

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

**SENATE BILL**No. **651** Session of  
2015

INTRODUCED BY GREENLEAF, MARCH 20, 2015

REFERRED TO LAW AND JUSTICE, MARCH 20, 2015

## AN ACT

1 Amending the act of April 12, 1951 (P.L.90, No.21), entitled, as  
2 reenacted, "An act relating to alcoholic liquors, alcohol and  
3 malt and brewed beverages; amending, revising, consolidating  
4 and changing the laws relating thereto; regulating and  
5 restricting the manufacture, purchase, sale, possession,  
6 consumption, importation, transportation, furnishing, holding  
7 in bond, holding in storage, traffic in and use of alcoholic  
8 liquors, alcohol and malt and brewed beverages and the  
9 persons engaged or employed therein; defining the powers and  
10 duties of the Pennsylvania Liquor Control Board; providing  
11 for the establishment and operation of State liquor stores,  
12 for the payment of certain license fees to the respective  
13 municipalities and townships, for the abatement of certain  
14 nuisances and, in certain cases, for search and seizure  
15 without warrant; prescribing penalties and forfeitures;  
16 providing for local option, and repealing existing laws,"  
17 further providing for definitions, for general powers of  
18 board, for board to establish State liquor stores, for when  
19 sales may be made at Pennsylvania liquor stores, for sales by  
20 Pennsylvania liquor stores, for authority to issue liquor  
21 licenses to hotels, restaurants and clubs, for license  
22 districts and license period and hearings, for sale of malt  
23 or brewed beverages by liquor licensees; providing for wine  
24 expanded permit for restaurant licensees; further providing  
25 for malt and brewed beverages manufacturers' and  
26 distributors' and importing distributors' licenses, for  
27 distributors' and importing distributors' restrictions on  
28 sales, storage, etc., for retail dispensers' restrictions on  
29 purchases and sales, for revocation and suspension of  
30 licenses and fines and for shipment of wine into  
31 Commonwealth; providing for direct shipment of wine; further  
32 providing for unlawful acts relative to liquor, malt and  
33 brewed beverages and licensees, for premises to be vacated by  
34 patrons and for moneys paid into the State Stores Fund for  
35 use of the Commonwealth.

1 The General Assembly of the Commonwealth of Pennsylvania  
2 hereby enacts as follows:

3 Section 1. The definitions of "distributor," "importing  
4 distributor," "restaurant" and "retail dispenser" in section 102  
5 of the act of April 12, 1951 (P.L.90, No.21), known as The  
6 Liquor Code, reenacted and amended June 29, 1987 (P.L.32,  
7 No.14), and amended May 31, 1996 (P.L.312, No.49) and December  
8 9, 2002 (P.L.1653, No.212), are amended and the section is  
9 amended by adding definitions to read:

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

13 \* \* \*

14 "Distributor" shall mean any person licensed by the board to  
15 engage in the purchase only from Pennsylvania manufacturers and  
16 from importing distributors and the resale of malt or brewed  
17 beverages, except to importing distributors and distributors, in  
18 the original sealed containers as prepared for the market by the  
19 manufacturer at the place of manufacture, but not for  
20 consumption on the premises where sold, and in quantities of not  
21 less than [a case or original containers containing one hundred  
22 twenty-eight ounces or more which may be sold separately] a six-  
23 pack consisting of not less than forty-two ounces.

24 \* \* \*

25 "Food market" shall mean a reputable place of business  
26 operated by a responsible person or persons of good reputation  
27 that meets all of the following:

28 (1) Principally sells food, specifically dairy, fresh  
29 produce, fruit, eggs and food products for consumption off the  
30 premises and supplies for the table.

1 (2) Has an area under one roof of five thousand square feet  
2 to fifty-five thousand square feet of which more than seventy-  
3 five per centum of its gross floor area is used in the  
4 preparation, purchase, service, consumption or storage of food,  
5 food products for consumption off the premises and supplies for  
6 the table.

7 (3) Does not charge a membership fee.

8 \* \* \*

9 "Grocery store" shall mean a reputable place of business  
10 operated by a responsible person or persons of good reputation  
11 that meets all of the following:

12 (1) Principally sells food, specifically dairy, fresh  
13 produce, fruit, eggs and food products for consumption off the  
14 premises and supplies for the table.

15 (2) Has an area under one roof of at least fifty-five  
16 thousand and one square feet of which more than seventy-five per  
17 centum of its gross floor area is used in the preparation,  
18 purchase, service, consumption or storage of food, food products  
19 for consumption off the premises and supplies for the table.

20 (3) Does not charge a membership fee.

21 \* \* \*

22 "Importing distributor" shall mean any person licensed by the  
23 board to engage in the purchase from manufacturers and other  
24 persons located outside this Commonwealth and from persons  
25 licensed as manufacturers of malt or brewed beverages and  
26 importing distributors under this act, and the resale of malt or  
27 brewed beverages in the original sealed containers as prepared  
28 for the market by the manufacturer at the place of manufacture,  
29 but not for consumption on the premises where sold, and in  
30 quantities of not less than [a case or original containers

1 containing one hundred twenty-eight ounces or more which may be  
2 sold separately] a six-pack consisting of not less than forty-  
3 two ounces.

4 \* \* \*

5 "Restaurant" shall mean a reputable place operated by  
6 responsible persons of good reputation and habitually and  
7 principally used for the purpose of providing food for the  
8 public, the place to have an area within a building of not less  
9 than four hundred square feet, equipped with tables and chairs,  
10 including bar seats, accommodating at least thirty persons at  
11 one time. The board shall, by regulation, set forth what  
12 constitutes tables and chairs sufficient to accommodate thirty  
13 persons at one time. A restaurant liquor licensee may sell wine  
14 in a quantity not to exceed three bottles in a single  
15 transaction when possessing a wine expanded permit issued  
16 pursuant to section 415 to sell wine for consumption off the  
17 premises.

18 \* \* \*

19 "Retail dispenser" shall mean any person licensed to engage  
20 in the retail sale of malt or brewed beverages for consumption  
21 on the premises of such licensee, with the privilege of selling  
22 malt or brewed beverages in quantities not in excess of [one  
23 hundred ninety-two fluid ounces in a single sale to one person,  
24 to be carried from the premises by the purchaser thereof.] up to  
25 three six-packs or one twelve-pack and one six-pack in a single  
26 transaction consisting of not more than two hundred eighty-eight  
27 ounces for consumption off the premises so long as the original  
28 containers are in a package, prepared for sale or distribution  
29 by the manufacturer, of not more than twelve original  
30 containers.

1 \* \* \*

2 "Six-pack" shall mean a configuration:

3 (1) consisting of up to six bottles or cans which total not  
4 more than ninety-six ounces; and

5 (2) which is to be sold in a single sale and carried from  
6 the premises by the purchaser.

7 \* \* \*

8 "Twelve-pack" shall mean a configuration:

9 (1) consisting of up to twelve bottles or cans which total  
10 not more than one hundred ninety-two ounces; and

11 (2) which is to be sold in a single sale and carried from  
12 the premises by the purchaser.

13 \* \* \*

14 Section 2. Section 207 of the act, amended February 21, 2002  
15 (P.L.103, No.10) and December 8, 2004 (P.L.1810, No.239), is  
16 amended to read:

17 Section 207. General Powers of Board.--Under this act, the  
18 board shall have the power and its duty shall be:

19 (a) To buy, import or have in its possession for sale and  
20 sell liquor, alcohol, corkscrews, wine and liquor accessories,  
21 trade publications, gift cards, gift certificates, wine-or-  
22 liquor-scented candles and wine glasses in the manner set forth  
23 in this act: Provided, however, that all purchases shall be made  
24 subject to the approval of the State Treasurer, or his  
25 designated deputy. The board shall buy liquor and alcohol at the  
26 lowest price and in the greatest variety reasonably obtainable.  
27 Such sales and purchases may be to or from persons or entities  
28 located both in and outside this Commonwealth.

