

Regulatory Analysis Form

(Completed by Promulgating Agency)

INDEPENDENT REGULATORY
REVIEW COMMISSION

(All Comments submitted on this regulation will appear on IRRRC's website)

(1) Agency
Pennsylvania Liquor Control Board

(2) Agency Number: 054

Identification Number: 69

IRRC Number: 3094

(3) PA Code Cite: 40 Pa. Code § 1.1,
40 Pa. Code § 13.102

(4) Short Title: Discount Pricing Practices

(5) Agency Contacts (List Telephone Number and Email Address):

Primary Contact: Norina K. Blynn, Assistant Counsel
Pennsylvania Liquor Control Board
401 Northwest Office Building
Harrisburg, PA 17124
Telephone: (717) 783-9454; E-mail: ra-lblegal@pa.gov; Fax (717)787-8820

Secondary Contact: Rodrigo J. Diaz, Executive Deputy Chief Counsel
(Same contact information)

(6) Type of Rulemaking (check applicable box):

Proposed Regulation

Final Regulation

Final Omitted Regulation

Emergency Certification Regulation;

Certification by the Governor

Certification by the Attorney General

(7) Briefly explain the regulation in clear and nontechnical language. (100 words or less)

Act 11 and Act 113 of 2011 were legislative efforts to amend the discount pricing practices in effect for retail licensees. The amended regulation would harmonize the Board's Regulations with the Liquor Code. Specifically, the amended regulation will update the number of hours prices may be discounted, and note that the discount may be for non-consecutive time periods. The amended regulation also requires a licensee to post a notice of its discounting periods at least seven (7) days prior to their occurrence.

(8) State the statutory authority for the regulation. Include specific statutory citation.

Pennsylvania Liquor Code, section 207(i) [47 P.S. § 2-207(i)].

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(9) Is the regulation mandated by any federal or state law or court order, or federal regulation? Are there any relevant state or federal court decisions? If yes, cite the specific law, case or regulation as well as, any deadlines for action.

The regulation is not mandated by federal law or court order, or federal regulation. There are no relevant state or federal court decisions. However, Acts 11 and 113 of 2011 have superseded portions of the relevant regulation, which is why it is being amended.

(10) State why the regulation is needed. Explain the compelling public interest that justifies the regulation. Describe who will benefit from the regulation. Quantify the benefits as completely as possible and approximate the number of people who will benefit.

Currently, the Board's Regulation describes the manner in which discount pricing practices were regulated prior to Acts 11 and 113 of 2011. Act 11 and Act 113 of 2011 were legislative efforts to amend the discount pricing regulations in effect for retail licensees. To the extent that they are, in part, inconsistent with the Board's Regulations, those regulations are superseded. The regulatory change would harmonize the Board's Regulation with the Liquor Code. Retail licensees will benefit in that they will not be misled by an incorrect regulation.

(11) 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 regulations.

These regulations do not correspond to any federal regulations.

(12) How does this regulation compare with those of the other states? How will this affect Pennsylvania's ability to compete with other states?

Retail licensees (hotels, restaurants, eating places & clubs) are regulated by neighboring states in accordance with their unique and individual systems of alcoholic beverage control. Because retail licensees are local businesses, the regulatory change should not put Pennsylvania at a competitive disadvantage. Further, the amended regulation does not change current law; rather it amends existing regulations to reflect current law.

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

The regulations will not affect the existing regulations of the Board or any other state agency.

(14) Describe the communications with and solicitation of input from the public, any advisory council/group, small businesses and groups representing small businesses in the development and drafting of the regulation. List the specific persons and/or groups who were involved. ("Small business" is defined in Section 3 of the Regulatory Review Act, Act 76 of 2012.)

Input was not received from the public or any other groups outside the Board. The purpose of the attached regulation is to amend the existing regulations, to conform with the changes to the law effectuated by Acts 11 and 113 of 2011.

