THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE AMENDED

SENATE BILL

No. 688

Session of 2023

INTRODUCED BY REGAN, ROBINSON, DiSANTO, ROTHMAN, STEFANO, PHILLIPS-HILL, YAW, COLEMAN, AUMENT, BAKER, PENNYCUICK AND BROWN, MAY 5, 2023

AS RE-REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES, AS AMENDED, JULY 2, 2024

AN ACT

Amending the act of April 12, 1951 (P.L.90, No.21), entitled "An act relating to alcoholic liquors, alcohol and malt and 3 brewed beverages; amending, revising, consolidating and changing the laws relating thereto; regulating and restricting the manufacture, purchase, sale, possession, consumption, importation, transportation, furnishing, holding in bond, holding in storage, traffic in and use of alcoholic liquors, alcohol and malt and brewed beverages and the 8 persons engaged or employed therein; defining the powers and 9 duties of the Pennsylvania Liquor Control Board; providing 10 for the establishment and operation of State liquor stores, 11 12 for the payment of certain license fees to the respective municipalities and townships, for the abatement of certain 13 nuisances and, in certain cases, for search and seizure 14 without warrant; prescribing penalties and forfeitures; 15 providing for local option, and repealing existing laws," in 16 preliminary provisions, further providing for definitions; in 17 Pennsylvania Liquor Stores, further providing for sales by 18 Pennsylvania Liquor Stores; and, in licenses and regulations <-relating to liquor, alcohol and malt and brewed beverages, 19 20 further providing for liquor importers' licenses, fees, 21 privileges and restrictions, providing for ready-to-drink 22 cocktail permit and for authority to acquire ready-to-drink 23 cocktail permits and further providing for distributors' and 24 importing distributors' restrictions on sales, storage, etc, 25 for unlawful acts relative to malt or brewed beverages and 26 27 licensees, for unlawful acts relative to liquor, malt and 28 brewed beverages and licensees-; AND, IN DISTILLERIES, <--29 WINERIES, BONDED WAREHOUSES, BAILEES FOR HIRE AND 30 TRANSPORTERS FOR HIRE, FURTHER PROVIDING FOR LIMITED 31 DISTILLERIES AND DISTILLERIES.

- 1 The General Assembly of the Commonwealth of Pennsylvania
- 2 hereby enacts as follows:
- 3 Section 1. Section 102 of the act of April 12, 1951 (P.L.90,
- 4 No.21), known as the Liquor Code, is amended by adding
- 5 definitions to read:
- 6 Section 102. Definitions. -- The following words or phrases,
- 7 unless the context clearly indicates otherwise, shall have the
- 8 meanings ascribed to them in this section:
- 9 * * *
- 10 "Ready-to-drink cocktail" shall mean a beverage, composed in
- 11 part of distilled liquor, combined with other nonalcoholic
- 12 ingredients, carbonated or still, by whatever name the beverage
- 13 may be called, premixed and packaged in original containers by
- 14 the manufacturer, containing not more than sixteen ounces that
- 15 is not mixed or adulterated on the licensed premises of a
- 16 licensee. The term shall include any beverage consisting of at
- 17 <u>least one-half of one per centum, but not greater than twelve</u>
- 18 and one-half per centum, alcohol by volume. The term shall not
- 19 include any beverage composed, in part, of wine or malt or
- 20 brewed beverages. A ready-to-drink cocktail shall be considered
- 21 <u>liquor unless the context clearly indicates otherwise.</u>
- 22 * * *
- 23 Section 2. Section 305(b) of the act is amended and the
- 24 section is amended by adding a subsection to read:
- 25 Section 305. Sales by Pennsylvania Liquor Stores.--* * *
- 26 (a.2) The following shall apply:
- 27 (1) Notwithstanding any provision of the law to the
- 28 contrary, except as provided under paragraph (2), no product
- 29 that meets the definition of a "ready-to-drink cocktail" may be
- 30 sold as a special order.

