



SENATE OF PENNSYLVANIA BILL SUMMARY

House Bill 1196 Printer's No. 4132

Prime Sponsor: Petri
Committee: Rules and Executive Nominations

SYNOPSIS:

Updates the Liquor Code.

SUMMARY:

Amends the definition of "alcoholic cider" to mirror Federal standards by raising the permitted level of carbonation to not exceed six and four tenths grams per liter.

Amends the definition of "eligible entity" to add the Greater Pittsburgh Literacy Council, Crime Stoppers and the Diocese of Erie.

Amends the definition of "mug club" to remove the requirement that members be provided a mug.

Defines "mead" as an alcoholic beverage produced by fermenting honey, and the term is added to the definition of "malt or brewed beverages".

Defines "growler" to mean a refillable container for malt or brewed beverages.

Malt and Brewed Beverage Provisions:

- Permits the holder of a distributor license to sell beer in any amount or configuration and growlers for off-premise consumption.
- Allows the direct shipment of beer by out of state retailers or wholesalers to consumers while still preserving the three-tier system. Continues to allow up to 192 ounces (12-pack) of beer to be delivered to a consumer per month. Additionally, no more than 96 ounces (approx. 6-pack) can be of any one brand of beer per person per calendar year.
- Permits a brewery licensee to offer beer for sale produced by another brewery for on premise consumption and places a 50% cap on the amount that can be sold of another's product to 50% of their own annual sales.
- Places restrictions on distributors and retail licensees to require that beer purchased by a licensee or beer distributor pursuant to a territorial agreement only be sold or used by a licensee in the territory covered by the importing distributor supplying the beer. This provision does not apply to beer produced by a manufacturer who does not have franchise contracts with importing distributors.

Miscellaneous Provisions:

- Exempts the names and addresses of individual consumers who purchase products from the PLCB from the Right-to-Know Law.
- Allows for special liquor orders of one or more bottles. Previously a minimum of two bottles had to be ordered.
- Allows liquor stores to sell mead until the current inventory is depleted. Also allows limited wineries to produce and sell mead.
- Permits Sunday sales hours to begin at 9 a.m., and removes the food requirement.
- Amends wine auction permit requirements to also allow for the auctioning of spirits.
- Places caps on the amount a limited licensee (brewery, winery, and distillery) can sell of another's product to 50% of their own annual sales.
- Prohibits the Board from requiring a licensed premises with an interior connection to install an exterior entrance, if the licensed premises hours of operation do not exceed the hours of operation for the unlicensed premises.
- Allows a local option question for municipal airport retail licenses to be placed on the ballot during an election.
- Permits alcoholic beverages to be consumed inside a stadium in the same areas as beer.
- Requires any person selling beer to file a report with the Liquor Control Board showing the volume of product sold.
- Requires that all license conversion fees (E to an R), fees attributed to the auction of dead licenses, and casino liquor license fees be transferred quarterly from the State Store Fund to the General Fund.

Effective Date: 60 days.

House Amendments:

The House added the following provisions:

- Allows the direct shipment of beer by out of state retailers to consumers.
- Prohibits the Board from requiring a licensed premises with an interior connection to install an exterior entrance, if the licensed premises hours of operation do not exceed the hours of operation for the unlicensed premises.
- Requires that all license conversion fees attributed to the auction of dead licenses and casino liquor license fees be transferred quarterly from the State Store Fund to the General Fund.

BILL HISTORY:

Passed the House on 6/25/2015 (169-22).

Passed the Senate on 5/18/2016 (50-0).

House concurred in Senate amendments, as amended by the House on 7/1/2016 (157-41).

Senate concurred in House amendments to Senate amendments, as amended by the Senate on 10/24/2016 (48-0).

House concurred in Senate amendments to House amendments to Senate amendments, as further amended by the House on 10/25/2016 (133-59).

Prepared by: Reinard 10/21/2016; Acri 10/24/2016; 10/25/2016