29 (b) To control the manufacture, possession, sale,  
30 consumption, importation, use, storage, transportation and

1 delivery of liquor, alcohol and malt or brewed beverages in  
2 accordance with the provisions of this act, and to fix the  
3 wholesale and retail prices at which liquors and alcohol shall  
4 be sold at Pennsylvania Liquor Stores. Prices shall be  
5 [proportional with prices paid by the board to its suppliers and  
6 shall reflect any advantage obtained through volume purchases by  
7 the board. The board may establish a preferential price  
8 structure for wines produced within this Commonwealth for the  
9 promotion of such wines, as long as the price structure is  
10 uniform within each class of wine purchased by the board.] as  
11 set forth by the board so long as the price of a particular item  
12 is uniform throughout this Commonwealth. The board shall require  
13 each Pennsylvania manufacturer and each nonresident manufacturer  
14 of liquors, other than wine, selling such liquors to the board,  
15 which are not manufactured in this Commonwealth, to make  
16 application for and be granted a permit by the board before such  
17 liquors not manufactured in this Commonwealth shall be purchased  
18 from such manufacturer. Each such manufacturer shall pay for  
19 such permit a fee which, in the case of a manufacturer of this  
20 Commonwealth, shall be equal to that required to be paid, if  
21 any, by a manufacturer or wholesaler of the state, territory or  
22 country of origin of the liquors, for selling liquors  
23 manufactured in Pennsylvania, and in the case of a nonresident  
24 manufacturer, shall be equal to that required to be paid, if  
25 any, in such state, territory or country by Pennsylvania  
26 manufacturers doing business in such state, territory or  
27 country. In the event that any such manufacturer shall, in the  
28 opinion of the board, sell or attempt to sell liquors to the  
29 board through another person for the purpose of evading this  
30 provision relating to permits, the board shall require such

1 person, before purchasing liquors from him or it, to take out a  
2 permit and pay the same fee as hereinbefore required to be paid  
3 by such manufacturer. All permit fees so collected shall be paid  
4 into the State Stores Fund. The board shall not purchase any  
5 alcohol or liquor fermented, distilled, rectified, compounded or  
6 bottled in any state, territory or country, the laws of which  
7 result in prohibiting the importation therein of alcohol or  
8 liquor, fermented, distilled, rectified, compounded or bottled  
9 in Pennsylvania.

10 (b.1) To establish the Safe Ride Home Grant Pilot Program  
11 subject to the following provisions:

12 (1) The board shall establish and administer the Safe Ride  
13 Home Grant Pilot Program, beginning in the 2015-2016 fiscal year  
14 and continuing through the 2017-2018 fiscal year to fund local  
15 initiatives aimed at providing alternative means of  
16 transportation to persons suspected of having a prohibited blood  
17 alcohol concentration as set forth in 75 Pa.C.S. § 3802  
18 (relating to driving under influence of alcohol or controlled  
19 substance) from any premises, licensed by the board to sell  
20 alcoholic beverages, to their places of residence. The board may  
21 work in collaboration with private organizations to implement  
22 the Safe Ride Home Grant Pilot Program and may award grants to  
23 any county, municipality, university or nonprofit corporation.  
24 The board shall set the maximum amount of any grant under this  
25 pilot program and no grant may exceed fifty (50%) percent of the  
26 costs necessary to provide the services.

27 (2) The liability of a provider that operates such local  
28 initiative to persons transported under the Safe Ride Home Grant  
29 Pilot Program is limited to the amounts required for a motor  
30 vehicle liability insurance policy under 75 Pa.C.S. Ch.17

1 (relating to financial responsibility).

2 (3) The board shall develop and publicize an application  
3 procedure for those eligible to participate in the pilot  
4 program. In addition, the board shall monitor and evaluate the  
5 Safe Ride Home Grant Pilot Program and, upon the conclusion of  
6 the 2016-2017 fiscal year, present a report of the evaluation to  
7 the Law and Justice Committee of the Senate and the Liquor  
8 Control Committee of the House of Representatives and make  
9 recommendations on the continuation, alteration or expansion of  
10 the Safe Ride Home Grant Pilot Program. The final report shall  
11 be made no later than December 1, 2017.

12 (4) The program shall be funded by a five (\$5) dollar  
13 surcharge, which surcharge shall be levied upon conviction of 75  
14 Pa.C.S. § 3802.

15 (c) To determine the municipalities within which  
16 Pennsylvania Liquor Stores shall be established and the  
17 locations of the stores within such municipalities.

18 (d) To grant and issue all licenses and to grant, issue,  
19 suspend and revoke all permits authorized to be issued under  
20 this act.

21 (e) Through the Department of General Services as agent, to  
22 lease and furnish and equip such buildings, rooms and other  
23 accommodations as shall be required for the operation of this  
24 act.

25 (f) To appoint, fix the compensation and define the powers  
26 and duties of such managers, officers, inspectors, examiners,  
27 clerks and other employes as shall be required for the operation  
28 of this act, subject to the provisions of The Administrative  
29 Code of 1929 and the Civil Service Act.

30 (g) To determine the nature, form and capacity of all

1 packages and original containers to be used for containing  
2 liquor, alcohol or malt or brewed beverages.

3 (h) Without in any way limiting or being limited by the  
4 foregoing, to do all such things and perform all such acts as  
5 are deemed necessary or advisable for the purpose of carrying  
6 into effect the provisions of this act and the regulations made  
7 thereunder.

8 (i) From time to time, to make such regulations not  
9 inconsistent with this act as it may deem necessary for the  
10 efficient administration of this act. The board shall cause such  
11 regulations to be published and disseminated throughout the  
12 Commonwealth in such manner as it shall deem necessary and  
13 advisable or as may be provided by law. Such regulations adopted  
14 by the board shall have the same force as if they formed a part  
15 of this act.

16 (j) By regulation, to provide for the use of a computerized  
17 referral system to assist consumers in locating special items at  
18 Pennsylvania Liquor Stores and for the use of electronic  
19 transfer of funds and credit cards for the purchase of liquor  
20 and alcohol at Pennsylvania Liquor Stores.

21 (k) To issue grants to various entities for alcohol  
22 education and prevention efforts.

23 (l) Notwithstanding any other provision of law to the  
24 contrary, to enter into agreements with governmental units of  
25 this Commonwealth and other states, for the purchase or sale of  
26 goods and services with, from or to the governmental units. This  
27 authority includes, but is not limited to, the purchase or sale  
28 of alcohol.

29 (m) To be licensed as a lottery sales agent, as set forth in  
30 section 305 of the act of August 26, 1971 (P.L.351, No.91),

1 known as the "State Lottery Law," and to take any actions  
2 authorized by such designation, except that no bond, insurance  
3 or indemnification may be required from the board.

4 (n) To establish and implement a customer relations  
5 management program for the purpose of offering incentives, such  
6 as coupons or discounts on certain products, to unlicensed  
7 customers of the board.