- 1 (2) A product that meets the definition of a "ready-to-drink"
- 2 cocktail" may be sold as a special order to licensees that do
- 3 <u>not possess a ready-to-drink cocktail permit if the products are</u>
- 4 <u>not sold for off-premises consumption.</u>
- 5 (b) Every Pennsylvania Liquor Store shall sell liquors,
- 6 <u>including wine and ready-to-drink cocktails</u>, at wholesale to
- 7 hotels, restaurants, clubs, and railroad, pullman and steamship
- 8 companies licensed under this act; and ready-to-drink cocktails
- 9 to distributors and importing distributors that hold a ready-to-
- 10 drink cocktail permit; and, under the regulations of the board,
- 11 to pharmacists duly licensed and registered under the laws of
- 12 the Commonwealth, and to manufacturing pharmacists, and to
- 13 reputable hospitals approved by the board, or chemists. Sales to
- 14 licensees shall be made at a price that includes a discount of
- 15 ten per centum from the retail price; except that special order
- 16 sales to licensees authorized in subsection (a) shall not be
- 17 subject to the ten per centum discount. The board may sell to
- 18 registered pharmacists only such liquors as conform to the
- 19 Pharmacopoeia of the United States, the National Formulary, or
- 20 the American Homeopathic Pharmacopoeia. The board may sell at
- 21 special prices under the regulations of the board, to United
- 22 States Armed Forces facilities which are located on United
- 23 States Armed Forces installations and are conducted pursuant to
- 24 the authority and regulations of the United States Armed Forces.
- 25 All other sales by such stores shall be at retail, except that
- 26 incentives, such as coupons or discounts on certain products,
- 27 may be offered to unlicensed customers of the board as provided
- 28 under sections 207(m) and 493(24)(ii)(B). A person entitled to
- 29 purchase liquor at wholesale prices may purchase the liquor at
- 30 any Pennsylvania Liquor Store upon tendering cash, check or

- 1 credit card for the full amount of the purchase. For this
- 2 purpose, the board shall issue a discount card to each licensee
- 3 identifying such licensee as a person authorized to purchase
- 4 liquor at wholesale prices. Such discount card shall be retained
- 5 by the licensee. The board may contract through the Commonwealth
- 6 bidding process for delivery to wholesale licensees at the
- 7 expense of the licensee receiving the delivery.
- 8 * * *
- 9 Section 3. Section 410(e) of the act is amended to read:
- 10 Section 410. Liquor Importers' Licenses; Fees; Privileges;
- 11 Restrictions.--* * *
- 12 (e) Importers' licenses shall permit the holders thereof to
- 13 bring or import liquor and ready-to-drink cocktails from other
- 14 states, foreign countries, or insular possessions of the United
- 15 States, and purchase liquor from manufacturers located within
- 16 this Commonwealth, to be sold outside of this Commonwealth or to
- 17 Pennsylvania Liquor Stores within this Commonwealth, or when in
- 18 original containers of ten gallons or greater capacity, to
- 19 licensed manufacturers within this Commonwealth.
- 20 All importations of liquor into Pennsylvania by the licensed
- 21 importer shall be consigned to the board or the principal place
- 22 of business or authorized place of storage maintained by the
- 23 licensee.
- 24 * * *
- 25 Section 4. The act is amended by adding a section to read:
- 26 Section 415.1. Ready-to-Drink Cocktail Permit. -- (a) (1)
- 27 The holder of a restaurant, hotel, distributor or importing
- 28 <u>distributor license may apply for a ready-to-drink cocktail</u>
- 29 permit. The board shall issue a ready-to-drink cocktail permit
- 30 to the applicant if the applicant meets the requirements set

