

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 916 Session of 2019

INTRODUCED BY STEFANO, MENSCH AND PITTMAN, OCTOBER 24, 2019

REFERRED TO LAW AND JUSTICE, OCTOBER 24, 2019

AN ACT

1 Amending the act of April 12, 1951 (P.L.90, No.21), entitled "An
 2 act relating to alcoholic liquors, alcohol and malt and
 3 brewed beverages; amending, revising, consolidating and
 4 changing the laws relating thereto; regulating and
 5 restricting the manufacture, purchase, sale, possession,
 6 consumption, importation, transportation, furnishing, holding
 7 in bond, holding in storage, traffic in and use of alcoholic
 8 liquors, alcohol and malt and brewed beverages and the
 9 persons engaged or employed therein; defining the powers and
 10 duties of the Pennsylvania Liquor Control Board; providing
 11 for the establishment and operation of State liquor stores,
 12 for the payment of certain license fees to the respective
 13 municipalities and townships, for the abatement of certain
 14 nuisances and, in certain cases, for search and seizure
 15 without warrant; prescribing penalties and forfeitures;
 16 providing for local option, and repealing existing laws," in
 17 licenses and regulations and liquor, alcohol and malt and
 18 brewed beverages, providing for spirits expanded permits.

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

21 Section 1. The act of April 12, 1951 (P.L.90, No.21), known
 22 as the Liquor Code, is amended by adding a section to read:

23 Section 431.2. Spirits Expanded Permits.--(a) The board
 24 shall issue spirits expanded permits in accordance with the
 25 following:

26 (1) A spirits expanded permit shall be issued to a person

1 holding and possessing a valid distributor license.

2 (2) Nothing in this section may affect the ability of an
3 existing distributor to operate within the scope of its current
4 license as authorized by this act, except that no sales of
5 spirits for off-premises consumption may take place by a spirits
6 expanded permit holder after eleven o'clock postmeridian of any
7 day until the licensee's permitted hours of operation under
8 section 492.1(b)(2) of the next day.

9 (3) A spirits expanded permit may not be issued to a
10 distributor whose underlying license is subject to a pending
11 objection by the Director of the Bureau of Licensing or the
12 board under section 470(a.1), until the matter is decided, so
13 long as the underlying license is authorized to operate.
14 Notwithstanding any other provision of law, a holder of a
15 spirits expanded permit may continue to operate under the permit
16 if its underlying license is objected to by the Director of the
17 Bureau of Licensing or the board under section 470(a.1), until
18 the matter is decided.

19 (4) If the board has approved the operation of another
20 business which has an inside passage or communication to or with
21 the licensed premises, the sale and purchase of spirits shall be
22 confined strictly to the premises in a specifically designated
23 area covered by the license. The purchase of goods obtained from
24 the unlicensed area of the premises shall be permitted in the
25 licensed area.

26 (5) For purposes of selling spirits for off-premises
27 consumption, a holder of a spirits expanded permit is not
28 subject to section 493(14).

29 (6) A spirits expanded permit holder shall comply with the
30 responsible alcohol management provisions under section 471.1.

1 (7) A spirits expanded permit holder may store spirits in a
2 noncontiguous area that is not accessible to the public and is:
3 (i) locked at all times when not being accessed by the
4 licensees' employes;
5 (ii) not accessible to employes under eighteen years of age;
6 and
7 (iii) identified by dimensions and locations on forms
8 submitted to the board.

9 (8) A spirits expanded permit holder shall utilize a
10 transaction scan device to verify the age of an individual who
11 appears to be under thirty-five years of age before making a
12 sale of spirits. A spirits expanded permit holder may not sell
13 or share data from the use of a transaction scan device,
14 provided that the licensee may use the data to show the
15 enforcement bureau that the licensee is in compliance with this
16 act. As used in this paragraph, the term "transaction scan
17 device" means a device capable of deciphering, in an
18 electronically readable format, the information encoded on the
19 magnetic strip or bar code of an identification card under
20 section 495(a).

21 (9) A sale of spirits by a spirits expanded permit holder
22 shall be made through a register that is well designated with
23 signage, is staffed at all times, including by a sales clerk who
24 is at least eighteen years of age and has been trained under
25 section 471.1, and utilizes a transaction scan device for the
26 sale. The sale of spirits may not occur at a point of sale where
27 the customer scans the customer's own purchases.

28 (b) The application and renewal fee for a spirits expanded
29 permit shall be as follows:

30 (1) For a spirits expanded permit issued to licensees, an

1 initial application fee of two thousand dollars (\$2,000).

2 (2) An annual renewal fee equal to two per centum (2%) of
3 the cost of spirits purchased from the board for off-premises
4 consumption.

5 (c) Notwithstanding the provisions of section 802, all fees
6 paid to the board under this section shall be paid into the
7 State Treasury for deposit as follows:

8 (1) All moneys shall be deposited in The State Stores Fund.

9 (2) Every June 1, all moneys deposited under paragraph (1)
10 shall be transferred to the General Fund.

11 (d) Spirits expanded permit holders shall comply with the
12 provisions of section 201(f), (k) and (o) of the act of March 4,
13 1971 (P.L.6, No.2), known as the "Tax Reform Code of 1971,"
14 regarding the purchase of spirits from a Pennsylvania Liquor
15 Store.

16 (e) The sale of spirits by a spirits expanded permit holder
17 shall be considered a "purchase at retail" under section 201(f)
18 of the "Tax Reform Code of 1971," a "sale at retail" under
19 section 201(k) of the "Tax Reform Code of 1971" or a "use" under
20 section 201(o) of the "Tax Reform Code of 1971."

21 (f) A spirits expanded permit holder may not sell a spirit
22 product for off-premises consumption at a price less than the
23 licensee's purchase price from the board of the spirit product.

24 (g) A spirits expanded permit holder may not sell a private
25 label product.

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