8 Section 3. Section 301 of the act is amended to read:

9 Section 301. Board to Establish State Liquor Stores.--(a)  
10 The board shall establish, operate and maintain at such places  
11 throughout the Commonwealth as it shall deem essential and  
12 advisable, stores to be known as "Pennsylvania Liquor Stores,"  
13 for the sale of liquor and alcohol in accordance with the  
14 provisions of and the regulations made under this act; except  
15 that no store not so already located shall be located within  
16 three hundred feet of any elementary or secondary school, nor  
17 within a dry municipality without there first having been a  
18 referendum approving such location. When the board shall have  
19 determined upon the location of a liquor store in any  
20 municipality, it shall give notice of such location by public  
21 advertisement in two newspapers of general circulation. In  
22 cities of the first class, the location shall also be posted for  
23 a period of at least fifteen days following its determination by  
24 the board as required in section 403(g) of this act. The notice  
25 shall be posted in a conspicuous place on the outside of the  
26 premises in which the proposed store is to operate or, in the  
27 event that a new structure is to be built in a similarly visible  
28 location. If, within five days after the appearance of such  
29 advertisement, or of the last day upon which the notice was  
30 posted, fifteen or more taxpayers residing within a quarter of a

1 mile of such location, or the City Solicitor of the city of the  
2 first class, shall file a protest with the court of common pleas  
3 of the county averring that the location is objectionable  
4 because of its proximity to a church, a school, or to private  
5 residences, the court shall forthwith hold a hearing affording  
6 an opportunity to the protestants and to the board to present  
7 evidence. The court shall render its decision immediately upon  
8 the conclusion of the testimony and from the decision there  
9 shall be no appeal. If the court shall determine that the  
10 proposed location is undesirable for the reasons set forth in  
11 the protest, the board shall abandon it and find another  
12 location. Notwithstanding any other provision of law to the  
13 contrary, the board may operate and maintain stores within other  
14 businesses, including, but not limited to, supermarkets or large  
15 retail stores selling packaged foods for human consumption,  
16 owned by private persons or entities consistent with the  
17 requirements of this section and under such conditions and  
18 regulations as the board may enforce. The board may also make  
19 decisions to relocate and lease stores in more convenient and  
20 consumer-heavy areas, after consumer trends and market trends  
21 are analyzed by the board. The board may work with private  
22 persons or entities, consistent with the requirements of this  
23 section and under such conditions and regulations as the board  
24 may enforce, to operate and maintain stores in areas where the  
25 board concludes a store is needed to meet consumer demand. The  
26 board may establish, operate and maintain such establishments  
27 for storing and testing liquors as it shall deem expedient to  
28 carry out its powers and duties under this act.

29 (b) The board may lease the necessary premises for such  
30 stores or establishments, but all such leases shall be made

1 through the Department of General Services as agent of the  
2 board. Notwithstanding any other provision of law to the  
3 contrary, the Department of General Services shall have no more  
4 than ninety days from the date the board officially approves a  
5 lease recommendation to send the final lease packet to the  
6 appropriate agencies for further processing. The Department of  
7 General Services shall be required to submit quarterly reports  
8 to the chairman and minority chairman of the Law and Justice  
9 Committee of the Senate and the chairman and minority chairman  
10 of the Liquor Control Committee of the House of Representatives,  
11 indicating the number of lease recommendations approved by the  
12 board during the preceding quarter, and whether the  
13 corresponding final lease packets were sent to the appropriate  
14 agencies within the ninety-day deadline. If the Department of  
15 General Services fails to regularly submit these quarterly  
16 reports or fails to regularly meet the ninety-day deadline  
17 imposed by this subsection, then the General Assembly may  
18 consider legislation that would allow the board to lease  
19 premises for its stores without the involvement of the  
20 Department of General Services. The board, through the  
21 Department of General Services, shall have authority to purchase  
22 such equipment and appointments as may be required in the  
23 operation of such stores or establishments.

24 Section 4. Section 304 of the act, amended December 8, 2004  
25 (P.L.1810, No.239), is amended to read:

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

1 any store in any municipality.

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

15 Section 5. Section 305(b) of the act, amended July 6, 2005  
16 (P.L.135, No.39), is amended and the section is amended by  
17 adding a subsection to read:

18 Section 305. Sales by Pennsylvania Liquor Stores.--\* \* \*

19 (b) Every Pennsylvania Liquor Store shall sell liquors at  
20 wholesale to hotels, restaurants, clubs, and railroad, pullman  
21 and steamship companies licensed under this act; and, under the  
22 regulations of the board, to pharmacists duly licensed and  
23 registered under the laws of the Commonwealth, and to  
24 manufacturing pharmacists, and to reputable hospitals approved  
25 by the board, or chemists[.] and shall sell wine at wholesale to  
26 restaurants licensed under this act and possessing a wine  
27 expanded permit issued pursuant to section 415 to sell wine for  
28 consumption off the premises. Sales to licensees shall be made  
29 at a price that includes a discount of ten per centum from the  
30 retail price. The board may sell to registered pharmacists only

1 such liquors as conform to the Pharmacopoeia of the United  
2 States, the National Formulary, or the American Homeopathic  
3 Pharmacopoeia. The board may sell at special prices under the  
4 regulations of the board, to United States Armed Forces  
5 facilities which are located on United States Armed Forces  
6 installations and are conducted pursuant to the authority and  
7 regulations of the United States Armed Forces. All other sales  
8 by such stores shall be at retail[.], except that incentives,  
9 such as coupons or discounts on certain products, may be offered  
10 to unlicensed customers of the board as provided for under  
11 sections 207(n) and 493(24)(iii) of this act. A person entitled  
12 to purchase liquor at wholesale prices may purchase the liquor  
13 at any Pennsylvania Liquor Store upon tendering cash, check or  
14 credit card for the full amount of the purchase. For this  
15 purpose, the board shall issue a discount card to each licensee  
16 identifying such licensee as a person authorized to purchase  
17 liquor at wholesale prices. Such discount card shall be retained  
18 by the licensee. The board may contract through the Commonwealth  
19 bidding process for delivery to wholesale licensees at the  
20 expense of the licensee receiving the delivery.

21 \* \* \*

22 (j) If the board becomes a licensed lottery sales agent, as  
23 set forth in section 305 of the act of August 26, 1971 (P.L.351,  
24 No.91), known as the "State Lottery Law," then the following  
25 shall apply, notwithstanding the provisions of the "State  
26 Lottery Law":

27 (i) The Secretary of Revenue shall permit the board to  
28 operate and maintain Pennsylvania lottery instant ticket vending  
29 machines, player-activated terminals and technologies or systems  
30 subsequently approved by the Department of Revenue for the self-

1 service sale of lottery tickets and games in Pennsylvania Liquor  
2 Stores. The board and the Secretary of Revenue shall mutually  
3 agree upon the number and location of the stores authorized to  
4 conduct self-service sales of lottery tickets and games.

5 (ii) The board shall not be required to post any type of  
6 bond prior to conducting self-service sales of lottery tickets  
7 and games.

8 (iii) Any commissions, compensation or any type of incentive  
9 award based upon the sale of lottery tickets and games shall be  
10 deposited by the board into the State Stores Fund.

11 Section 6. Section 401(a) of the act, amended December 22,  
12 2011 (P.L.530, No.113), is amended to read:

13 Section 401. Authority to Issue Liquor Licenses to Hotels,  
14 Restaurants and Clubs.--(a) Subject to the provisions of this  
15 act and regulations promulgated under this act, the board shall  
16 have authority to issue a retail liquor license for any premises  
17 kept or operated by a hotel, restaurant or club to purchase  
18 liquor from a Pennsylvania Liquor Store and to keep on the  
19 premises such liquor and, subject to the provisions of this act  
20 and the regulations made thereunder, to sell the same and also  
21 malt or brewed beverages to guests, patrons or members for  
22 consumption on the hotel, restaurant or club premises. Such  
23 licensees, other than clubs, shall be permitted to sell malt or  
24 brewed beverages for consumption off the premises where sold in  
25 quantities of not more than [one hundred ninety-two] two hundred  
26 eighty-eight fluid ounces in a single sale to one person as  
27 provided for in section 407[.], up to three six-packs or one  
28 twelve-pack and one six-pack so long as the original containers  
29 are in a package, prepared for sale or distribution by the  
30 manufacturer, of not more than twelve original containers. Such

1 licenses shall be known as Hotel Liquor Licenses, Restaurant  
2 Liquor Licenses and Club Liquor Licenses, respectively. No  
3 person who holds any public office that involves the duty to  
4 enforce any of the penal laws of the United States, this  
5 Commonwealth or of any political subdivision of this  
6 Commonwealth may have any interest in a hotel or restaurant  
7 liquor license. This prohibition applies to anyone with arrest  
8 authority, including, but not limited to, United States  
9 attorneys, State Attorneys General, District Attorneys, Sheriffs  
10 and police officers. This prohibition shall also apply to  
11 Magisterial District Judges, judges or any other individuals who  
12 can impose a criminal sentence. This prohibition does not apply  
13 to members of the General Assembly, Township Supervisors, City  
14 Councilpersons, Mayors without arrest authority and any other  
15 public official who does not have the ability to arrest or the  
16 ability to impose a criminal sentence. This section does not  
17 apply if the proposed premises are located outside the  
18 jurisdiction of the individual in question.