- 1 forth in this act and the board's regulations and pays the
- 2 <u>appropriate fees.</u>
- 3 (2) Nothing in this section shall be construed to affect the
- 4 ability of an existing licensee to operate within the scope of
- 5 <u>its current license as authorized by this act, except that no</u>
- 6 sales of ready-to-drink cocktails for off-premises consumption
- 7 <u>may take place by a ready-to-drink cocktail permit holder after</u>
- 8 <u>eleven o'clock postmeridian. Sales by restaurant and hotel</u>
- 9 license holders may occur on Sundays from the time the licensee
- 10 may legally begin to sell alcohol that day until eleven o'clock
- 11 postmeridian if the licensee has a permit authorized under
- 12 sections 406(a)(3) and 432(f). Sales by distributor and
- 13 importing distributor license holders may occur on Sundays
- 14 between the hours of nine o'clock antemeridian and nine o'clock
- 15 postmeridian if the licensee has a permit authorized under
- 16 section 492.1(c).
- 17 (3) A ready-to-drink cocktail permit may not be issued to a
- 18 license holder whose underlying license is subject to a pending
- 19 <u>objection by the director of the Bureau of Licensing or the</u>
- 20 board under section 470(a.1), until the matter is decided.
- 21 Notwithstanding any other provision of law, a holder of a ready-
- 22 to-drink cocktail permit may continue to normally operate under
- 23 the permit if its underlying license is operational,
- 24 notwithstanding if the underlying license is objected to by the
- 25 director of the Bureau of Licensing or the board under section
- 26 470(a.1).
- 27 (4) If the board has approved the operation of another
- 28 business which has an inside passage or communication to or with
- 29 the licensed premises, the sale and purchase of ready-to-drink
- 30 cocktails shall be confined strictly to the areas covered by the

- 1 <u>license</u>. The payment for the purchase of goods obtained from the
- 2 unlicensed area of the premises shall be permitted in the
- 3 licensed area.
- 4 (5) For purposes of selling ready-to-drink cocktails for
- 5 off-premises consumption, a holder of a ready-to-drink cocktail
- 6 permit is not subject to section 493(14).
- 7 (6) A ready-to-drink cocktail permit holder shall comply
- 8 with the responsible alcohol management provisions under section
- 9 471.1.
- 10 (7) A ready-to-drink cocktail permit holder may store ready-
- 11 to-drink cocktails in a noncontiguous area that is not
- 12 <u>accessible to the public and is:</u>
- (i) locked at all times when not being accessed by the
- 14 licensees' employees;
- 15 (ii) not accessible to employees under eighteen years of
- 16 age; and
- 17 (iii) identified by dimensions and locations on forms
- 18 submitted to the board.
- 19 (8) A ready-to-drink cocktail permit holder shall utilize a
- 20 transaction scan device to verify the age of an individual who
- 21 appears to be under thirty-five years of age before making a
- 22 sale of a ready-to-drink cocktail. A ready-to-drink cocktail
- 23 permit holder may not sell or share data from the use of a
- 24 transaction scan device, provided that the licensee may use the
- 25 data to show the enforcement bureau of the board that the
- 26 licensee is in compliance with this act. As used in this
- 27 paragraph, the term "transaction scan device" means a device
- 28 capable of deciphering, in an electronically readable format,
- 29 the information encoded on the magnetic strip or bar code of an
- 30 identification card under section 495(a).

- 1 (9) A sale of ready-to-drink cocktails by a ready-to-drink
- 2 cocktail permit holder shall be made through a register, which
- 3 is located on the licensed premises, which is well designated
- 4 with signage, which is staffed at all times when patrons are on
- 5 the licensed premises. The actual sale shall be conducted by a
- 6 person who is at least eighteen years of age and has been
- 7 trained under section 471.1 and which utilizes a transaction
- 8 scan device for the sale as set forth in paragraph (8). The sale
- 9 of ready-to-drink cocktails may not occur at a point of sale
- 10 where the customer scans the customer's own purchases. Sales of
- 11 <u>ready-to-drink cocktails must occur on the licensed premises.</u>
- 12 (10) If a ready-to-drink cocktail permit holder has an
- 13 <u>interior connection to another business that it operates, the</u>
- 14 permit holder may use one or more of the registers in the other
- 15 business to sell ready-to-drink cocktails for off-premises
- 16 consumption under the following conditions:
- 17 (i) the building is eleven thousand (11,000) square feet or
- 18 less;
- 19 (ii) the registers are located in the same building as the
- 20 licensed premises;
- 21 (iii) the registers comply with the signage, staffing,
- 22 training, carding, scanning and prohibition on the sharing of
- 23 data provisions of paragraphs (8) and (9); and
- 24 (iv) the board has been provided notice of compliance with
- 25 this paragraph by the ready-to-drink cocktail permit holder,
- 26 including square footage of the building and the location of the
- 27 specific registers to be used prior to their use.
- 28 (11) The registers used under paragraph (10) shall be deemed
- 29 to be licensed areas but no formal application beyond notice to
- 30 the board shall be required. The registers may be used by the

