

Summary of Act 116 of 2019

On December 27, 2019, Governor Wolf signed House Bill No. 1542 into law, now known as Act 116 of 2019 (Act 116).

Act 116 made changes to the Liquor Code dealing with special occasion permits, as well as wine and spirits auction permits. The changes are summarized below. References to the sections/subsections impacted can be found at the end of each paragraph. All changes are effective within 60 days of the Governor's signature, or February 25, 2020.

Questions about these changes or any other provisions of the Liquor Code may be directed to the PLCB's Office of Chief Counsel at 717-783-9454 or ra-lblegal@pa.gov.

Special Occasion Permits

Act 116 amended section 408.4(m) of the Liquor Code to add a new provision that an entity operating in conjunction with a special occasion permit holder may collect and manage funds raised using a special occasion permit if:

- (i) the special occasion permit holder is the primary host of the activity or event; and
- (ii) the funds raised are used for the benefit of the special occasion permit holder. [47 P.S. § 4-408.4(m)(2)].

Act 116 amended section 408.4(i) of the Liquor Code to extend the time that an eligible entity may use a special occasion permit from six consecutive or nonconsecutive days to **nine** consecutive or nonconsecutive days. Also, Act 116 amended this section to allow for an **additional ten** consecutive days. [47 P.S. § 4-408.4(i)].

Act 116 added the following two organizations as entities eligible to obtain special occasion permits:

- any nationally recognized community-based voluntary health organization committed to fighting cancer, which has been in existence for at least 100 years; and
- a nonprofit organization as defined under section 501(c)(3) of the Internal Revenue Code of 1986, which is located in a city of the third class in a county of the fifth class whose mission is to improve the quality of life for individuals with developmental

disabilities and the families of the individuals through advocacy, education, support, and socialization and that has been in existence for over sixty years. [47 P.S. § 1-102].

Act 116 changed the following existing eligible entity to remove the year constraint (i.e., “in 1995”) and changed “community development corporation” to “community development organization:”

Eligible entity information prior to Act 116	Eligible entity information after Act 116
<p>a nonprofit organization as defined under section 501(c)(3) of the Internal Revenue Code of 1986 that is located in a city of the first class, was organized in 1995 as a community development corporation to promote health, safety and welfare of the residents, businesses and institutions of a neighborhood of a city of the first class, and whose works include public promotions, neighborhood improvement projects and commercial corridor improvements, including a business improvement district. [47 P.S. § 1-102] (emphasis added).</p>	<p>a nonprofit organization as defined under section 501(c)(3) of the Internal Revenue Code of 1986 that is located in a city of the first class, was organized as a community development organization to promote health, safety and welfare of the residents, businesses and institutions of a neighborhood of a city of the first class, and whose works include public promotions, neighborhood improvement projects and commercial corridor improvements, including a business improvement district. [47 P.S. § 1-102] (emphasis added).</p>

Wine and Spirits Auction Permits

Act 116 added the following two organizations as entities eligible to hold a wine and spirits auction permit:

- any nonprofit organization as defined in section 501(c)(3) of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3)) and that is registered with the Pennsylvania Bureau of Corporations and Charitable Organizations of the Department of State, recognized as a community-based voluntary organization committed to fighting cancer and has been in existence for at least five years. [47 P.S. 4-408.12(13)].
- any community-based voluntary health organization in a county of the second class which enriches the lives of children and young adults with disabilities and chronic illnesses. [47 P.S. 4-408.12(14)].