19 \* \* \*

20 Section 7. Section 402 of the act is amended by adding a  
21 subsection to read:

22 Section 402. License Districts; License Period; Hearings.

23 \* \* \*

24 (d) This section shall not apply to wine expanded permit  
25 holders under section 415.

26 Section 8. Section 407(a) of the act, amended June 28, 2011  
27 (P.L.55, No.11), is amended to read:

28 Section 407. Sale of Malt or Brewed Beverages by Liquor  
29 Licensees.--(a) Every liquor license issued to a hotel,  
30 restaurant, club, or a railroad, pullman or steamship company

1 under this subdivision (a) for the sale of liquor shall  
2 authorize the licensee to sell malt or brewed beverages at the  
3 same places but subject to the same restrictions and penalties  
4 as apply to sales of liquor, except that licensees other than  
5 clubs may sell malt or brewed beverages for consumption off the  
6 premises where sold in quantities of not more than [one hundred  
7 ninety-two] two hundred eighty-eight fluid ounces in a single  
8 sale to one person[.], up to three six-packs or up to one  
9 twelve-pack and one six-pack so long as the original containers  
10 are in a package, prepared for sale or distribution by the  
11 manufacturer, of not more than twelve original containers. The  
12 sales may be made in either open or closed containers, provided,  
13 however, that a municipality may adopt an ordinance restricting  
14 open containers in public places. No licensee under this  
15 subdivision (a) shall at the same time be the holder of any  
16 other class of license, except a retail dispenser's license  
17 authorizing the sale of malt or brewed beverages only.

18 \* \* \*

19 Section 9. The act is amended by adding a section to read:

20 Section 415. Wine Expanded Permit for Restaurant  
21 Licensees.--(a) (1) Notwithstanding section 492(13) and (14),  
22 the board may issue a wine expanded permit to a person holding  
23 and possessing a valid restaurant liquor license.

24 (2) Nothing in this section may affect the ability of an  
25 existing licensee to operate within the scope of its current  
26 license as authorized by this act, except that no sales of wine  
27 for consumption off the premises may take place by a wine  
28 expanded permit holder after eleven o'clock postmeridian of any  
29 day until eight o'clock antemeridian of the next day, including  
30 Sundays if the licensee has a permit authorized under sections

1 406(a)(3) and 432(f).

2 (3) No wine expanded permit may be issued to a license  
3 holder whose underlying license is subject to a pending  
4 objection by the director of the Bureau of Licensing or the  
5 board under section 470(a.1), until the matter is decided.  
6 Notwithstanding any other provision of law, a holder of a wine  
7 expanded permit may continue to operate under the permit if its  
8 underlying license is objected to by the Director of the Bureau  
9 of Licensing or the board under section 470(a.1), until the  
10 matter is ultimately decided. Notwithstanding any other  
11 provision of law, a holder of a wine expanded permit may  
12 continue to operate under the permit if its underlying license  
13 is objected by the Director of the Bureau of Licensing or the  
14 board under section 470(a.1), until the matter is ultimately  
15 decided.

16 (4) Wine sold pursuant to an authorized wine expanded permit  
17 shall be placed under the roof of the premises in a specifically  
18 designated area, approved by the board, on the inside perimeter.

19 (5) For purposes of selling wine, a holder of a wine  
20 expanded permit is not subject to section 493(14).

21 (6) A wine expanded permit holder shall comply with the  
22 responsible alcohol management provisions under section 471.1.

23 (7) A wine expanded permit holder may store wine in a  
24 noncontiguous area that is not accessible to the public and is:

25 (i) locked at all times when not being accessed by  
26 licensees' employees;

27 (ii) not accessible to employees under the age of eighteen;  
28 and

29 (iii) identified by dimensions and locations on forms  
30 submitted to the board.

1     (8) A wine expanded permit holder shall utilize a  
2 transaction scan device to verify the age of an individual who  
3 appears to be under thirty-five (35) years of age before making  
4 a sale of liquor. A wine expanded permit holder may not sell or  
5 share data from the use of a transaction scan device, provided  
6 that the licensee may use the data to show the enforcement  
7 bureau of the board that the licensee is in compliance with this  
8 act. As used in this paragraph, the term "transaction scan  
9 device" means a device capable of deciphering, in an  
10 electronically readable format, the information encoded on the  
11 magnetic strip or bar code of an identification card under  
12 section 495(a).

13     (9) Sale of wine by a grocery store or food market, which  
14 has a restaurant liquor license and holds a wine expanded  
15 permit, shall be made in a specifically designated area,  
16 approved by the board, on the inside perimeter through a  
17 register which is well designated with signage, which is staffed  
18 at all times by a sales clerk who is at least eighteen years of  
19 age and has been trained under section 471.1 and which utilizes  
20 a transaction scan device for the sale. The sale may not occur  
21 at a point of sale where the customer scans the customer's own  
22 purchases.

23     (b) The application and renewal fee for a wine expanded  
24 permit shall be as follows:

25     (1) For a wine expanded permit issued to licensees, except  
26 for licensees that are grocery stores or food markets, an  
27 initial application fee of one thousand dollars (\$1,000) and  
28 annual renewal fees as follows:

29     (i) One thousand dollars (\$1,000) for a licensee whose total  
30 annual wine purchase from the board is less than one hundred

1 thousand dollars (\$100,000) in the prior calendar year.

2 (ii) Two thousand dollars (\$2,000) for a licensee whose  
3 total annual wine purchase from the board is at least one  
4 hundred thousand dollars (\$100,000) but less than two hundred  
5 thousand dollars (\$200,000) in the prior calendar year.

6 (iii) Three thousand dollars (\$3,000) for a licensee whose  
7 total annual wine purchase from the board is at least two  
8 hundred thousand dollars (\$200,000) in the prior calendar year.

9 (2) For a wine expanded permit issued to a grocery store, an  
10 initial application fee of fifty thousand dollars (\$50,000) for  
11 grocery stores located in sixth through eighth class counties,  
12 one hundred thousand dollars (\$100,000) for grocery stores  
13 located in third through fifth class counties and one hundred  
14 fifty thousand dollars (\$150,000) for grocery stores located in  
15 first class, second class and second class A counties and annual  
16 renewal fees as follows:

17 (i) One thousand dollars (\$1,000) for a licensee whose total  
18 annual wine purchase from the board is less than one hundred  
19 thousand dollars (\$100,000) in the prior calendar year.

20 (ii) Two thousand dollars (\$2,000) for a licensee whose  
21 total annual wine purchase from the board is at least one  
22 hundred thousand dollars (\$100,000) but less than two hundred  
23 thousand dollars (\$200,000) in the prior calendar year.

24 (iii) Three thousand dollars (\$3,000) for a licensee whose  
25 total annual wine purchase from the board is at least two  
26 hundred thousand dollars (\$200,000) in the prior calendar year.

27 (3) For a wine expanded permit issued to a food market, an  
28 initial application fee of twenty-five thousand dollars  
29 (\$25,000) for a food market located in sixth through eighth  
30 class counties, fifty thousand dollars (\$50,000) for a food

1 market located in third through fifth class counties and  
2 seventy-five thousand dollars (\$75,000) for a food market  
3 located in first class, second class or second class A counties  
4 and annual renewal fees as follows:

5 (i) One thousand dollars (\$1,000) for a licensee whose total  
6 annual wine purchase from the board is less than one hundred  
7 thousand dollars (\$100,000) in the prior calendar year.

8 (ii) Two thousand dollars (\$2,000) for a licensee whose  
9 total annual wine purchase from the board is at least one  
10 hundred thousand dollars (\$100,000) but less than two hundred  
11 thousand dollars (\$200,000) in the prior calendar year.

