

Regulatory Analysis Form		This space for use by IRRC RECEIVED	
(1) Agency Pennsylvania Liquor Control Board		1999 NOV -8 PM 1:08 KCG INDEPENDENT REGULATORY REVIEW COMMISSION	
(2) I.D. Number (Governor's Office Use) 054-56		Bush IRRC Number: 2076	
(3) Short Title Vendor Registration and New Year's Eve Meal Package			
(4) PA Code Cite 40 Pa. Code		(5) Agency Contacts & Telephone Numbers Primary Contact: Jerry Danyluk (717) 705-2119 Secondary Contact: Danielle Peyakovich (717) 705-6040	
(6) Type of Rulemaking (check one) Proposed Rulemaking Final Order Adopting Regulation Final Order, Proposed Rulemaking Omitted <input checked="" type="checkbox"/>		(7) Is a 120-Day Emergency Certification Attached? No <input checked="" type="checkbox"/> Yes: By the Attorney General Yes: By the Governor	
(8) Briefly explain the regulation in clear and nontechnical language. <ul style="list-style-type: none"> • This regulation eliminates the registration of and issuance of identification cards to vendors' agents. • Hotels would be permitted to offer an open bar with a meal package to their overnight guests on New Year's Eve, 1999. 			
(9) State the statutory authority for the regulation and any relevant state or federal court decisions. Pennsylvania Liquor Code, section 207(i) [47 P.S. § 2-207(i)].			

Regulatory Analysis Form

(10) Is the regulation mandated by any federal or state law or court order, or federal regulation? If yes, cite the specific law, case or regulation, and any deadlines for action.

The regulation is not mandated by law, regulation or court order.

(11) Explain the compelling public interest that justifies the regulation. What is the problem it Addresses?

The regulation eliminates unnecessary licensing procedures for promotional/sales agents.

Hotel licensees would be permitted to offer an open bar with a meal package to registered overnight guests of their hotels on December 31, 1999.

(12) State the public health, safety, environmental or general welfare risks associated with nonregulation.

No public health, safety, environmental or general welfare risks are associated with nonregulation.

(13) Describe who will benefit from the regulation. (Quantify the benefits as completely as possible and approximate the number of people who will benefit.)

The regulation will benefit the approximately 330 promotional/sales agents licensed in Pennsylvania.

Hotel licensees will be able to compete for business during the millenium celebration with their out-of-state counterparts while limiting the meal package with an open bar to overnight guests of their hotels.

Regulatory Analysis Form

(14) Describe who will be adversely affected by the regulation. (Quantify the adverse effects as completely as possible and approximate the number of people who will be adversely affected.)

This regulation will have no adverse affects. Any additional risk associated with an unlimited or indefinite amount of alcohol beverages served by hotels with meal packages on December 31, 1999, should be ameliorated by the offering only being made to registered overnight guests of the hotel on one date and the liability, both civil and criminal, imposed by the Liquor Code for sales to visibly intoxicated persons [47 P.S. §4-493.1].

(15) List the persons, groups or entities that will be required to comply with the regulation. (Approximate the number of people who will be required to comply.)

The regulation will affect approximately 330 vendors' agents by eliminating a licensing requirement.

(16) Describe the communications with and input from the public in the development and drafting of the regulation. List the persons and/or groups who were involved, if applicable.

The open bar with a New Year's Eve package was initiated by the Pennsylvania Travel Council who claimed that the lack of this type of promotion put Pennsylvania hotels at a disadvantage with out-of-state hotels. The Pennsylvania Restaurant Association and the Licensed Beverage Association were also contacted for their input.

The elimination of registration and identification cards for vendors' agents came about as a result of discussions with vendors representing the Pennsylvania Wine & Spirits Association.

(17) Provide a specific estimate of the costs and/or savings to the regulated community associated with compliance, including any legal, accounting or consulting procedures which may be required.

