

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2069 Session of
2014

INTRODUCED BY MASSER, HEFFLEY, O'NEILL, WATSON, MILLARD,
PICKETT, JAMES, TURZAI, COHEN, KAVULICH, EVERETT, KILLION AND
FARRY, MARCH 10, 2014

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES,
JUNE 11, 2014

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 DEFINING "ELIGIBLE ENTITY"; AND further providing for <--
18 unlawful acts relative to liquor, malt and brewed beverages
19 and licensees.

20 The General Assembly of the Commonwealth of Pennsylvania

21 hereby enacts as follows:

22 ~~Section 1. Section 493(24) of the act of April 12, 1951 <--~~
23 ~~(P.L.90, No.21), known as the Liquor Code, reenacted and amended~~
24 ~~June 29, 1987 (P.L.32, No.14) and amended November 29, 2006~~
25 ~~(P.L.1421, No.155), is amended and the clause is amended by~~

1 ~~adding a subclause to read:~~

2 SECTION 1. THE DEFINITION OF "ELIGIBLE ENTITY" IN SECTION <--
3 102 OF THE ACT OF APRIL 12, 1951 (P.L.90, NO.21), KNOWN AS THE
4 LIQUOR CODE, REENACTED AND AMENDED JUNE 29, 1987 (P.L.32, NO.14)
5 AND AMENDED JULY 5, 2012 (P.L.1007, NO.116), IS AMENDED 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 "ELIGIBLE ENTITY" SHALL MEAN A CITY OF THE THIRD CLASS, A
11 HOSPITAL, A CHURCH, A SYNAGOGUE, A VOLUNTEER FIRE COMPANY, A
12 VOLUNTEER AMBULANCE COMPANY, A VOLUNTEER RESCUE SQUAD, A UNIT OF
13 A NATIONALLY CHARTERED CLUB WHICH HAS BEEN ISSUED A CLUB LIQUOR
14 LICENSE, A CLUB WHICH HAS BEEN ISSUED A CLUB LIQUOR LICENSE AND
15 WHICH, AS OF DECEMBER 31, 2002, HAS BEEN IN EXISTENCE FOR AT
16 LEAST 100 YEARS, A LIBRARY, A NATIONALLY ACCREDITED PENNSYLVANIA
17 NONPROFIT ZOOLOGICAL INSTITUTION LICENSED BY THE UNITED STATES
18 DEPARTMENT OF AGRICULTURE, A NONPROFIT AGRICULTURAL ASSOCIATION
19 IN EXISTENCE FOR AT LEAST TEN YEARS, A BONA FIDE SPORTSMEN'S
20 CLUB IN EXISTENCE FOR AT LEAST TEN YEARS, A NATIONALLY CHARTERED
21 VETERANS' ORGANIZATION AND ANY AFFILIATED LODGE OR SUBDIVISION
22 OF SUCH ORGANIZATION, A FRATERNAL BENEFIT SOCIETY THAT IS
23 LICENSED TO DO BUSINESS IN THIS COMMONWEALTH AND ANY AFFILIATED
24 LODGE OR SUBDIVISION OF SUCH FRATERNAL BENEFIT SOCIETY, A MUSEUM
25 OPERATED BY A NONPROFIT CORPORATION, A NONPROFIT CORPORATION
26 ENGAGED IN THE PERFORMING ARTS, AN ARTS COUNCIL, A NONPROFIT
27 CORPORATION THAT OPERATES AN ARTS FACILITY OR MUSEUM, A
28 NONPROFIT ORGANIZATION AS DEFINED UNDER SECTION 501(C) (3) OF THE
29 INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26 U.S.C. §
30 501(C) (3)) WHOSE PURPOSE IS TO PROTECT THE ARCHITECTURAL

1 HERITAGE OF BOROUGH OR A TOWNSHIP OF THE SECOND CLASS AND WHICH
2 HAS BEEN RECOGNIZED AS SUCH BY A MUNICIPAL RESOLUTION, A
3 NONPROFIT ORGANIZATION AS DEFINED UNDER SECTION 501(C)(3) OF THE
4 INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26 U.S.C. §
5 501(C)(3)) CONDUCTING A REGATTA IN A CITY OF THE SECOND CLASS
6 WITH THE PERMIT TO BE USED ON STATE PARK GROUNDS OR CONDUCTING A
7 FAMILY-ORIENTED CELEBRATION AS PART OF WELCOME AMERICA IN A CITY
8 OF THE FIRST CLASS ON PROPERTY LEASED FROM THAT CITY FOR MORE
9 THAN FIFTY YEARS, A NONPROFIT ORGANIZATION AS DEFINED UNDER
10 SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986 (26
11 U.S.C. § 501(C)(3)) WHOSE PURPOSE IS TO RAISE FUNDS FOR THE
12 RESEARCH AND TREATMENT OF CYSTIC FIBROSIS, A NONPROFIT
13 ORGANIZATION AS DEFINED UNDER SECTION 501(C)(3) OF THE INTERNAL
14 REVENUE CODE OF 1986 (26 U.S.C. § 501(C)(3)) WHOSE PURPOSE IS TO
15 EDUCATE THE PUBLIC ON ISSUES DEALING WITH WATERSHED
16 CONSERVATION, A NONPROFIT ORGANIZATION AS DEFINED UNDER SECTION
17 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-
18 514, 26 U.S.C. § 501(C)(3)) WHOSE PURPOSE IS TO PROVIDE EQUINE
19 ASSISTED ACTIVITIES FOR CHILDREN AND ADULTS WITH SPECIAL NEEDS,
20 A NONPROFIT ECONOMIC DEVELOPMENT AGENCY IN A CITY OF THE SECOND
21 CLASS WITH THE PRIMARY FUNCTION TO SERVE AS AN ECONOMIC
22 GENERATOR FOR THE GREATER SOUTHWESTERN PENNSYLVANIA REGION BY
23 ATTRACTING AND SUPPORTING FILM, TELEVISION AND RELATED MEDIA
24 INDUSTRY PROJECTS AND COORDINATING GOVERNMENT AND BUSINESS
25 OFFICES IN SUPPORT OF A PRODUCTION, A COUNTY TOURIST PROMOTION
26 AGENCY AS DEFINED IN SECTION 3(1) OF THE ACT OF APRIL 28, 1961
27 (P.L.111, NO.50), KNOWN AS THE "TOURIST PROMOTION LAW," A JUNIOR
28 LEAGUE THAT IS A NONPROFIT ORGANIZATION AS DEFINED UNDER SECTION
29 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986 (26 U.S.C. §
30 501(C)(3)) THAT IS COMPRISED OF WOMEN WHOSE PURPOSE IS

1 EXCLUSIVELY EDUCATIONAL AND CHARITABLE IN PROMOTING THE
2 VOLUNTEERISM OF WOMEN AND DEVELOPING AND PARTICIPATING IN
3 COMMUNITY PROJECTS AND THAT HAS BEEN IN EXISTENCE FOR OVER
4 SEVENTY YEARS, A NONPROFIT ORGANIZATION AS DEFINED UNDER SECTION
5 501(C) (3) OF THE INTERNAL REVENUE CODE OF 1986 AND WHOSE PURPOSE
6 IS THE EDUCATION AND PROMOTION OF AMERICAN HISTORY, A NONPROFIT
7 ORGANIZATION AS DEFINED UNDER SECTION 501(C) (6) OF THE INTERNAL
8 REVENUE CODE OF 1986 WHOSE PURPOSE IS TO SUPPORT BUSINESS AND
9 INDUSTRY, A BREWERY WHICH HAS BEEN ISSUED A LICENSE TO
10 MANUFACTURE MALT OR BREWED BEVERAGES AND HAS BEEN IN EXISTENCE
11 FOR AT LEAST 100 YEARS OR A CLUB RECOGNIZED BY ROTARY
12 INTERNATIONAL AND WHOSE PURPOSE IS TO PROVIDE SERVICE TO OTHERS,
13 TO PROMOTE HIGH ETHICAL STANDARDS AND TO ADVANCE WORLD
14 UNDERSTANDING, GOODWILL AND PEACE THROUGH ITS FELLOWSHIP OF
15 BUSINESS, PROFESSIONAL AND COMMUNITY LEADERS OR A NONPROFIT
16 ORGANIZATION AS DEFINED UNDER SECTION 501(C) (3) OF THE INTERNAL
17 REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26 U.S.C. § 501(C) (3))
18 WHOSE PURPOSE IS TO PROMOTE MUSHROOMS WHILE SUPPORTING LOCAL AND
19 REGIONAL CHARITIES, A MUSEUM OPERATED BY A NOT-FOR-PROFIT
20 CORPORATION IN A CITY OF THE SECOND CLASS A, A NONPROFIT
21 ORGANIZATION AS DEFINED UNDER SECTION 501(C) (3) OF THE INTERNAL
22 REVENUE CODE OF 1986 WHICH IS LOCATED IN A CITY OF THE SECOND
23 CLASS A AND HAS AS ITS PURPOSE ECONOMIC AND COMMUNITY
24 DEVELOPMENT, A NONPROFIT ORGANIZATION AS DEFINED UNDER SECTION
25 501(C) (3) OR (6) OF THE INTERNAL REVENUE CODE OF 1986 THAT IS
26 LOCATED IN A CITY OF THE THIRD CLASS IN A COUNTY OF THE FIFTH
27 CLASS, A NONPROFIT SOCIAL SERVICE ORGANIZATION DEFINED UNDER
28 SECTION 501(C) (3) OF THE INTERNAL REVENUE CODE OF 1986 LOCATED
29 IN A COUNTY OF THE THIRD CLASS WHOSE PURPOSE IS TO SERVE
30 INDIVIDUALS AND FAMILIES IN THAT COUNTY OF THE THIRD CLASS, A

1 NONPROFIT ORGANIZATION AS DEFINED UNDER SECTION 501(C) (3) OF THE
2 INTERNAL REVENUE CODE OF 1986 WHOSE MAIN PURPOSE IS TO
3 TEMPORARILY FOSTER STRAY AND UNWANTED ANIMALS AND MATCH THEM TO
4 SUITABLE PERMANENT HOMES OR A NONPROFIT ORGANIZATION AS DEFINED
5 UNDER SECTION 501(C) (3) OF THE INTERNAL REVENUE CODE OF 1986 WHO
6 OPERATES EITHER A MAIN STREET PROGRAM OR ELM STREET PROGRAM
7 RECOGNIZED BY THE COMMONWEALTH, THE NATIONAL TRUST FOR HISTORIC
8 PRESERVATION OR BOTH, A NONPROFIT RADIO STATION THAT IS A MEMBER
9 OF THE NATIONAL PUBLIC RADIO NETWORK, A NONPROFIT PUBLIC
10 TELEVISION STATION THAT IS A MEMBER OF THE PENNSYLVANIA PUBLIC
11 TELEVISION NETWORK [OR], A NONPROFIT ORGANIZATION AS DEFINED
12 UNDER SECTION 501(C) (3) OF THE INTERNAL REVENUE CODE OF 1986
13 WHOSE PURPOSE IS TO PROMOTE AWARENESS, EDUCATION AND RESEARCH
14 AND TO PROVIDE A SUPPORT SYSTEM FOR PATIENTS WITH NEUTROPENIA
15 AND THEIR FAMILIES THROUGH A NATIONAL RESOURCE NETWORK OR A
16 NONPROFIT ORGANIZATION AS DEFINED UNDER SECTION 501(C) (3) OF THE
17 INTERNAL REVENUE CODE OF 1986 THAT IS LOCATED IN A CITY OF THE
18 FIRST CLASS AND HAS BEEN IN EXISTENCE FOR OVER FIFTEEN YEARS
19 WHOSE PURPOSE IS COMMUNITY-BASED ECONOMIC DEVELOPMENT.

20 SECTION 2. SECTION 493(24) OF THE ACT, AMENDED NOVEMBER 29,
21 2006 (P.L.1421, NO.155), IS AMENDED AND THE CLAUSE IS AMENDED BY
22 ADDING SUBCLAUSES TO READ:

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

28 It shall be unlawful--

29 * * *

30 (24) (i) Things of Value Offered as Inducement. Except as

1 provided in subclause (ii) and subclause (iii), for any licensee
2 under the provisions of this article, or the board or any
3 manufacturer, or any employe or agent of a manufacturer,
4 licensee or of the board, to offer to give anything of value or
5 to solicit or receive anything of value as a premium for the
6 return of caps, stoppers, corks, stamps or labels taken from any
7 bottle, case, barrel or package containing liquor or malt or
8 brewed beverage, or to offer or give or solicit or receive
9 anything of value as a premium or present to induce directly the
10 purchase of liquor or malt or brewed beverage, or for any
11 licensee, manufacturer or other person to offer or give to trade
12 or consumer buyers any prize, premium, gift or other inducement
13 to purchase liquor or malt or brewed beverages, except
14 advertising novelties of nominal value which the board shall
15 define. This section shall not prevent any manufacturer or any
16 agent of a manufacturer from offering and honoring coupons which
17 offer monetary rebates on purchases of wines and spirits through
18 State Liquor Stores or purchases of malt or brewed beverages
19 through distributors and importing distributors in accordance
20 with conditions or regulations established by the board. The
21 board may redeem coupons offered by a manufacturer or an agent
22 of a manufacturer at the time of purchase. Coupons offered by a
23 manufacturer or an agent of a manufacturer shall not be redeemed
24 without proof of purchase. This section shall not apply to the
25 return of any monies specifically deposited for the return of
26 the original container to the owners thereof.

27 (ii) Notwithstanding subclause (i) or any other provision of
28 law, a holder of a restaurant license that is also approved to
29 hold a slot machine license or a conditional slot machine
30 license under 4 Pa.C.S. Part II (relating to gaming) may give

1 liquor and malt or brewed beverages free of charge to any person
2 actively engaged in playing a slot machine.

3 (iii) Notwithstanding subclause (i) or any other provision
4 of law or regulation, a holder of a license under provisions of
5 this clause may offer discounts of food or malt or brewed
6 beverages and disproportionate serving amounts that act as a
7 discount to patrons who are part of a bona fide club or group
8 program offered by the licensee to promote its business or
9 products in a commercially reasonable manner.

10 (IV) NO DISCOUNTS OF FOOD OR MALT OR BREWED BEVERAGES AND <--
11 DISPROPORTIONATE SERVING AMOUNTS OFFERED PURSUANT TO SUBCLAUSE
12 (III) SHALL BE GIVEN BETWEEN THE HOURS OF MIDNIGHT AND TWO
13 O'CLOCK ANTEMERIDIAN ON ANY GIVEN DAY.

14 * * *

15 Section 2 3. This act shall take effect in 60 days. <--