- 1 other business.
- 2 (b) The application and renewal fee for a ready-to-drink
- 3 cocktail permit shall be as follows:
- 4 (1) An initial application fee of two thousand and five
- 5 hundred dollars (\$2,500).
- 6 (2) An annual renewal fee equal to two per centum of the
- 7 cost of ready-to-drink cocktails purchased from the board for
- 8 <u>off-premises consumption.</u>
- 9 (c) Notwithstanding the provisions of section 802, all fees
- 10 paid to the board under this section shall be paid into the
- 11 State Treasury for deposit as follows:
- 12 <u>(1) All moneys shall be deposited into the State Stores</u>
- 13 <u>Fund</u>.
- 14 (2) Beginning June 1, 2025, and every June 1 thereafter, all
- 15 moneys deposited under paragraph (1) shall be transferred to the
- 16 General Fund.
- 17 (d) A restaurant or hotel license holder that is also a
- 18 ready-to-drink cocktail permit holder may sell for off-premises_
- 19 consumption, in a single transaction, up to one hundred ninety-
- 20 two (192) fluid ounces. Ounces of ready-to-drink cocktails shall
- 21 not be combined with wine or malt or brewed beverages for the
- 22 purpose of calculating the sale restrictions applicable to each
- 23 <u>of those beverages. A distributor or importing distributor</u>
- 24 license holder that is also a ready-to-drink cocktail permit
- 25 holder, may sell ready-to-drink cocktails, in any quantity. No
- 26 ready-to-drink cocktail permit holder may sell ready-to-drink
- 27 <u>cocktails to a permit or license holder.</u>
- 28 (e) (1) Ready-to-drink cocktail permit holders shall comply
- 29 with the provisions of section 201(f), (k) and (o) of the act of
- 30 March 4, 1971 (P.L.6, No.2), known as the "Tax Reform Code of

- 1 1971," regarding the purchase of ready-to-drink cocktails from a
- 2 Pennsylvania Liquor Store.
- 3 (2) The sale of ready-to-drink cocktails by a ready-to-drink
- 4 <u>cocktail permit holder for off-premises consumption shall be</u>
- 5 considered a "purchase at retail" under section 201(f) of the
- 6 <u>"Tax Reform Code of 1971," a "sale at retail" under section</u>
- 7 201(k) of the "Tax Reform Code of 1971" or a "use" under section
- 8 201(o) of the "Tax Reform Code of 1971."
- 9 (3) A ready-to-drink cocktail permit holder may, when filing
- 10 its required returns under Article II of the "Tax Reform Code of
- 11 1971," request a refund of any taxes paid in accordance with
- 12 paragraph (1) for ready-to-drink cocktails sold for off-premises
- 13 consumption and for which taxes were remitted to the department
- 14 under paragraph (2). The request for a refund shall include the
- 15 original receipt from a Pennsylvania Liquor Store showing the
- 16 amount of taxes paid under paragraph (1) for which the taxpayer
- 17 is requesting a refund.
- 18 (4) The department shall refund the amount of taxes paid to
- 19 a Pennsylvania Liquor Store by a ready-to-drink cocktail permit
- 20 holder under paragraph (1) for which the taxpayer remitted taxes
- 21 imposed under paragraph (2). The department may promulgate rules
- 22 or regulations and prescribe forms as may be necessary to
- 23 implement the provisions of this subsection.
- 24 (f) A ready-to-drink cocktail permit holder may not sell
- 25 ready-to-drink cocktail for off-premises consumption at a price
- 26 less than the licensee's purchase price from the board of the
- 27 <u>ready-to-drink cocktail.</u>
- 28 (q) A ready-to-drink cocktail permit holder may not sell a
- 29 <u>private label product.</u>
- 30 (h) Holders of a ready-to-drink cocktail permit may ALSO