The savings to vendors will be approximately \$21,450 in registration fees and whatever additional costs were borne for complying with the photograph and application requirements.

Regulatory Analysis Form

(18) Provide a specific estimate of the costs and/or savings to local governments associated with compliance, including any legal, accounting or consulting procedures which may be required.

Local governments will not be affected by this regulation.

(19) Provide a specific estimate of the costs and/or savings to state government associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required.

The regulation will not impose costs upon state government. The registration fees of vendors' agents did not cover the costs associated with the processing of the applications and issuance of identification costs; therefore, some savings will be realized.

Regulatory Analysis Form

(20) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
SAVINGS:	\$ N/A	\$	\$	\$	\$	\$
Regulated						
Local Government						
State Government						
Total Savings						
COSTS:	N/A					
Regulated						
Local Government						
State Government						
Total Costs						
REVENUE LOSSES:	N/A					
Regulated						
Local Government						
State Government						
Total Revenue Losses						

(20a) Explain how the cost estimates listed above were derived.

This caption is not applicable to this regulation.

Regulatory Analysis Form

(20b) Provide the past three year expenditure history for programs affected by the regulation.

Program	FY -3	FY -2	FY -1	Current FY
	N/A			

(21) Using the cost-benefit information provided above, explain how the benefits of the regulation outweigh the adverse effects and costs.

No adverse effects are associated with this regulation.

(22) Describe the nonregulatory alternatives considered and the costs associated with those alternatives. Provide the reasons for their dismissal.

Nonregulatory alternatives were not considered.

(23) Describe alternative regulatory schemes considered and the costs associated with those schemes. Provide the reasons for their dismissal.

Alternative regulatory schemes were not considered.

Regulatory Analysis Form

(24) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulation.

No provisions associated with these regulatory amendments are more stringent than federal standards.

(25) How does this regulation compare with those of other states? Will the regulation put Pennsylvania at a competitive disadvantage with other states?

This regulation will not put Pennsylvania at a competitive disadvantage with other states.

According to the Pennsylvania Travel Council, re-instituting the meal package provision for hotels on New Year's Eve 1999 will make them competitive with out-of-state hotels.

(26) Will the regulation affect existing or proposed regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

The regulation will not affect existing or proposed regulations of the promulgating agency or other state agencies.

(27) Will any public hearings or informational meetings be scheduled? Please provide the dates, times, and locations, if available.

No public hearings or informational meetings will be scheduled regarding this regulation.

Regulatory Analysis Form

(28) Will the regulation change existing reporting, record keeping, or other paperwork requirements? Describe the changes and attach copies of forms or reports which will be required as a result of implementation, if available.

The regulation will lessen paperwork by eliminating vendor agent registration and the issuance of identification cards.

(29) Please list any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, elderly, small businesses, and farmers.

No special provisions were warranted.

(30) What is the anticipated effective date of the regulation; the date by which compliance with the regulation will be required; and the date by which any required permits, licenses or other approvals must be obtained?

The regulation will become effective upon its publication in the Pennsylvania Bulletin.

(31) Provide the schedule for continual review of the regulation.

Review of the regulations is ongoing and any changes to the regulation will be through the rulemaking process.

CDL-1

FACE SHEET
FOR FILING DOCUMENTS
WITH THE LEGISLATIVE REFERENCE BUREAU

(Pursuant to Commonwealth Documents Law)

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INDEPENDENT REGULATORY
REVIEW COMMISSION

DO NOT WRITE IN THIS SPACE

#2076

Copy below is hereby approved
as to form and legality. Attorney General

BY _____
(DEPUTY ATTORNEY GENERAL)

DATE OF APPROVAL

Check if applicable
Copy not approved. Objections
attached.