As of October 9, 2015, there are fifteen thousand nine hundred fifteen (15,915) active retail licenses (including clubs) that could be potentially affected by the proposed regulation. Out of this group, over one thousand hold hotel licenses. Under federal law (relating to small business size standards) "small" businesses in the Full Service Restaurant and Drinking Places (Alcoholic Beverages) industries are those with annual receipts of seven and a half million dollars (\$7,500,000) or less. (13 C.F.R. § 121.201). Hotels are considered small businesses if they have annual receipts of thirty-two and a half million dollars (\$32,500,000) or less. Thus, the majority of businesses licensed by the Board would likely be considered small businesses.

(15) Identify the types and number of persons, businesses, small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012) and organizations which will be affected by the regulation. How are they affected?

As of October 9, 2015, there are fifteen thousand nine hundred fifteen (15,915) active retail licenses (including clubs) that could be potentially affected by the proposed regulation. They will be affected only in the sense that the Board's Regulations will now accurately describe the law as effectuated by Acts 11 and 113 of 2011.

(16) List the persons, groups or entities, including small businesses that will be required to comply with the regulation. Approximate the number that will be required to comply.

As of October 9, 2015, there are fifteen thousand nine hundred fifteen (15,915) active retail licenses (including clubs) that could be potentially affected by the proposed regulation. They will be required to comply with the amended regulations if they choose to discount the price of alcohol at their premises. However, they are already under the obligation because of Acts 11 and 113 of 2011.

(17) Identify the financial, economic and social impact of the regulation on individuals, small businesses, businesses and labor communities and other public and private organizations. Evaluate the benefits expected as a result of the regulation.

There is no significant impact. Licensees will benefit slightly in that there will be less confusion as to the rules pertaining to discounting alcohol prices.

(18) Explain how the benefits of the regulation outweigh any cost and adverse effects.

The regulation is intended to provide consistency and clarity between the Liquor Code and the Board's Regulations. It is not expected to have any costs or adverse effects.

(19) 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. Explain how the dollar estimates were derived.

The Board does not anticipate that this regulatory change will affect the costs or savings of the regulated community since the regulatory change is simply to reflect the change in the law effectuated by Acts 11 and 113 of 2011.

(20) Provide a specific estimate of the costs and/or savings to the **local governments** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

Local governments are not expected to incur new costs or realize new savings as a result of this regulation.

(21) Provide a specific estimate of the costs and/or savings to the **state government** associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required. Explain how the dollar estimates were derived.

The implementation of the regulation is not expected to affect the costs or savings of state government.

(22) For each of the groups and entities identified in items (19)-(21) above, submit a statement of legal, accounting or consulting procedures and additional reporting, recordkeeping or other paperwork, including copies of forms or reports, which will be required for implementation of the regulation and an explanation of measures which have been taken to minimize these requirements.

This regulation is being amended so that it is consistent with Acts 11 and 113 of 2011, and does not impose any additional paperwork or recordkeeping beyond that which is now required by the Liquor Code.

(23) 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:	\$	\$	\$	\$	\$	\$
Regulated Community	\$0	\$0	\$0	\$0	\$0	\$0
Local Government	\$0	\$0	\$0	\$0	\$0	\$0
State Government	\$0	\$0	\$0	\$0	\$0	\$0
Total Savings	\$0	\$0	\$0	\$0	\$0	\$0
COSTS:	\$0	\$0	\$0	\$0	\$0	\$0
Regulated Community	\$0	\$0	\$0	\$0	\$0	\$0
Local Government	\$0	\$0	\$0	\$0	\$0	\$0
State Government	\$0	\$0	\$0	\$0	\$0	\$0
Total Costs	\$0	\$0	\$0	\$0	\$0	\$0

REVENUE LOSSES:	\$0	\$0	\$0	\$0	\$0	\$0
Regulated Community	\$0	\$0	\$0	\$0	\$0	\$0
Local Government	\$0	\$0	\$0	\$0	\$0	\$0
State Government	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenue Losses	\$0	\$0	\$0	\$0	\$0	\$0

(23a) Provide the past three year expenditure history for programs affected by the regulation.

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

(24) For any regulation that may have an adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), provide an economic impact statement that includes the following:

- (a) An identification and estimate of the number of small businesses subject to the regulation.
- (b) The projected reporting, recordkeeping and other administrative costs required for compliance with the proposed regulation, including the type of professional skills necessary for preparation of the report or record.
- (c) A statement of probable effect on impacted small businesses.
- (d) A description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.