12 (iii) Three thousand dollars (\$3,000) for a licensee whose  
13 total annual wine purchase from the board is at least two  
14 hundred thousand dollars (\$200,000) in the prior calendar year.

15 (c) The board may accept installment payments from the wine  
16 expanded permit holder for payment of the initial application  
17 and renewal fees and charge an installment payment fee.

18 (d) A wine expanded permit holder may sell, in a single  
19 transaction, up to three bottles of wine.

20 (e) The board may not grant a wine expanded permit to a  
21 licensee or a licensee's officers, directors or shareholders who  
22 have been convicted in any jurisdiction of a felony liquor  
23 offense. The board may not issue an expanded license to a person  
24 who has, through an attorney of record, pled or agreed to plead  
25 guilty, either as an individual or as an officer of a  
26 corporation, to a criminal charge filed against the person in  
27 this Commonwealth involving an illegal controlling interest in  
28 licenses authorized under this act, notwithstanding if the  
29 record of the plea agreement has been expunged.

30 Section 10. Section 431(b) of the act, amended December 8,

1 2004 (P.L.1810, No.239), is amended to read:

2 Section 431. Malt and Brewed Beverages Manufacturers',  
3 Distributors' and Importing Distributors' Licenses.--\* \* \*

4 (b) The board shall issue to any reputable person who  
5 applies therefor, and pays the license fee hereinafter  
6 prescribed, a distributor's or importing distributor's license  
7 for the place which such person desires to maintain for the sale  
8 of malt or brewed beverages, not for consumption on the premises  
9 where sold, and in quantities of not less than [a case or  
10 original containers containing one hundred twenty-eight ounces  
11 or more which may be sold separately] a six-pack consisting of  
12 not less than forty-two ounces which may be sold separately as  
13 prepared for the market by the manufacturer at the place of  
14 manufacture. The board shall have the discretion to refuse a  
15 license to any person or to any corporation, partnership or  
16 association if such person, or any officer or director of such  
17 corporation, or any member or partner of such partnership or  
18 association shall have been convicted or found guilty of a  
19 felony within a period of five years immediately preceding the  
20 date of application for the said license: And provided further,  
21 That, in the case of any new license or the transfer of any  
22 license to a new location, the board may, in its discretion,  
23 grant or refuse such new license or transfer if such place  
24 proposed to be licensed is within three hundred feet of any  
25 church, hospital, charitable institution, school or public  
26 playground, or if such new license or transfer is applied for a  
27 place which is within two hundred feet of any other premises  
28 which is licensed by the board: And provided further, That the  
29 board shall refuse any application for a new license or the  
30 transfer of any license to a new location if, in the board's

1 opinion, such new license or transfer would be detrimental to  
2 the welfare, health, peace and morals of the inhabitants of the  
3 neighborhood within a radius of five hundred feet of the place  
4 proposed to be licensed. The board shall refuse any application  
5 for a new license or the transfer of any license to a location  
6 where the sale of liquid fuels or oil is conducted. The board  
7 may enter into an agreement with the applicant concerning  
8 additional restrictions on the license in question. If the board  
9 and the applicant enter into such an agreement, such agreement  
10 shall be binding on the applicant. Failure by the applicant to  
11 adhere to the agreement will be sufficient cause to form the  
12 basis for a citation under section 471 and for the nonrenewal of  
13 the license under section 470. If the board enters into an  
14 agreement with an applicant concerning additional restrictions,  
15 those restrictions shall be binding on subsequent holders of the  
16 license until the license is transferred to a new location or  
17 until the board enters into a subsequent agreement removing  
18 those restrictions. If the application in question involves a  
19 location previously licensed by the board, then any restrictions  
20 imposed by the board on the previous license at that location  
21 shall be binding on the applicant unless the board enters into a  
22 new agreement rescinding those restrictions. The board shall  
23 require notice to be posted on the property or premises upon  
24 which the licensee or proposed licensee will engage in sales of  
25 malt or brewed beverages. This notice shall be similar to the  
26 notice required of hotel, restaurant and club liquor licensees.

27       Except as hereinafter provided, such license shall authorize  
28 the holder thereof to sell or deliver malt or brewed beverages  
29 in quantities above specified anywhere within the Commonwealth  
30 of Pennsylvania, which, in the case of distributors, have been

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

1 Pennsylvania State Police, Bureau of Liquor Control Enforcement,  
2 during normal business hours.

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

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

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

20 \* \* \*

21 Section 11. Section 441(a), (b) and (i) of the act, amended  
22 or added June 18, 1998 (P.L.664, No.86), December 9, 2002  
23 (P.L.1653, No.212) and December 22, 2011 (P.L.530, No.113), are  
24 amended to read:

25 Section 441. Distributors' and Importing Distributors'  
26 Restrictions on Sales, Storage, Etc.--(a) No distributor or  
27 importing distributor shall purchase, receive or resell any malt  
28 or brewed beverages except:

29 (1) in the original containers as prepared for the market by  
30 the manufacturer at the place of manufacture[;], except that a

1 distributor or importing distributor may break the bulk of a  
2 case and sell a unit of that case in quantities of not less than  
3 a six-pack;

4 (2) in the case of identical containers repackaged in the  
5 manner described by subsection (f);

6 (3) as provided in section 431(b)

7 (b) (1) No distributor or importing distributor shall sell  
8 any malt or brewed beverages in quantities of [less than a case  
9 or original containers containing one hundred twenty-eight  
10 ounces or more which may be sold separately] not less than a  
11 six-pack consisting of not less than forty-two ounces which may  
12 be sold separately: Provided, That no malt or brewed beverages  
13 sold or delivered shall be consumed upon the premises of the  
14 distributor or importing distributor, or in any place provided  
15 for such purpose by such distributor or importing distributor.  
16 Notwithstanding any other provision of this section or act, malt  
17 or brewed beverages which are part of a tasting conducted  
18 pursuant to the board's regulations may be consumed on licensed  
19 premises.

20 (2) No distributor or importing distributor shall sell malt  
21 or brewed beverages in a container containing one hundred  
22 twenty-eight fluid ounces or more without first requiring the  
23 purchaser to execute a numbered form providing for the  
24 purchaser's name and address and such other information as the  
25 board may prescribe. Following execution of the numbered form,  
26 the distributor or importing distributor shall affix to the  
27 container an identification tag that corresponds to the number  
28 on the form completed by the purchaser. Records required under  
29 this clause shall be maintained in accordance with the rules and  
30 regulations of the board. The removal of an identification tag

1 in violation of this clause and the rules and regulations of the  
2 board shall be a summary offense. This clause shall not apply to  
3 the sale of a container by an importing distributor or a  
4 distributor to another importing distributor or distributor.

5 \* \* \*

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

13 Section 12. Section 442(a)(1) of the act, amended June 28,  
14 2011 (P.L.55, No.11), is amended to read:

15 Section 442. Retail Dispensers' Restrictions on Purchases  
16 and Sales.--(a) (1) No retail dispenser shall purchase or  
17 receive any malt or brewed beverages except in original  
18 containers as prepared for the market by the manufacturer at the  
19 place of manufacture. The retail dispenser may thereafter break  
20 the bulk upon the licensed premises and sell or dispense the  
21 same for consumption on or off the premises so licensed. No  
22 retail dispenser may sell malt or brewed beverages for  
23 consumption off the premises in quantities in excess of [one  
24 hundred ninety-two fluid ounces.] three six-packs or one twelve-  
25 pack and one six-pack in a single transaction consisting of not  
26 more than two hundred eighty-eight ounces for consumption off  
27 the premises so long as the original containers are in a  
28 package, prepared for sale or distribution by the manufacturer,  
29 of not more than twelve original containers. Sales may be made  
30 in open or closed containers, provided, however, that a

1 municipality may adopt an ordinance restricting open containers  
2 in public places. No club licensee may sell any malt or brewed  
3 beverages for consumption off the premises where sold or to  
4 persons not members of the club. A licensee may not sell malt or  
5 brewed beverages for consumption off the premises at less than  
6 its acquisition cost.