Copy below is hereby certified to
be a true and correct copy of a
document issued, prescribed or
promulgated by:

Pennsylvania Liquor Control Board
(AGENCY)

DOCUMENT/FISCAL NOTE
NO. 054-56

DATE OF ADOPTION: 11/8/99

BY: 

TITLE: Chairman
(Executive Officer, Chairman or
Secretary)

Copy below is hereby approved
as to form and legality. Executive
or Independent Agencies:

BY: Fritz S. Diehl

DATE OF APPROVAL

XXXXXXXXXXXXXXXXXXXXXXXXXXXX
(Chief Counsel, Independent
Agency)
(Strike inapplicable title)

Check if applicable. No
Attorney General approval or
objection within 30 days after
submission.

NOTICE OF PROPOSED RULEMAKING
PENNSYLVANIA LIQUOR CONTROL BOARD
TITLE 40 PA CODE - PENNSYLVANIA LIQUOR CONTROL BOARD REGULATIONS

CHAPTER 3. LICENSE APPLICATIONS

Subchapter D. PHOTOGRAPHS AND CRIMINAL HISTORY RECORD INFORMATION CHECKS

Sec. 3.31. Personal photographs.

Sec. 3.33. Renewal of photographs.

Subchapter G. LIMITED WINERY LICENSES

Sec. 3.63. Agents.

Subchapter H. LICENSED DISTILLERIES OF HISTORICAL SIGNIFICANCE

Sec. 3.73. Agents.

CHAPTER 11. PURCHASES AND SALES

Sec. 11.91. Employment of agents.

Sec. 11.92. Identification cards.

CHAPTER 13. PROMOTION

Subchapter B. PROMOTION OF SALE OF LIQUOR BY VENDORS

Sec. 13.71. Definitions.

Sec. 13.72. Registration of agents.

Sec. 13.73. Privileges of vendors' agents.

Sec. 13.74. Identification cards.

Sec. 13.75. Refusal and cancellation of registrations.

Sec. 13.77. Agents' order books.

Sec. 13.78. Special orders: requirements and conditions.

Sec. 13.79. Special orders: restrictions.

Sec. 13.81. Samples of liquor.

Sec. 13.86. Agency provisions.

Sec. 13.87. Records.

Subchapter C. SOLICITATION FOR THE PURCHASE OF ALCOHOLIC BEVERAGES

Sec. 13.102. Discount pricing practices.

Title 40---LIQUOR
LIQUOR CONTROL BOARD
[40 PA. CODE CHS. 3, 11 and 13]

The Liquor Control Board (Board) amends Chapter 3, §§3.31, 3.33, 3.63, 3.73, Chapter 11, §§11.91, 11.92, and Chapter 13, §§13.71-13.75, 13.77-13.79, 13.81, 13.86, 13.87, relating to registration of vendors' agents and 13.102 relating to discount pricing practices as set forth in Annex A.

The Board no longer has any need to register agents of vendors. The practice of registration and subsequent issuance of photo-identification to vendors' agents is cumbersome to the Board as well as the vendors and their agents. Permitting hotels to offer an open bar to registered overnight guests of their hotel after 7 a.m. on December 31, 1999 until 2 a.m. the following day codifies a policy the Board desires to implement for hotel licensees. The Board realizes that time is of the essence and intends to notify all hotel licensees prior to publication of this final-omitted rulemaking in the *Pennsylvania Bulletin*.

Notice of proposed rulemaking is omitted under section 204(1) of the act of July 31, 1968 (CDL) (P.L.769, No.240) (45 P.S. §1204(1)) since these regulatory amendments are related to agency practice and procedure and all affected licensees have been notified of these regulatory changes.

Fiscal Impact

These regulatory changes will impose no new costs upon vendors' agents, hotel licensees, the Board or the public. Elimination of vendor registration and issuance of photo-identification will be a cost savings to the Board as well as its vendors.

Paperwork Requirements

These amendments will impose additional paperwork requirements.

Statutory Authority

The authority for these amendments is section 207 (i) of the Liquor Code (47 P.S. § 2-207 (i)).