- 1 purchase ready-to-drink cocktails directly from a licensed
- 2 <u>Pennsylvania manufacturer for the purpose of reselling the</u>
- 3 ready-to-drink cocktail for off-premises consumption.
- 4 (I) AS USED IN THIS SECTION, THE TERM "LICENSED PENNSYLVANIA <--
- 5 MANUFACTURER" SHALL MEAN AN ENTITY THAT HOLDS AN ACTIVE LIMITED
- 6 DISTILLERY LICENSE OR HELD AN ACTIVE LIMITED DISTILLERY LICENSE
- 7 PRIOR TO JULY 1, 2024, AND SUBSEQUENTLY ACQUIRED A DISTILLERY
- 8 LICENSE.
- 9 Section 5. The heading of Subdivision (B) of Article IV of
- 10 the act is amended to read:
- 11 (B) Malt and Brewed Beverages <u>and</u>
- 12 <u>Ready-to-Drink Cocktails</u> (Including Manufacturers).
- 13 Section 6. The act is amended by adding a section to read:
- 14 Section 431.2. Authority to Acquire Ready-to-Drink Cocktail
- 15 Permits. -- The holder of a distributor or importing distributor
- 16 license may acquire a ready-to-drink cocktail permit as set
- 17 forth in section 415.1. The holder of a ready-to-drink cocktail
- 18 permit may conduct tastings of ready-to-drink cocktails in
- 19 accordance with the board's regulations pertaining to tastings
- 20 for liquor. The ready-to-drink cocktails shall not be subject to
- 21 the prohibitions set forth in sections 492(13) and 492(14) which
- 22 would otherwise prohibit distributors and importing distributors
- 23 from selling, storing, possessing or interacting with liquor.
- Section 7. Sections 441 and 492(13) and (14) of the act are
- 25 amended to read:
- 26 Section 441. Distributors' and Importing Distributors'
- 27 Restrictions on Sales, Storage, Etc. -- (a) No distributor or
- 28 importing distributor shall purchase, receive or resell any malt
- 29 or brewed beverages and ready-to-drink cocktails, if a ready-to-
- 30 drink cocktail permit is obtained, except:

- 1 (1) in the original containers as prepared for the market by
- 2 the manufacturer at the place of manufacture;
- 3 (2) in the case of identical containers repackaged in the
- 4 manner described by subsection (f); or
- 5 (3) as provided in section 431(b).
- 6 (b) (1) No distributor or importing distributor shall sell
- 7 any malt or brewed beverages in quantities of less than a case
- 8 or original containers containing one hundred twenty-eight
- 9 ounces or more which may be sold separately: Provided, That no
- 10 malt or brewed beverages sold or delivered shall be consumed
- 11 upon the premises of the distributor or importing distributor,
- 12 or in any place provided for such purpose by such distributor or
- 13 importing distributor. Notwithstanding any other provision of
- 14 this section or act, malt or brewed beverages and ready-to-drink
- 15 <u>cocktails</u> which are part of a tasting conducted pursuant to the
- 16 board's regulations may be consumed on licensed premises.
- 17 (2) Distributors and importing distributors that hold a
- 18 ready-to-drink cocktail permit shall be permitted to sell ready-
- 19 to-drink cocktails in any quantity and all sales must be in
- 20 original containers. Sales of ready-to-drink cocktails are
- 21 limited to sales to non-licensees and sales of ready-to-drink
- 22 <u>cocktails for subsequent resale are prohibited.</u>
- 23 (c) No distributor or importing distributor shall maintain
- 24 or operate any place where sales are made other than that for
- 25 which the license is granted.
- 26 (d) (1) No distributor shall maintain any place for the
- 27 storage of malt or brewed beverages and ready-to-drink cocktails_
- 28 except in the same municipality in which the licensed premises
- 29 is located and unless the same has been approved by the board.
- 30 In the event there is no place of cold storage in the same