7 \* \* \*

8 Section 13. Section 471(b) of the act, amended July 6, 2005  
9 (P.L.135, No.39), is amended to read:

10 Section 471. Revocation and Suspension of Licenses; Fines.--

11 \* \* \*

12 (b) Hearing on such citations shall be held in the same  
13 manner as provided herein for hearings on applications for  
14 license. Upon such hearing, if satisfied that any such violation  
15 has occurred or for other sufficient cause, the administrative  
16 law judge shall immediately suspend or revoke the license, or  
17 impose a fine of not less than [fifty dollars (\$50)] one hundred  
18 dollars (\$100) nor more than [one thousand dollars (\$1,000)] the  
19 greater of two thousand dollars (\$2,000) or ten per centum (10%)  
20 of the average gross monthly sales of alcoholic beverages sold  
21 by the licensee during the twelve-month period immediately  
22 preceding the filing of the licensee's renewal application, or  
23 both, notifying the licensee by registered letter addressed to  
24 his licensed premises.

25 (b.1) If the licensee has been cited and found to have  
26 violated section 493(1) insofar as it relates to sales to minors  
27 or sales to a visibly intoxicated person, section 493(10)  
28 insofar as it relates to lewd, immoral or improper entertainment  
29 or section 493(14), (16) or (21), or has been found to be a  
30 public nuisance pursuant to section 611, or if the owner or

1 operator of the licensed premises or any authorized agent of the  
2 owner or operator has been convicted of any violation of the act  
3 of April 14, 1972 (P.L.233, No.64), known as "The Controlled  
4 Substance, Drug, Device and Cosmetic Act," or of 18 Pa.C.S. §  
5 5902 (relating to prostitution and related offenses) or 6301  
6 (relating to corruption of minors), at or relating to the  
7 licensed premises, the administrative law judge shall  
8 immediately suspend or revoke the license, or impose a fine [of  
9 not less than one thousand dollars (\$1,000)] two thousand  
10 dollars (\$2,000) nor more than [five thousand dollars (\$5,000)]  
11 the greater of ten thousand dollars (\$10,000) or ten per centum  
12 (10%) of the average gross monthly sales of alcoholic beverages  
13 sold by the licensee during the twelve-month period immediately  
14 preceding the filing of the licensee's renewal application, or  
15 both. However, if a licensee has been cited and found to have  
16 violated section 493(1) as it relates to sales to minors or  
17 sales to a visibly intoxicated person but at the time of the  
18 sale the licensee was in compliance with the requirements set  
19 forth in section 471.1 and the licensee had not sold to minors  
20 or visibly intoxicated persons in the previous four years, then  
21 the administrative law judge shall immediately suspend or revoke  
22 the license, or impose a fine of not less than [fifty dollars  
23 (\$50)] one hundred dollars (\$100) nor more than [one thousand  
24 dollars (\$1,000)] the greater of two thousand dollars (\$2,000)  
25 or ten per centum (10%) of the average gross monthly sales of  
26 alcoholic beverages sold by the licensee during the twelve-month  
27 period immediately preceding the filing of the licensee's  
28 renewal application, or both.

29 (b.2) The administrative law judge shall notify the licensee  
30 by registered mail, addressed to the licensed premises, of such

1 suspension, revocation or fine. In the event the fine is not  
2 paid within twenty days of the adjudication, the administrative  
3 law judge shall suspend or revoke the license, notifying the  
4 licensee by registered mail addressed to the licensed premises.  
5 Suspensions and revocations shall not go into effect until  
6 thirty days have elapsed from the date of the adjudication  
7 during which time the licensee may take an appeal as provided  
8 for in this act, except that revocations mandated in section  
9 481(c) shall go into effect immediately. Any licensee whose  
10 license is revoked shall be ineligible to have a license under  
11 this act until the expiration of three years from the date such  
12 license was revoked. In the event a license is revoked, no  
13 license shall be granted for the premises or transferred to the  
14 premises in which the said license was conducted for a period of  
15 at least one year after the date of the revocation of the  
16 license conducted in the said premises, except in cases where  
17 the licensee or a member of his immediate family is not the  
18 owner of the premises, in which case the board may, in its  
19 discretion, issue or transfer a license within the said year. In  
20 the event the bureau or the person who was fined or whose  
21 license was suspended or revoked shall feel aggrieved by the  
22 adjudication of the administrative law judge, there shall be a  
23 right to appeal to the board. The appeal shall be based solely  
24 on the record before the administrative law judge. The board  
25 shall only reverse the decision of the administrative law judge  
26 if the administrative law judge committed an error of law,  
27 abused its discretion or if its decision is not based on  
28 substantial evidence. In the event the bureau or the person who  
29 was fined or whose license was suspended or revoked shall feel  
30 aggrieved by the decision of the board, there shall be a right

1 to appeal to the court of common pleas in the same manner as  
2 herein provided for appeals from refusals to grant licenses.  
3 Each of the appeals shall act as a supersedeas unless, upon  
4 sufficient cause shown, the reviewing authority shall determine  
5 otherwise; however, if the licensee has been cited and found to  
6 have violated section 493(1) insofar as it relates to sales to  
7 minors or sales to a visibly intoxicated person, section 493(10)  
8 insofar as it relates to lewd, immoral or improper entertainment  
9 or section 493(14), (16) or (21), or has been found to be a  
10 public nuisance pursuant to section 611, or if the owner or  
11 operator of the licensed premises or any authorized agent of the  
12 owner or operator has been convicted of any violation of "The  
13 Controlled Substance, Drug, Device and Cosmetic Act," or of 18  
14 Pa.C.S. § 5902 or 6301, at or relating to the licensed premises,  
15 or if the license has been revoked under section 481(c), its  
16 appeal shall not act as a supersedeas unless the reviewing  
17 authority determines otherwise upon sufficient cause shown. In  
18 any hearing on an application for a supersedeas under this  
19 section, the reviewing authority may consider, in addition to  
20 other relevant evidence, documentary evidence, including records  
21 of the bureau, showing the prior history of citations, fines,  
22 suspensions or revocations against the licensee; and the  
23 reviewing authority may also consider, in addition to other  
24 relevant evidence, evidence of any recurrence of the unlawful  
25 activity occurring between the date of the citation which is the  
26 subject of the appeal and the date of the hearing. If the  
27 reviewing authority is the board, no hearing shall be held on  
28 the application for a supersedeas; however, a decision shall be  
29 made based on the application, answer and documentary evidence  
30 under this subsection. If the application for a supersedeas is

1 for a license that has been revoked under section 481(c), the  
2 reviewing authority shall grant the supersedeas only if it finds  
3 that the licensee will likely prevail on the merits. No penalty  
4 provided by this section shall be imposed for any violations  
5 provided for in this act unless the bureau notifies the licensee  
6 of its nature within thirty days of the completion of the  
7 investigation.

8 \* \* \*

9 Section 14. Section 488 of the act, added February 21, 2002  
10 (P.L.103, No.10), is amended to read:

11 Section 488. Shipment of Wine [into Commonwealth.--(a) The  
12 shipment of wine from out-of-State to residents of this  
13 Commonwealth is prohibited, except as otherwise provided for in  
14 this section.] to Pennsylvania Liquor Stores.--(a) (Reserved).

15 (b) Notwithstanding any other provision of this act or law  
16 to the contrary, a person licensed by another state as a  
17 producer, supplier, importer, wholesaler, distributor or  
18 retailer of wine and who obtains a [direct wine shipper] direct-  
19 to-store wine shipper license as provided for in this section  
20 may ship up to nine liters per month of any wine [not included  
21 on the list provided for in subsection (c)] on the [Internet]  
22 order of any resident of this Commonwealth who is at least  
23 twenty-one (21) years of age for such resident's personal use  
24 and not for resale.