Contact Person

Anyone requiring an explanation of these amendments or information related thereto, should contact Jerry Danyluk, Room 513, Northwest Office Building, Harrisburg, PA 17124-0001.

Regulatory Review

Under section 5(f) of the Regulatory Review Act (71 P.S. § 745.5(f)), on November 5, 1999, the Board submitted copies of these amendments with proposed rulemaking omitted to the Independent Regulatory Review Commission (IRRC) and to the Chairpersons of the House Committee on Liquor Control, and Senate Committee on Law and Justice. On the same date, the amendments were submitted to the Office of Attorney General for review and approval under the Commonwealth Attorneys Act (71 P.S. §§ 732-101--732-506). In accordance with section 5(c) of the Regulatory Review Act, these amendments were (deemed) approved by the House Liquor Control Committee on _____ 1999, (deemed) approved by the Senate Law and Justice Committee on _____ 1999, and approved by IRRC on _____ 1999.

Findings

The Board finds that:

(1) The notice of proposed rulemaking is omitted under the authority of section 204(1) of the CDL since these regulatory amendments relate to Board policy, practice and procedure and all affected parties have been notified.

(2) The amendment of the Board's regulations in this order is necessary and appropriate for the administration and enforcement of the authorizing statutes.

Order

The Board acting under the enabling statute orders that:

(a) The regulations of the Board, 40 Pa. Code Chapter 3, §§3.31, 3.33, 3.63, 3.73, Chapter 11, §§ 11.91, 11.92, and Chapter 13, §§ 13.71-13.75, 13.77-13.79, 13.81, 13.86, 13.87, relating to registration of vendors' agents and 13.102 relating to discount pricing practices are amended to read as set forth in Annex A.

(b) The Board shall submit this order and Annex A to the Office of Attorney General for approval as to form and legality as required by law.

(c) The Board shall certify this order and Annex A and deposit them with the Legislative Reference Bureau as required by law.

(d) That this order shall take effect upon publication in the ***Pennsylvania Bulletin***.

JOHN E. JONES, III,
Chairperson

ANNEX A

CHAPTER 3. LICENSE APPLICATIONS Subchapter D. PHOTOGRAPHS AND CRIMINAL HISTORY RECORD INFORMATION CHECKS

PHOTOGRAPHS

Sec. 3.31. Personal photographs.

- (a) A photograph shall be furnished to the Board's representative by the following:

[(3) Applicants for registration as promotional/sales agents. (Two photographs are required.)]

* * * *

Sec. 3.33. [Renewal of photographs] Reserved.

[Personal photographs of registered agents shall be renewed every year. New photographs, as required in Sec. 3.31 (relating to personal photographs), shall be filed with each application for renewal of the registration of agents.]

Subchapter G. LIMITED WINERY LICENSES

Sec. 3.63. Agents

[(a) *Registration.* It is unlawful for a] A limited winery licensee [to] may employ individuals to solicit orders, off the licensed premises, for wine produced by it or to promote the sale of the wines off the premises[, unless each individual has been registered with the Board in accordance with this subsection]. [Every application for registration shall be made upon forms provided by the Board and shall set forth the name and address of the limited winery licensee and the name and home address of the agent and additional information required. The form shall be filed by both the limited winery licensee and the agent employed. Two photographs of the agent, exactly 1 1/2-inch square in size, taken within 30 days, shall also be submitted. Every application shall be accompanied by \$65 for each agent to be registered. A retail licensee or his agents, servants or employees may not be registered as an agent under the terms of this section. The Board may refuse to register an agent.]

[(b) *Identification cards.* Upon approval of the Board of an application for registration of an agent by a licensee, there will be issued to the authorized agent an identification card containing the name and address of the licensee and the name and address and physical description of the agent. There will be affixed to the identification card a photograph of the agent. An identification card is not valid until signed by the agent and countersigned by a representative of the Board.]

[(c) *Privileges.*] Agents [properly registered by a limited winery licensee and holding identification cards] may advertise and promote the sale of merchandise by “missionary work” of only brands sold by the limited winery licensee by whom the agents are registered and may solicit orders from licensees and make deliveries in properly registered vehicles.

Subchapter H. LICENSED DISTILLERIES OF HISTORICAL SIGNIFICANCE

Sec. 3.73. Agents.

(a) *Registration.* It is unlawful for a licensed distillery of historical significance to employ individuals to solicit orders for liquor produced by it or to promote the sale of the liquors unless each individual has been registered with the Board in accordance with this subsection. Application for registration shall be made upon forms provided by the Board and shall set forth the name and address of the licensed distillery of historical significance and the name and home address of the agent and additional information required. The form shall be filed by both the licensed distillery of historical significance and the agent employed. Two photographs of the agent, exactly 1 1/2-inch square in size, taken within 30 days, shall also be submitted. Every application shall be accompanied by \$65 for each agent to be registered. A retail licensee or his agents, servants or employees may not be registered as an agent under the terms of this subsection. The Board may refuse to register an agent.

(b) *Identification cards.* Upon approval of the Board of an application for registration of an agent by a licensee, there will be issued to the authorized agent an identification card containing the name and address of the licensee and the name and address and physical description of the agent. There will be affixed to the identification card a photograph of the agent. An identification card is not valid until signed by the agent and countersigned by a representative of the Board.

(c) *Privileges.*] Agents [properly registered by a licensed distillery of historical significance and holding identification cards] may advertise and promote the sale of merchandise of brands sold by the licensed distillery of historical significance by whom the agents are [registered] **employed.**

Subchapter C. WINES

AGENTS OF SACRAMENTAL WINE LICENSEES

Sec. 11.91. [Registration] Employment of agents.

[It is unlawful for a] **A** sacramental wine licensee [to] **may** employ individuals to solicit orders for sacramental wines or to promote the sale of the wines [unless the individual has been registered with the Board by the licensee. The application shall be made upon forms provided by the Board and shall include the name and address of the sacramental wine licensee, the name and home address of the agent and additional information required. The form shall be signed by both parties. Two photographs of the agent, each exactly 1 1/2 inch square in size, taken within 30 days, shall also be submitted. The application shall be accompanied by a remittance of \$65 for each agent to be registered. The Board may refuse to register an agent].

Sec. 11.92. [Identification cards.] Reserved.

[Upon approval by the Board of the application of the licensee for registration of agents, authorized agents will be issued identification cards containing the name and address of the licensee, and the name and address and

physical description of the agent. There will be affixed to the identification card a photograph of the agent. An identification card is not valid until signed by the agent and countersigned by a representative of the Board.]

Subchapter B. PROMOTION OF SALE OF LIQUOR BY VENDORS

Sec. 13.71. Definitions.

The following words and terms, when used in this subchapter, have the following meanings, unless the context clearly indicates otherwise:

Agent — An individual employed [and registered] by a licensed vendor, to promote the sale of liquor through State Liquor Stores. A person who is a licensee or the holder of a Malt or Brewed Beverage License, or an officer, director, agent or employe of either a licensee or such a licensee, or who is not at least 21 years of age, [a citizen of the United States] and of good character, is not eligible to be [registered as] an agent of a vendor under this subchapter.

* * * *

Vendor's permit — A permit issued to a nonresident vendor under section 208(j) of the Liquor Code (47 P.S. § 2-208(j))[, entitling the vendor to register agents in accordance with this subchapter]. An application for the permit shall be filed with the Board accompanied by proper fees in accordance with section 614-A of The Administrative Code of 1929 (71 P.S. § 240.14A) [, and an approved corporate surety bond in the penal sum of \$2,000]. A permit will be issued for the calendar year only.

Sec. 13.72. [Registration of agents.] Reserved.

