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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 566 Session of  
2021

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INTRODUCED BY REGAN, J. WARD, MARTIN, BOSCOLA, STEFANO, BROWNE,  
YAW AND KEARNEY, APRIL 16, 2021

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REFERRED TO LAW AND JUSTICE, APRIL 16, 2021

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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 for liquor, alcohol and malt and  
18 brewed beverages, further providing for license auction.

19 The General Assembly of the Commonwealth of Pennsylvania  
20 hereby enacts as follows:

21 Section 1. Section 470.3(a.1)(2), (h), (i) and (k) of the  
22 act of April 12, 1951 (P.L.90, No.21), known as the Liquor Code,  
23 are amended and the section is amended by adding a subsection to  
24 read:

25 Section 470.3. License Auction.--\* \* \*

26 (a.1) \* \* \*

1 (2) [Any licenses not sold shall be available for sale at  
2 future auctions, provided, however, that no] No more than fifty  
3 licenses shall be auctioned in any county per year.

4 \* \* \*

5 (h) [The winning bidder shall pay to the board the bid  
6 amount within two weeks. Payment] Within six months of being  
7 awarded a license, payment shall be by cashier's check,  
8 certified check or any other method acceptable to the board. If  
9 the winning bidder does not pay the bid amount within [two  
10 weeks] six months, the second highest bidder shall be awarded  
11 the right to file an application for the license, so long as the  
12 bid amount is in accordance with subsection (g). [The board  
13 shall hold the bid amount in escrow until the license is  
14 approved.]

15 (i) Within six months of being awarded the license, the  
16 bidder or its assignee shall file an application to transfer the  
17 license. The application shall be processed in the same manner  
18 as any other transfer application and shall be subject to the  
19 same restrictions as any other transfer application, including  
20 any conditional licensing agreements and county quota  
21 restrictions under section 461. The board shall only approve the  
22 transfer of a license under this section to a municipality,  
23 other than the municipality it last operated in, upon approval  
24 by the governing body of the municipality as provided under  
25 section 461(b.3).

26 \* \* \*

27 (k) A license acquired under this section may subsequently  
28 be transferred subject to any restrictions that would otherwise  
29 be applicable to the transfer of the license[.], unless the  
30 license was awarded in an excess auction under subsection (l). A

1 license awarded in an excess auction and subsequently  
2 transferred to a different county than the county of origination  
3 may not be transferred from the receiving municipality for a  
4 period of five years after the date the licensed premises are  
5 operational.

6 (1) A license not receiving a bid at an initial auction  
7 shall be eligible to be bid upon at the discretion of the board  
8 and awarded at an excess auction as follows:

9 (1) the board shall hold one excess auction every calendar  
10 year;

11 (2) the license shall be awarded to the highest bidder in  
12 any county, regardless of the original location of the licensed  
13 premises. No more than one license shall be awarded per county  
14 in an excess auction;

15 (3) the winning bidder may transfer the license without  
16 regard to the restrictions under section 461(a) upon approval  
17 from the governing body of the municipality where the license  
18 will be transferred as provided under section 461(b.3); and

19 (4) a request to transfer the winning license to a different  
20 county shall be made in writing to the board and shall be  
21 subject to an application fee of twenty-five thousand dollars  
22 (\$25,000).

23 Section 2. This act shall take effect immediately.