No special regulatory methods to minimize any adverse impact on small businesses were considered because there is not expected to be any adverse fiscal impact on any small business.

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

No special provisions have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, the elderly, small businesses, and farmers, because there is not expected to be any adverse fiscal impact on any groups or persons.

(26) Include a description of any alternative regulatory provisions which have been considered and rejected and a statement that the least burdensome acceptable alternative has been selected.

Non-regulatory alternatives were not considered because the regulation will not require any licensee or member of the regulated community to take any action in order to comply with the regulation.

(27) In conducting a regulatory flexibility analysis, explain whether regulatory methods were considered

that will minimize any adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), including:

- a) The establishment of less stringent compliance or reporting requirements for small businesses;
- b) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
- c) The consolidation or simplification of compliance or reporting requirements for small businesses;
- d) The establishment of performing standards for small businesses to replace design or operational standards required in the regulation; and
- e) The exemption of small businesses from all or any part of the requirements contained in the regulation.

No special regulatory methods to minimize any adverse impact on small businesses were considered because there is not expected to be any adverse fiscal impact on any small business.

(28) If data is the basis for this regulation, please provide a description of the data, explain in detail how the data was obtained, and how it meets the acceptability standard for empirical, replicable and testable data that is supported by documentation, statistics, reports, studies or research. Please submit data or supporting materials with the regulatory package. If the material exceeds 50 pages, please provide it in a searchable electronic format or provide a list of citations and internet links that, where possible, can be accessed in a searchable format in lieu of the actual material. If other data was considered but not used, please explain why that data was determined not to be acceptable.

The Board has not relied on data to justify this regulation.

(29) Include a schedule for review of the regulation including:

- | | |
|---|---------------------|
| A. The date by which the agency must receive public comments: | <u>N/A</u> |
| B. The date or dates on which public meetings or hearings will be held: | <u>October 2015</u> |
| C. The expected date of promulgation of the proposed regulation as a final-form regulation: | <u>January 2016</u> |
| D. The expected effective date of the final-form regulation: | <u>January 2016</u> |
| E. The date by which compliance with the final-form regulation will be required: | <u>January 2016</u> |
| F. The date by which required permits, licenses or other approvals must be obtained: | <u>N/A</u> |

(30) Describe the plan developed for evaluating the continuing effectiveness of the regulations after its

implementation.

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

FACE SHEET
FOR FILING DOCUMENTS
WITH THE LEGISLATIVE REFERENCE BUREAU
(Pursuant to Commonwealth Documents Law)

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DO NOT WRITE IN THIS SPACE

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. 054-69

DATE OF ADOPTION: 10/14/15

BY: T. J. Holden

TITLE: Chairman
(Executive Officer, Chairman or Secretary)

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

BY: T. J. Holden
Chief Counsel

10/14/15
DATE OF APPROVAL

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

TITLE 40—LIQUOR

CHAPTER 1. GENERAL PROVISIONS

The following section is amended:

1.1. Definitions.

CHAPTER 13. PROMOTION

The following section is amended:

13.102. Discount Pricing Practices.

RESPONSES OF THE PENNSYLVANIA LIQUOR CONTROL BOARD

TO

Comments about PLCB Regulation #54-69 (IRRC #3094)

Discount Pricing Practices

IRRC Comment:

The Summary in the Preamble states “the proposed amendments are necessary so that the regulations pertaining to happy hour limitations are consistent with the Liquor Code (47 P.S. §§ 1-101 – 10-1001)” and, in particular, Act 11 of 2011 (Act 11) and Act 113 of 2011 (Act 113). As amended, the Liquor Code, at 47 P.S. §§ 4-406(g) and 4-442(g), states that the holder of a certain license “may hold happy hours up to four **consecutive or nonconsecutive** hours per day and up to fourteen hours per week....” (Emphasis added.) Subsection (a) does not include the phrase “consecutive or nonconsecutive.” We recommend adding this phrase to make the regulation consistent with the statute.

PLCB Response:

The phrase “consecutive or nonconsecutive” has been added to Subsection (a) in accordance with the Commission’s request.