(a) *Requirement.* A vendor may not employ, or an individual may not act as, an agent, salesman or solicitor to promote the sale of the products of the vendor in this Commonwealth, unless the persons are registered with the Board and issued identification cards in accordance with this subchapter.

(b) *Applications.*

(1) A vendor who desires to employ agents to promote the sale of liquor through State Liquor Stores or on special order shall be the holder of a valid Manufacturer or Importer Liquor License or a vendor's permit. The licensed vendor is eligible to register agents in accordance with this section. The licensed vendor shall make application for the registration of agents on the form provided by the Board.

(2) The application shall include the full address of the place where complete records of Commonwealth operations of the vendor are maintained. Resident manufacturers or importers shall maintain records within this Commonwealth. When the holder of a vendor's permit maintains records outside of this Commonwealth, the application shall include an agreement that the records are open to inspection and audit by representatives of the Board during normal business hours, and that the transportation and traveling expenses of the representatives will be paid by the vendor.

(3) With the application of each vendor, there shall be a Statement of Agent for each agent for whom registration is sought on the form provided by the Board. Accompanying the Statement of Agent there shall be two unmounted photographs of each agent, 1 1/2 inch square, taken within 30 days of the date of filing.

(c) *Filing fee.* In registering a new agent, a vendor shall pay a filing fee of \$65. If the application for registration is denied, the filing fee will be retained by the Board. Registrations expire on December 31 of the year in which they become effective.

(d) *Renewal of registration.* The registration of agent may be renewed for 1 calendar year upon the filing by the licensed vendor of an application for renewal and the payment of the filing fee of \$65. A Statement of Agent for each agent to be registered shall also accompany the application, as shall new photographs of each agent, 1 1/2 inch square, taken within 30 days of the filing of the application. Necessary application materials shall be filed with the Board by December 1 of each year.]

Sec. 13.73. Privileges of [registered] vendors' agents.

(a) Agents [properly registered, as provided in § 13.72 (relating to registration of agents), and holding identification cards, as described in § 13.74 (relating to identification cards),] may advertise and promote the sale of stock merchandise by "missionary work" of only those brands sold to the Board by the vendor by whom the agents are registered. Such work may include the use of the "Agents Order" form approved by the Board.

* * * *

(c) Agents may solicit from licensees or other persons, orders for those brands of liquor which have been listed with the Special Liquor Purchase Division by the vendors by whom [said] the agents are registered. All special orders obtained by [registered] vendors' agents shall be filed with one of the State Liquor Stores as required in this subchapter.

Sec. 13.74. [Identification cards.] Reserved.

[(a) No vendor may personally solicit orders or promote the sale of his products unless he has submitted photographs of himself and has been issued an identification card, as required for registered agents in subsection (b). No application, bond or fee is required for the card.

(b) Upon approval by the Board of the application of a licensed vendor for the registration of agents, there will be issued to such authorized agents identification cards containing the name and address of the licensed vendor and the name and physical description of the agent. There will be affixed to the card a photograph of the agent, and such card will be countersigned by a representative of the Board. If mailed, the identification card will be mailed to the licensed vendor for delivery to the agent. The agent shall return the identification card to the licensed vendor upon request.

(c) Where the employment of an agent is terminated, the vendor shall immediately notify the Board on the form provided for cancellation and the identification card issued to the agent shall be surrendered to the Board.]

Sec. 13.75. [Refusal and cancellation of registrations.] Reserved.

[The Board may refuse any application for the registration of an agent. A licensed vendor may request the cancellation of the registration of any of his agents by returning the identification card and order books—or notice of transfer of books—issued to the agent, together with a written request of such cancellation. Forms will be

furnished upon request by the Bureau of Licensing, Pennsylvania Liquor Control Board, Harrisburg, Pennsylvania 17124. The Board may cancel the registration so requested.]

Sec. 13.77. Agents' order books.