25 (c) [Each month, the board shall publish on the Internet a  
26 list of all classes, varieties and brands of wine available for  
27 sale in the Pennsylvania Liquor Stores. A person holding a  
28 direct shipper license may ship only those classes, varieties  
29 and brands of wine not included on the list at the time an  
30 Internet order is placed.] (Reserved).

1 (d) [An out-of-State] A direct-to-store wine shipper shall:

2 (1) Not ship more than nine liters per month on the Internet  
3 order of any person in this Commonwealth.

4 (2) Report to the board each year the total amount of wine  
5 shipped [into this Commonwealth] to Pennsylvania Liquor Stores  
6 in the preceding calendar year.

7 (3) Permit the board, the enforcement bureau or the  
8 Secretary of Revenue, or their designated representatives, to  
9 perform an audit of the [out-of-State] direct-to-store wine  
10 shipper's records upon request.

11 (4) Be deemed to have submitted to the jurisdiction of the  
12 board, any other State agency and the courts of this  
13 Commonwealth for purposes of enforcement of this section and any  
14 related laws, rules or regulations.

15 (e) A [direct] direct-to-store wine shipper may ship wine on  
16 the [Internet] order of a resident into this Commonwealth  
17 provided that the wine is shipped to a Pennsylvania Liquor Store  
18 selected by the resident. The wine will be subject to taxes in  
19 the same manner as wine sold directly by the board. The wine  
20 will not be released by the State store until all moneys due,  
21 including all taxes and fees, have been paid by the resident.

22 (f) A person shall sign an affidavit provided by the  
23 Pennsylvania Liquor Store where the wine was delivered to  
24 stating that the wine will only be used for the person's  
25 personal use. Any person who resells wine obtained under this  
26 section commits a misdemeanor of the second degree.

27 (g) The board may promulgate such rules and regulations as  
28 are necessary to implement and enforce the provisions of this  
29 section. The board may charge the resident a fee to cover the  
30 cost associated with processing the [Internet] order.

1 (h) The board shall submit [monthly] annual reports to the  
2 Appropriations Committee and the Law and Justice Committee of  
3 the Senate and to the Appropriations Committee and the Liquor  
4 Control Committee of the House of Representatives summarizing  
5 the number of [direct] direct-to-store wine shipper licenses  
6 issued by the board, the quantity of wine sold and shipped by  
7 direct-to-store wine shipper licensees pursuant to this section  
8 and the total dollar value of sales under this section.

9 (i) The term "wine" as used in this section shall mean  
10 liquor which is fermented from [grapes and other fruits, having  
11 alcoholic content of twenty-four per centum or less. The term  
12 "wine" shall not include malt or brewed beverages nor shall wine  
13 include any products containing alcohol derived from malt,  
14 grain, cereal, molasses or cactus] an agricultural commodity as  
15 that term is defined in section 505.2(c).

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

17 Section 489. Direct Shipment of Wine.--(a) Notwithstanding  
18 any other provision of law to the contrary, a person licensed by  
19 the board or another state as a producer of wine, and who  
20 obtains a license as provided for in this section, may ship up  
21 to eighteen liters per month of any wine on the order of any  
22 resident of this Commonwealth who is at least twenty-one (21)  
23 years of age for such resident's personal use and not for  
24 resale.

25 (b) Prior to issuing such a license, the board shall require  
26 the person seeking the license to:

27 (1) File an application with the board.

28 (2) Pay a registration fee of one hundred dollars (\$100).

29 (3) Provide to the board a copy of the applicant's current  
30 alcoholic beverage license issued by the board or another state,

1 if applicable.

2 (4) Provide documentation to the board which evidences that  
3 the applicant has obtained a sales tax license from the  
4 Department of Revenue.

5 (5) Obtain a tax bond, in the amount of one thousand dollars  
6 (\$1,000), such that if the licensee does not pay the taxes  
7 imposed under this section when due, the surety of the bond  
8 shall pay all taxes and any related penalties, and any interest  
9 that may be due or become due.

10 (6) Provide the board with any other information that the  
11 board deems necessary and appropriate.

12 (c) The licensee shall:

13 (1) Require proof of age of the recipient, in a manner or  
14 format approved by the board, before any wine is shipped to a  
15 resident of this Commonwealth.

16 (2) Ensure that all boxes or exterior containers of wine  
17 shipped directly to a resident of this Commonwealth are  
18 conspicuously labeled with the words "CONTAINS ALCOHOL:  
19 SIGNATURE OF PERSON 21 YEARS OF AGE OR OLDER REQUIRED FOR  
20 DELIVERY."

21 (3) Ensure that shipments shall be delivered by an entity  
22 holding a valid transporter-for-hire license issued by the board  
23 and that such transporter-for-hire shall not deliver any wine  
24 unless the transporter-for-hire does all of the following:

25 (i) Obtains the signature of the recipient of the wine upon  
26 delivery.

27 (ii) Verifies by inspecting a valid form of photo  
28 identification, as provided for in section 495(a), that the  
29 recipient is at least twenty-one (21) years of age.

30 (iii) Determines that the recipient is not visibly

1 intoxicated at the time of delivery.

2 (4) On a quarterly basis, remit to the Department of Revenue  
3 all taxes due on sales to residents of this Commonwealth.

4 (5) Permit the board, the enforcement bureau or the  
5 Secretary of Revenue, or their designated representatives, to  
6 perform an audit of the licensee's records upon request.

7 (6) Be deemed to have submitted to the jurisdiction of the  
8 board, any other State agency and the courts of this  
9 Commonwealth for purposes of enforcement of this section and any  
10 related laws, rules or regulations, including the collection and  
11 remission of taxes as required under this section.

12 (7) Annually renew its license by paying a renewal fee  
13 established by the board and report to the board, at the time of  
14 renewal, the total amount of wine shipped to residents of this  
15 Commonwealth in the preceding calendar year.

16 (d) Wine delivered under the authority of this section is  
17 subject to the sales and use tax imposed by section 202 of the  
18 act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code  
19 of 1971, the sales and use tax imposed by Article XXXI-B of the  
20 act of July 28, 1953 (P.L.723, No.230), known as the Second  
21 Class County Code, the sales and use tax imposed by the act of  
22 February 12, 2004 (P.L.73, No.11), known as the  
23 Intergovernmental Cooperation Authority Act for Cities of the  
24 Second Class, and the emergency State tax imposed on wines sold  
25 by the board under the act of June 9, 1936 (1st Sp.Sess.,  
26 P.L.13, No.4), entitled "An act imposing an emergency State tax  
27 on liquor, as herein defined, sold by the Pennsylvania Liquor  
28 Control Board; providing for the collection and payment of such  
29 tax; and imposing duties upon the Department of Revenue and the  
30 Pennsylvania Liquor Control Board."

1 (e) A transporter-for-hire shall:

2 (1) keep records as required under section 512 pertaining to  
3 the direct shipment of wine; and

4 (2) permit the board and the enforcement bureau, or their  
5 designated representatives, to inspect such records in  
6 accordance with section 513.

7 (f) Any person who resells wine obtained under this section  
8 commits a misdemeanor of the second degree.

9 (g) Shipments of wine to persons in this Commonwealth from  
10 persons who do not possess a license from the board authorizing  
11 such shipments are prohibited. Any person who knowingly makes,  
12 participates in, transports, imports or receives such shipment  
13 commits a misdemeanor.

14 (h) The board shall submit annual reports to the  
15 Appropriations Committee of the Senate and the Law and Justice  
16 Committee of the Senate and to the Appropriations Committee of  
17 the House of Representatives and the Liquor Control Committee of  
18 the House of Representatives summarizing the number of licenses  
19 issued by the board under this section, the quantity of wine  
20 sold and shipped by licensees pursuant to this section, and the  
21 total dollar value of sales under this section.

22 (i) The board may promulgate such rules and regulations as  
23 are necessary to implement and enforce the provisions of this  
24 section.

25 (j) The term "wine" as used in this section shall mean  
26 liquor which is fermented from an agricultural commodity as that  
27 term is defined in section 505.2(c).