IRRC Comment:

As amended by Act 113, 47 P.S. §§ 4-406(g) and 4-442(g) state:

...Events conducted under the authority of 40 Pa. Code § 13.102(b) shall not be counted against the four-hours or fourteen-hours per week.

For consistency with the statute, we recommend adding this language to Subsection (b).

PLCB Response:

The phrase has been added to Subsection (b) in accordance with the Commission's request.

IRRC Comment:

Subsection (a) sets forth happy hour requirements for "retail licensees." Happy hours are addressed for two categories of license in the statute. Act 113 amended Subsection 406(g) of the Liquor Code which is under the title "Sales by Liquor Licensees; Restrictions" and uses the phrase "the holder of a retail license." 47 P.S. § 4-406(g). Act 113 also amended Subsection 442(g) of the Liquor Code which is under the title of "Retail Dispensers' Restrictions on Purchases and Sales" and applies to a different category of "the holder of a retail dispenser license." 47 P.S. § 4-442(g). The term used in the regulation, "retail licensee," is not defined in existing 40 Pa. Code Section 13.1. *Definitions*. Therefore, the regulation is not clear regarding which specific licensees the Board considers to be "retail licensees." We recommend adding a definition of this term to Section 13.1 to clarify which specific licensees the regulation addresses and to specify that the regulation addresses both of the licensees the statute addresses: "the holder of a retail license" and "the holder of a retail dispenser license."

PLCB Response:

A definition for "retail licensee" has been added, but to section 1.1 rather than section 13.1. The reason for this is because the phrase "retail licensee" appears in not only section 13.102, but also sections 5.12, 5.21, 7.32, 13.52, and 13.83. Adding the definition to *Chapter 1, General Provisions*, will make clear the fact that this definition is not restricted to *Chapter 13, Promotion*, but may be relied upon for whatever section uses the phrase "retail licensee."

By way of further explanation, the term "retail licensee" includes those licensees who may sell alcohol for consumption on the licensed premises, such as hotels, restaurants, eating place retail dispensers, and clubs. The definition of "retail licensee" is based upon the use of this phrase throughout the Liquor Code, which is most clearly set forth in section 493(13), which provides that it is unlawful:

Retail Licensees Employing Minors. For any hotel, restaurant or club liquor licensee, or any retail dispenser, to employ or to permit any minor under the age of eighteen to serve any alcoholic beverages....

[47 P.S. § 4-493(13)].

The retail dispenser licensee is a subset of the retail licensee group.

The term also includes those licensees that are treated, under the Liquor Code and the Board's Regulations, as if they held one of the aforementioned licensees. For example, a brewery pub license is treated like an eating place retail dispenser license. [40 Pa. Code § 3.92(b)].

IRRC Comment:

Subparagraphs (b)(2)(i), (ii) and (iii) would replace a reference to Board Advisory Notice 16 with the specific language of a portion of that notice that provides examples. A regulation carries the full force and effect of law, whereas an advisory notice is a lesser standard that does not. We have two concerns.

First, it is not clear why these examples are needed in the regulation and how they would be enforced. We recommend the Board delete the examples, or support them by explaining the need for the examples, what protections they provide and what provisions of the statute would be used to enforce them.

Second, if the examples are retained, the examples need to be clarified. Existing Paragraph (b)(2) begins by allowing "one specific type of alcoholic beverage or drink per day." The examples then allow a broad discount for "all brandy drinks." Why must a licensee be prohibited from discounting "all Blue Hound products," "all Kendall's wines," and "all Jackson's products"? Why is it permissible to discount wine by the types of "Chardonnay" and "Merlot," regardless of the manufacturer, but beer can only be discounted by a specific brand? Why couldn't all light beer or all stout beer be discounted? If these examples are retained, we recommend making them clearer and consistent.

PLCB Response:

The Commission's point with regard to what protections the examples would provide and what statutory provisions would enforce them is well-taken. Therefore, the Board has removed the examples that had been added to section 13.102(b)(2).

Please note that the Board will be updating all of its Advisory Notices in the near future. The Board appreciates the Commission's comments with regard to Board Advisory Notice 16, and will rely upon them to make that Advisory Notice clearer and more useful to the public.