(a) [Upon approval of the application of the licensed vendor for registration and the issuance of identification cards to registered agents,] [t]The Board, upon request, will issue order books to vendors for themselves and their [registered] agents, in which each special order for liquors shall be entered. Each order shall be prepared in quadruplicate and bear the signature and address of the person from whom it is obtained, and the signature of the agent. In the case of a licensee, the order shall include the license number. The original order shall be forwarded to a State Liquor Store not later than the business day after such order is obtained. One copy of the order shall be furnished by the licensed vendor or his [registered] agent to the person from whom the order is obtained and one copy shall be retained by the vendor for his records; and the other copy shall remain in the order book. The Board reserves the right to examine the records of any licensed vendor or his agents.

* * * *

Sec. 13.78. Special orders: requirements and conditions.

(a) All orders obtained in accordance with this subchapter and presented by licensed vendors or their [registered] agents to State Liquor Stores for licensees shall be filed at the established wholesale case prices prescribed by the Board for sales to licensees. [Such] The wholesale prices apply only [where] when the retail value of the order equals or exceeds the minimum retail value established by the Board.

(b) All orders presented at State Liquor Stores by [registered] agents on behalf of persons other than licensees shall be at the established retail special liquor order prices. No order may be taken for less than case quantities.

(c) A licensed vendor or his [registered] agents may not obtain an order from either a licensee or other person unless there is obtained at the same time a sum not less than the amount required by the Board for deposit on special order sales under the Liquor Code. State Liquor Stores may, at the time of receiving the order or releasing the liquor to the purchaser, accept the checks of licensees in payment.

(d) A licensed vendor or his [registered] agent [shall] may not extend credit to a licensee or any other person.

Sec. 13.79. Special orders: restrictions.

(a) Licensed vendors and their [registered] agents shall place special orders for liquor at State Liquor Stores on the prescribed order book forms signed by the licensee or his duly authorized agent, or in the case of a retail sale, by the customer.

* * * *

(d) Special orders placed by a licensed vendor or his [registered] agent for a retail customer may be released by the State Liquor Store for delivery to such customer.

Sec. 13.81. Samples of liquor.

(a) Each [registered] agent of a licensed vendor may not use more than one case of each brand of liquor sold by such vendor as samples during any calendar month. [Such] The samples shall be purchased only through the Board, at a sum equal to the cost price to the Board plus 25% and any required taxes. The purchase of samples at retail in any State Store is prohibited. A separate order for samples shall be placed for each [registered] agent, and the name of [such] the agent shall appear on the order. The vendor (or his authorized supervisor) may be permitted to purchase and distribute to his [registered] agents the prescribed allotment for all [such] agents under his supervision. The vendor shall, upon request, file with the Board a statement giving the name of his authorized supervisor, together with the territories and names of all [registered] agents under his supervision.

* * * *

(d) Each licensed vendor shall keep a permanent stock ledger record of all the samples purchased by him, the names of the agents to whom samples were issued, and the quantity and brand. Each authorized supervisor of a vendor shall keep in his office in this Commonwealth a permanent stock ledger record of all samples purchased and distributed by him to his [registered] agents as provided in this section. A requisition shall be prepared for each package removed from sample stock, bearing the signature of the agent receiving [such] the merchandise.

Sec. 13.86. Agency provisions.

Licensed vendors and their [registered] agents shall, except as otherwise restricted in this title, be considered the agents of the persons from whom they obtain special liquor orders. Neither the Commonwealth nor the Board will be responsible for the proper disposition of any monies collected from a licensee or other person by a licensed vendor or his agents, and under no circumstances will the Commonwealth or the Board be responsible for any actions of a licensed vendor or his agents.

Sec. 13.87. Records.

(a) Every licensed vendor shall maintain and keep complete records of all operations in this Commonwealth for [a period of] 2 years, which shall be open to inspection by authorized representatives of the Board during normal business hours. [Such] These records shall include salaries or commissions of all [registered] agents and other employes working in this Commonwealth, expenses of [such] the employes supported by detailed vouchers, all promotional and advertising expenditures, special order sales, and stock merchandise requests.