28 Section 16. Section 493(24) of the act, amended November 29,  
29 2006 (P.L.1421, No.155), is amended and the section is amended  
30 by adding clauses to read:

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

6 It shall be unlawful--

7 \* \* \*

8 (24) (i) Things of Value Offered as Inducement. Except as  
9 provided in subclause (ii), for any licensee under the  
10 provisions of this article, or the board or any manufacturer, or  
11 any employe or agent of a manufacturer, licensee or of the  
12 board, to offer to give anything of value or to solicit or  
13 receive anything of value as a premium for the return of caps,  
14 stoppers, corks, stamps or labels taken from any bottle, case,  
15 barrel or package containing liquor or malt or brewed beverage,  
16 or to offer or give or solicit or receive anything of value as a  
17 premium or present to induce directly the purchase of liquor or  
18 malt or brewed beverage, or for any licensee, manufacturer or  
19 other person to offer or give to trade or consumer buyers any  
20 prize, premium, gift or other inducement to purchase liquor or  
21 malt or brewed beverages, except advertising novelties of  
22 nominal value which the board shall define. This section shall  
23 not prevent any manufacturer or any agent of a manufacturer from  
24 offering and honoring coupons which offer monetary rebates on  
25 purchases of wines and spirits through State Liquor Stores or  
26 purchases of malt or brewed beverages through distributors and  
27 importing distributors in accordance with conditions or  
28 regulations established by the board. The board may redeem  
29 coupons offered by a manufacturer or an agent of a manufacturer  
30 at the time of purchase. Coupons offered by a manufacturer or an

1 agent of a manufacturer shall not be redeemed without proof of  
2 purchase. This section shall not apply to the return of any  
3 monies specifically deposited for the return of the original  
4 container to the owners thereof.

5 (ii) Notwithstanding subclause (i) or any other provision of  
6 law, a holder of a restaurant license that is also approved to  
7 hold a slot machine license or a conditional slot machine  
8 license under 4 Pa.C.S. Part II (relating to gaming) may give  
9 liquor and malt or brewed beverages free of charge to any person  
10 actively engaged in playing a slot machine.

11 (iii) Notwithstanding subclause (i) or any other provision  
12 of law, the board may establish and implement a customer  
13 relations management program for the purpose of offering  
14 incentives, such as coupons or discounts on certain products  
15 which may be conditioned upon the purchase of liquor, to  
16 unlicensed customers of the board.

17 \* \* \*

18 (35) Sale of wine received by direct-to-store or direct  
19 shipment. For any licensee to sell or offer to sell any wine  
20 purchased or acquired, directly or indirectly, from a licensee  
21 pursuant to the authority of section 488, or from a licensee  
22 pursuant to the authority of section 489.

23 (36) Sale of Unauthorized Wine.--For any wine expanded  
24 permit holder, servants, agents or employes of the permit holder  
25 to offer for sale, sell or cause to be sold any wine or any size  
26 container or quantity of wine, other than that which is  
27 specifically authorized by the permit. Any wine that is offered  
28 for sale, sold or caused to be sold in violation of this clause  
29 shall be subject to seizure by the enforcement bureau pursuant  
30 to the provisions of section 211(3) or, where appropriate,

1 forfeited to the Commonwealth in the manner prescribed in  
2 Article VI.

3 Section 17. Section 499(a.1) of the act, amended October 5,  
4 1994 (P.L.522, No.77), is amended to read:

5 Section 499. Premises to be Vacated by Patrons.--\* \* \*

6 (a.1) Subsection(a) shall not apply to sales of malt and  
7 brewed beverages for consumption off the premises when the  
8 following conditions are met:

9 (1) no licensee may sell malt or brewed beverages in excess  
10 of [one hundred ninety-two fluid ounces in any one sale for  
11 consumption off the premises] three six-packs or one twelve-pack  
12 and one six-pack in a single transaction consisting of not more  
13 than two hundred eighty-eight ounces for consumption off the  
14 premises so long as the original containers are in a package,  
15 prepared for sale or distribution by the manufacturer, of not  
16 more than twelve original containers;

17 (2) sales and service of malt and brewed beverages for  
18 consumption off the premises are made prior to the designated  
19 time the licensee is required by this act to cease serving  
20 liquor, malt or brewed beverages;

21 (3) persons who have purchased malt and brewed beverages for  
22 consumption off the premises shall remove the malt and brewed  
23 beverages from the premises by the designated time as contained  
24 in this act that patrons are required to vacate the premises;

25 (4) no club licensee may sell any malt or brewed beverage  
26 for consumption off the premises where sold or to any persons  
27 who are not members of the club.

28 \* \* \*

29 Section 18. Section 802 of the act, amended May 28, 1993  
30 (P.L.42, No.13), April 29, 1994 (P.L.212, No.30) and July 11,

1 1996 (P.L.654, No.111), is amended to read:

2 Section 802. Moneys Paid Into The State Stores Fund for Use  
3 of the Commonwealth.--(a) All moneys, except fees to be paid  
4 into the Liquor License Fund as provided by section 801,  
5 collected, received or recovered under the provisions of this  
6 act for license fees, permit fees, filing fees and registration  
7 fees, from forfeitures, sales of forfeited property, compromise  
8 penalties and sales of liquor and alcohol at the Pennsylvania  
9 Liquor Stores, shall be paid into the State Treasury through the  
10 Department of Revenue into a special fund to be known as "The  
11 State Stores Fund."

12 (c) Two and one-half per centum of annual profits from the  
13 sale of liquor and alcohol shall be annually transferred to the  
14 Department of Health for use by the Office of Drug and Alcohol  
15 Programs, or its successor in function, for the following  
16 purposes:

17 (1) Treatment and rehabilitation of persons addicted to the  
18 excessive use of alcoholic beverages.

19 (2) Promotion of education, prevention and early  
20 intervention programs designed to eliminate abuse and addiction  
21 to alcohol or other mood-altering substances or secure  
22 appropriate treatment for the already addicted.

23 (3) Study of the problem of addiction.

24 (d) All other moneys in such fund shall be available for the  
25 purposes for which they are appropriated by law.

26 (e) Annually, the General Assembly shall make an  
27 appropriation from the State Stores Fund to provide for the  
28 operational expenses of the enforcement bureau.

29 (f) Any moneys in the State Stores Fund, from time to time,  
30 which may not be required for any of the purposes specified in

1 this act or in the act of December 20, 1933 (Sp.Sess., P.L.89,  
2 No.15), entitled "An act appropriating the moneys in The State  
3 Stores Fund," shall be paid over into the General Fund and shall  
4 be available for the payment of appropriations made from the  
5 General Fund. The Pennsylvania Liquor Control Board, with the  
6 approval of the Governor, shall, from time to time, fix the  
7 amount of money which may be so paid over into the General Fund  
8 and by its requisition shall direct the Department of the  
9 Auditor General and the Treasury Department to transfer such  
10 moneys from the State Stores Fund to the General Fund. The  
11 Pennsylvania Liquor Control Board shall, immediately upon voting  
12 to pay over any moneys from the State Stores Fund to the General  
13 Fund, notify the chairman and minority chairman of the  
14 Appropriations Committee of the Senate and the chairman and  
15 minority chairman of the Appropriations Committee of the House  
16 of Representatives of such transfer of moneys.

17 (g) The sum of five million dollars (\$5,000,000) shall be  
18 transferred from The State Stores Fund in accordance with  
19 subsection (f) to the Children's Health Fund for health care for  
20 indigent children established by section 1296 of the act of  
21 March 4, 1971 (P.L.6, No.2), known as the "Tax Reform Code of  
22 1971," to carry out the provisions of the act of December 2,  
23 1992 (P.L.741, No.113), known as the "Children's Health Care  
24 Act," for the fiscal year July 1, 1996, to June 30, 1997. Funds  
25 transferred under this subsection shall not be subject to the  
26 limitation set forth in section 3101 of the "Children's Health  
27 Care Act."

28 Section 19. This act shall take effect in 60 days.