- 1 municipality, the board may approve a place of cold storage in
- 2 the nearest municipality.
- 3 (2) No importing distributor shall maintain any place for
- 4 the storage of malt or brewed beverages <u>and ready-to-drink</u>
- 5 <u>cocktails</u> except in the franchise territory in which the
- 6 licensed premises is located and unless the same has been
- 7 approved by the board. The board shall issue no more than four
- 8 storage facilities license to an importing distributor. The
- 9 storage location shall be designated solely as a storage
- 10 facility, from which only sales to other licensees are
- 11 permitted. Retail sales may be made at the licensed location
- 12 pursuant to subsection (c). If the importing distributor
- 13 maintains a storage location for cold storage in the same
- 14 municipality in which the importing distributor is licensed or a
- 15 nearby municipality, the importing distributor may continue to
- 16 maintain that cold storage location in addition to another
- 17 storage location within their franchise territory.
- 18 (e) No distributor or importing distributor shall purchase,
- 19 sell, resell, receive or deliver any malt or brewed beverages,
- 20 except in strict compliance with the provisions of subsection
- 21 (b) of section 431 of this act.
- 22 (f) (1) To salvage one or more salable cases from one or
- 23 more damaged cases, cartons or packages of malt or brewed
- 24 beverages and ready-to-drink cocktails, a distributor or
- 25 importing distributor may repackage consequent to inadvertent
- 26 damage and sell a case, carton or package of identical units of
- 27 malt or brewed beverages or ready-to-drink cocktails.
- 28 (2) Repackaging is permissible only to the extent made
- 29 necessary by inadvertent damage. Repackaging not consequent to
- 30 damage is prohibited.

- 1 (3) The term "identical units" as used in this subsection
- 2 means undamaged bottles or cans of identical brand, package and
- 3 volume.
- 4 (q) All malt or brewed beverages purchased by an importing
- 5 distributor from a Pennsylvania manufacturer of malt or brewed
- 6 beverages or from any person located outside this Commonwealth
- 7 for resale shall be invoiced to the importing distributor, shall
- 8 come physically into the possession of such importing
- 9 distributor and shall be unloaded into and distributed from the
- 10 licensed premises of such importing distributor. The board may
- 11 act to further define and control the storage and distribution
- 12 of malt or brewed beverages and ready-to-drink cocktails in
- 13 conformity with this section and this act.
- 14 (h) As used in this section, the term "franchise territory"
- 15 shall mean the geographically contiguous area in which an
- 16 importing distributor has been given rights for the sale or
- 17 resale of malt or brewed beverages and ready-to-drink cocktails. <--
- 18 (i) Notwithstanding any other provision to the contrary,
- 19 when making a sale of malt or brewed beverages and ready-to-
- 20 <u>drink cocktails</u> to a private individual, no distributor or
- 21 importing distributor may be required to collect the name,
- 22 address or any other identifying information of the private
- 23 individual for the purpose of keeping a record of the quantity
- 24 of cases or volume of malt or brewed beverages or ready-to-drink
- 25 cocktails purchased.
- 26 Section 492. Unlawful Acts Relative to Malt or Brewed
- 27 Beverages and Licensees.--
- 28 It shall be unlawful--
- 29 * * *
- 30 (13) Possession or Storage of Liquor or Alcohol by Certain

- 1 Licensees. For any distributor, importing distributor or retail
- 2 dispenser, or his servants, agents or employes, to have in his
- 3 possession, or to permit the storage of on the licensed premises
- 4 or in any place contiguous or adjacent thereto accessible to the
- 5 public or used in connection with the operation of the licensed
- 6 premises, any alcohol or liquor. The provisions of this section
- 7 shall not apply to the possession or storage of ready-to-drink
- 8 cocktails that are purchased in compliance with section 441 of
- 9 <u>this act.</u>
- 10 (14) Malt or Brewed Beverage Licensees Dealing in Liquor or
- 11 Alcohol. For any malt or brewed beverage licensee, other than a
- 12 <u>distributor or importing distributor that possesses a ready-to-</u>
- 13 <u>drink cocktail permit, a</u> manufacturer, or the servants, agents
- 14 or employes thereof, to manufacture, import, sell, transport,
- 15 store, trade or barter in any liquor or alcohol.
- 16 * * *
- 17 Section 8. Section 493 of the act is amended by adding a
- 18 paragraph to read:
- 19 Section 493. Unlawful Acts Relative to Liquor, Malt and
- 20 Brewed Beverages and Licensees. -- The term "licensee," when used
- 21 in this section, shall mean those persons licensed under the
- 22 provisions of Article IV, unless the context clearly indicates
- 23 otherwise.
- 24 It shall be unlawful--
- 25 * * *
- 26 (35) (i) Ready-to-Drink Cocktails. For any licensee that
- 27 <u>does not hold a ready-to-drink cocktail permit to sell an</u>
- 28 alcoholic beverage that meets the definition of a "ready-to-
- 29 <u>drink cocktail</u>" for off-premises consumption, except an entity
- 30 licensed under section 505.4. FOR AN ENTITY THAT MEETS THE

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- 1 DEFINITION OF A "LICENSED PENNSYLVANIA MANUFACTURER" UNDER
- 2 SECTION 415.1(I).
- 3 (II) FOR ANY LICENSEE TO ACOUIRE AN ALCOHOLIC BEVERAGE THAT
- 4 MEETS THE DEFINITION OF A "READY-TO-DRINK COCKTAIL" FROM ANYONE
- 5 OTHER THAN THE BOARD, OR AN ENTITY THAT MEETS THE DEFINITION OF
- 6 A "LICENSED PENNSYLVANIA MANUFACTURER" UNDER SECTION 415.1(I),
- 7 EXCEPT THAT A LICENSEE MAY ACQUIRE AN ALCOHOLIC BEVERAGE THAT
- 8 <u>MEETS THE DEFINITION OF A "READY-TO-DRINK COCKTAIL" FROM AN</u>
- 9 ENTITY LICENSED UNDER SECTION 505.4, IF THE PURCHASING LICENSEE
- 10 DOES NOT RESELL THE ALCOHOLIC BEVERAGE FOR OFF-PREMISES
- 11 CONSUMPTION.
- 12 (ii) (III) For a licensee who acquired an alcoholic beverage <--
- 13 that meets the definition of a "ready-to-drink cocktail" as a
- 14 <u>special order to sell the alcoholic beverage that meets the</u>
- 15 <u>definition of a "ready-to-drink cocktail" for off-premises</u>
- 16 consumption regardless of whether the licensee holds a ready-to-
- 17 drink cocktail permit.
- 18 SECTION 9. SECTION 505.4 OF THE ACT IS AMENDED BY ADDING <--
- 19 SUBSECTIONS TO READ:
- 20 SECTION 505.4. LIMITED DISTILLERIES AND DISTILLERIES.--* * *
- 21 (D) AN ENTITY THAT MEETS THE DEFINITION OF A "LICENSED
- 22 PENNSYLVANIA MANUFACTURER" UNDER SECTION 415.1(I) MUST, UPON
- 23 REOUEST, OFFER TO SELL TO THE BOARD ANY READY-TO-DRINK COCKTAIL
- 24 THE LICENSED PENNSYLVANIA MANUFACTURER SELLS.
- 25 (E) AN ENTITY THAT MEETS THE DEFINITION OF A "LICENSED
- 26 PENNSYLVANIA MANUFACTURER" UNDER SECTION 415.1(I) THAT SELLS
- 27 READY-TO-DRINK COCKTAILS TO LICENSEES THAT HOLD A READY-TO-DRINK
- 28 COCKTAIL PERMIT SHALL REPORT QUARTERLY IN WRITING TO THE BOARD
- 29 THE FOLLOWING:
- 30 (I) THE QUANTITY OF PRODUCT SOLD TO EACH PERMITTEE.

- 1 (II) THE PURCHASE PRICE TO PERMITTEES.
- 2 (III) THE NAME OR BRAND OF THE PRODUCT SOLD.
- 3 Section $\frac{9}{2}$ 10. This act shall take effect in 60 days. <--