(b) All agents of vendors operating in this Commonwealth[, whether licensed or not,] shall maintain complete records covering their operations in this Commonwealth [which]. The records shall also be open to inspection by authorized representatives of the Board during normal business hours.

SUBCHAPTER C. SOLICITATION FOR THE PURCHASE OF ALCOHOLIC BEVERAGES

Sec. 13.102. Discount pricing practices.

* * * *

(b) Exceptions. Nothing in subsection (a) prohibits:

(3) The sale, serving, or offering of an unlimited or indefinite amount of alcoholic beverages as part of a meal package after 7 a.m. on December 31, 1999 until 2 a.m. on the following day by a hotel licensee to registered overnight guests of the hotel.

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA LIQUOR CONTROL BOARD
HARRISBURG, PENNSYLVANIA 17124-0001

JOHN D.W. REILEY
BOARD SECRETARY

November 8, 1999

(717) 787-5867

Mr. Robert Nyce
INDEPENDENT REGULATORY REVIEW COMMISSION
14th Floor, Harristown 2
333 Market Street
Harrisburg, PA 17101

Dear Mr. Nyce:

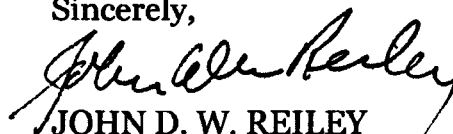
Enclosed for review by the Independent Regulatory Review Commission, in compliance with Section 5 of the Regulatory Review Act [71 P.S. §745.5] is Regulation 54-56 for which notice of proposed rulemaking is omitted.

This rulemaking relates to Liquor Control Board policy and procedure regarding the registration and issuance of photo-identification to sales agents of liquor vendors. The Board finds this practice to be unnecessary for the conduct of business in today's marketplace. Vendors have been notified that the Board will hold their applications for registration and return the applications and fees without processing them. This will fulfill the present requirement that vendors file applications with the Board. This requirement will be eliminated by this rulemaking.

This rulemaking will also permit hotels to offer an open bar as part of a meal package to registered overnight guests of their hotels on December 31, 1999. The Pennsylvania Travel Council, who represents the hotel industry, requested permission to make this offer. The Board has agreed and will notify hotel licensees of the implementation of this regulation for the millenium celebration.

This agency will provide any assistance you may require regarding this regulation.

Sincerely,


JOHN D. W. REILEY

**TRANSMITTAL SHEET FOR REGULATIONS SUBJECT
TO THE
REGULATORY REVIEW ACT**

RECEIVED
1999 NOV -8 PM 1:08 KCG
INDEPENDENT REGULATORY
REVIEW COMMISSION

I.D. NUMBER: 054-56

SUBJECT: Vendor Registration and New Year's Eve Meal Package

AGENCY: Pennsylvania Liquor Control Board

TYPE OF REGULATION

- Proposed Regulation
- Final Regulation
- Final Regulation with Notice of Proposed Rulemaking Omitted
- 120-day Emergency Certification of the Attorney General
- 120-day Emergency Certification of the Governor

FILING OF REGULATION

<u>DATE</u>	<u>SIGNATURE</u>	<u>DESIGNATION</u>
11-8-99	<u>[Signature]</u>	HOUSE COMMITTEE ON LIQUOR CONTROL (Majority)
11-8-99	<u>[Signature]</u>	(Minority)
11-8-99	<u>[Signature]</u>	SENATE COMMITTEE ON LAW & JUSTICE (Majority)
11/8/99	<u>[Signature]</u>	(Minority)
11/8/99	<u>[Signature]</u>	INDEPENDENT REGULATORY REVIEW COMMISSION
11-8-99	<u>[Signature]</u>	ATTORNEY GENERAL
		LEGISLATIVE REFERENCE BUREAU

IRRE