Finally, the Commission has inquired why the existing regulation defines a specific type of alcoholic beverages as a brand of beer, a type of wine, a type of distilled spirits or a particular drink. Since beer is typically purchased by brand and since beer sales at retail establishments are significantly higher than the sales of other types of alcohol, treating all beer as a type of alcohol which could be discounted as a single daily drink special would result in the daily drink special exception overwhelming the general rule on discounting. Therefore, the Board has not changed its existing approach.

FINAL FORM RULEMAKING

LIQUOR CONTROL BOARD

40 PA. CODE CHAPTER 1

General Provisions

40 PA. CODE CHAPTER 13

Discount Pricing Practices

The Liquor Control Board (“Board”), under the authority of section 207(i) of the Liquor Code (47 P.A. § 2-207(i)), amends Chapters 1 and 13.

Summary

Currently, this regulation limits a licensee to a “happy hour” period of no more than two (2) consecutive hours per business day. The changes to the regulation are necessary so that the Board’s Regulations pertaining to happy hour limitations are consistent with the Liquor Code. In particular, the amendments included in Acts 11 and 113 of 2011 allow a licensee to have up to four (4) hours of discounted drinks in one (1) day, but no more than fourteen (14) hours per week. In addition, the amendment to the Liquor Code places a burden on the licensees to post a notice of happy hours at least seven (7) days prior to the happy hour.

Affected Parties

As of October 9, 2015, there are approximately 15,915 actively licensed retail licensees who are affected by the provisions of Acts 11 and 113 of 2011.

Paperwork Requirements

This regulatory change is not expected to affect legal, accounting or consulting procedures and should not require any additional reporting, recordkeeping or other paperwork. Act 11 requires the posting of a notice of the licensee’s happy hours. This regulation places no additional reporting or paperwork requirements on licensees.

Fiscal Impact

This regulatory change is not expected to have any fiscal impact on the regulated community or state and local governments.

Effective Date

These regulations will become effective upon publication in final form in the Pennsylvania Bulletin.

Public Comments

Comments about the rulemaking may be submitted to Rodrigo Diaz, Executive Deputy Chief Counsel, or Norina Blynn, Assistant Counsel, Office of Chief Counsel, Pennsylvania Liquor Control Board, Room 401, Northwest Office Building, Harrisburg, PA 17124-0001.

Regulatory Review

Under section 745.5(a) of the Regulatory Review Act (71 P.S. § 745.5(a)), on April 21, 2015, the Board submitted a copy of this proposed rulemaking and a copy of a Regulatory Analysis Form to the Independent Regulatory Review Commission (IRRC) and to the Chairpersons of the House Liquor Control Committee and Senate Committee on Law and Justice. A copy is available to the public upon request.

Under section 5a(c) of the Regulatory Review Act, the Board is required to provide IRRC and the Committees with copies of the comments received during the public comment period, as well as other documents when requested. The Board did not receive comments from the public, but did receive comments from IRRC, the responses to which are set forth in a separate document.

Under Section 745.5(g) of the Regulatory Review Act (71 P.S. § 745.5(g)), IRRC may convey any comments, recommendations or objections to the proposed regulations within 30 days of the close of the public comment period. The comments, recommendations or objections shall specify the regulatory review criteria that have not been met. Comments, recommendations or objections raised shall be reviewed prior to the regulation's final publication.

Tim Holden
Chairman

ANNEX A

TITLE 40. LIQUOR

Part I. LIQUOR CONTROL BOARD

Chapter 1. General Provisions

§ 1.1. Definitions.

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

Alcohol—Absolute alcohol, ethyl alcohol, cane spirits, Cuban spirits, grain spirits, fruit spirits, high wines and other spirits by whatever name or designation given.

Board—The Liquor Control Board of the Commonwealth.

Examiner—An individual learned in the law appointed by the Governor under the Liquor Code.

Liquor Code—The Liquor Code (47 P. S. §§ 1-101—8-803).

Pecuniary interest—An interest that sounds in the attributes of proprietorship. There is a rebuttable presumption of a pecuniary interest when a person receives 10% or more of the proceeds of the licensed business or when control is exercised by one or more of the following:

- (i) