



**ADVISORY NOTICE NO. 27**  
**(2<sup>nd</sup> Revision, In Effect Until December 31, 2021)**

**TEMPORARY MEASURES REGARDING FEES, RENEWALS AND SAFEKEEPING  
DURING THE COVID-19 EMERGENCY DECLARATION  
AND ACT 29 IMPLEMENTATION**

**October 28, 2020**

**TO: All License Holders**

On March 6, 2020 Governor Wolf declared a disaster emergency as a result of the COVID-19 health epidemic<sup>1</sup> as authorized by the Emergency Management Services Code, 35 Pa. C.S. §7301. Under the original series of declarations, retail licensees could not sell food or alcohol for on premises consumption. Since then, licensees have been able to engage in many but not all of the activities that they engaged in prior to the emergency declarations. **Section 7308 of that same statute authorizes commonwealth agencies to waive certain statutory enactments during times of emergency so long as doing so does not violate a constitutional requirement.**

As a result of the Covid-19 emergency, the Board, beginning in March, took certain steps to help the licensed community. These steps included waiving the safekeeping requirements for licensees who were no longer able to offer on-premise consumption of food on their premises, waiving certain late fees associated with the filing of applications and implementing a fast track procedure to process applications for temporary extensions of licensed areas to include outside service areas. The Legislature has also attempted to help the licensed community by passing Act 29 which eliminated the \$700 yearly surcharge for certain licensees.

The purpose of this temporary Advisory Notice is to provide guidance on these issues while the COVID-19 emergency declaration remains in effect.

**Bringing Licenses into Compliance**

In March 2020, the Board decided to extend operating authority to those licensees whose licenses were expiring even if the licensee had not formally filed a renewal, application. On September 2, 2020, the Board decided to continue this policy until at least November 30, 2020.

As the end of the calendar year approaches, however, the number of Pennsylvanians with COVID-19 is increasing. Further, this informal process has been used by some but not most licensees since then, resulting in inequities between those who renewed their

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<sup>1</sup> The Pennsylvania Supreme Court recently ruled that the state of emergency remains in effect.

licenses (and paid the appropriate fees) and those that did not. Continuing this informal practice – which was started in part because the Board simply could not process applications – will lead to increased inequities between licensees and will make it harder for the Board to make sure that licensees are complying with the law.

**Therefore, all licensees have until December 31, 2020, to file all documents and fees necessary to bring their licenses up to date. The only exception will be that licensees will not need to file to extend their safekeeping period, as set forth below.**

### **License Renewals, Validation and Accompanying Fees**

In addition, and at the request of the Governor, the Board has decided to take a proactive approach to help those portions of the licensed community most affected by the limitations on on-premise gatherings that have been imposed and must continue to be imposed, in order to combat this health emergency.

Section 614-(A) of the Administrative Code of 1929 authorizes the Board to charge specific application, renewal and license fees to holders of specific licenses. Although unusual, the Board is aware of at least two instances in which agencies have declined to impose fees that were authorized by other provisions of the Administrative Code.

The Board believes that declining to impose fees on those licenses most affected by the COVID-19 restrictions – restaurant, retail dispenser, club, catering club and hotel licenses – is appropriate. Therefore, the Board will not require the current holders of the aforementioned licenses to pay any fees authorized by the Administrative Code during 2021. **The fees that will not be collected include the filing fee, renewal fee, validation fee, license fee, amusement permit fee, Sunday sales fee and extended hours food license fee. The initial and renewal fee for wine expanded permits – the latter of which is based on sales – will continue to be collected. Similarly, the fee to change ownership and/or location of a license as well as the application for a new license will be collected. The fees not found in the Administrative Code – such as fees for a change of officers – will continue to be collected (except for the \$700 surcharge and the safekeeping fees). The fees for other license holders who were less affected by COVID-19 restrictions – including but not limited to manufacturers, beer distributors, direct wine shippers and transporters-for-hire – will continue to be collected.**

Further, consistent with its decision to not charge certain fees to those licensees most affected by COVID-19 mitigation efforts, the Board will not charge the \$700 surcharge to holders of restaurant, retail dispenser, club, catering club or hotel licenses when those licenses are scheduled for renewal or validation during 2021.

## **Placing Licenses in Safekeeping**

In March 2020, the Board indicated to licensees that they no longer needed to put their license in safekeeping as otherwise required under section 474 and section 474.1 of the Liquor Code even if, as a result of the COVID-19 emergency, they were no longer operating. On September 2, 2020, the Board decided to continue this policy until at least November 30, 2020. In order to ensure equitable oversight over the licensed community, the Board will, effective December 1, 2020, require licensees to place their licenses in safekeeping if such is mandated by either section 474 or section 474.1 of the Liquor Code. As a reminder, there is no fee associated with placing a license in safekeeping.

## **Licenses Already in Safekeeping**

For those licenses already in safekeeping, other than clubs and catering clubs, there is a yearly fee required to extend the safekeeping period beyond two years. The two-year clock begins when the license is placed in safekeeping. For those licenses placed in safekeeping prior to or during the COVID-19 emergency declaration, the Board will not consider the time when the COVID-19 emergency declaration is in effect when calculating how long a license has been in safekeeping. In other words, if the COVID-19 emergency declaration ultimately last 10 months, then those 10 months will not be considered when calculating how long the license has been in safekeeping.

For example, if a license was placed in safekeeping in April 17, 2019 and the COVID-19 emergency declaration – which began on March 6, 2020 – last 10 months, then the two year safekeeping period will be deemed to have expired on February 16, 2022, not April 16, 2021.

Clubs and catering club licenses in safekeeping are automatically revoked after two years has elapsed. Again, for those licenses placed in safekeeping prior to or during the COVID-19 emergency declaration, the Board will not consider the time when the COVID-19 emergency declaration is in effect when calculating how long a license has been in safekeeping. For example, if a club license was placed in safekeeping in April 17, 2019 and the COVID-19 emergency declaration – which began on March 6, 2020 – last 10 months, then the two year safekeeping period will be deemed to have expired on February 16, 2022, not April 16, 2021.

## **Late Fees**

Section 470 of the Liquor Code requires a late fee of \$100 for every renewal or validation application that is not submitted at least 60 days prior to the expiration of the existing license. The late fee increases to \$250 if the renewal or validation application is not submitted by the time the current license expires.

The Board had previously announced to licensees that it would no longer be charging late fees. On September 2, 2020, the Board extended this policy until November 30, 2020. **However, and consistent with its decision to require licensees to bring their licenses up-to-date, the Board will impose late fees on those license renewals and validations that are due in 2021.**

Any issues not covered by this Advisory Notice may be resolved by writing to the Office of Chief Counsel, [ra-lblegal@pa.gov](mailto:ra-lblegal@pa.gov).

**BY ORDER OF:  
PENNSYLVANIA LIQUOR CONTROL BOARD**

A handwritten signature in black ink that reads "John K. Stark". The signature is written in a cursive style and is positioned over a faint, light-colored background that appears to be a map of Pennsylvania.

JOHN K. STARK  
Secretary to the Board