

## Frequently Asked Questions: Converting an E License to an R License

The following Q&As address questions regarding the conversion of an eating place retail dispenser (E) license to a restaurant liquor (R) license under the provisions of Act 39 of 2016.

## 1. Does Act 39 permit the conversion of an E license to an R license?

Yes. Most E licensees will be able to convert their license to an R license, without regard to the quota.

## 2. Are all E licenses eligible to be converted?

No. Act 39 prohibits the conversion if there is a pending objection to the renewal of the E license by the PLCB's Bureau of Licensing. Also, the conversion does not apply to E licenses located in a city of the first class (i.e., Philadelphia).

## 3. Why are licensees in Philadelphia excluded?

The General Assembly specifically excluded them in Act 39.

# 4. Does the location where the E license is located have to allow retail liquor sales before the license can be converted?

Yes. If the municipality in which the E license is located is only "wet" for beer sales, an R license would not be permissible in that municipality, and thus, an E license could not be converted to an R license there. The municipality must be wet for retail liquor sales in order for an R license to be located there. To find out if the municipality is wet or dry for R licenses, you can contact the Bureau of Licensing at 717-783-8250 or 717-772-1725.

## 5. Must an E licensee that wishes to convert its license to an R meet the size requirements of an R license?

Yes. While an E licensee is required to have a total area of not less than 300 square feet available to the public, an R licensee must meet the 400 square feet size required by section 102 of the Liquor Code. Thus, an E licensee that wishes to convert its license to an R license must have an area of at least 400 square feet available.

#### 6. What is the procedure for applying for a conversion?

Applicants must file online through <u>PLCB+</u>, pay a \$30,000 fee, and provide other information as required by the PLCB's Bureau of Licensing.

## 7. How soon can an application be filed for a conversion?

The Bureau of Licensing began accepting requests for conversions on August 8, 2016, via PLCB+.

## 8. How long will it take, once the application has been filed, to receive an R license?

The request for converting an E to an R license will be evaluated by the Bureau of Licensing like any other transfer application, and it will be decided as soon as possible. Because the application involves an already-licensed person/entity, it will generally be processed quickly, since the person/entity was previously investigated by the PLCB.

## 9. Are converted licenses renewable?

Yes, a converted license is renewable on a two-year cycle, just like a regular R license. They may also be sold, transferred, etc.

## 10. May someone protest a pending conversion?

Yes. A conversion is considered to be a transfer or the issuance of a new R license and is thus subject to the proximity issues in the Liquor Code. In other words, a neighbor within 500 feet, a restrictive institution within 300 feet, or another licensee within 200 feet may all file timely protests to a conversion request.

## 11. Is there any other way to convert an E license to an R license besides under this new provision of Act 39?

Yes. Such a conversion has been permitted since 1999 under another section of the Liquor Code. Under that section, an E licensee can convert to an R license if the municipality in which the E was originally issued changes from dry for restaurant liquor licenses to wet for restaurant liquor licenses after the original issuance of the E license. There is no \$30,000 fee associated with this conversion.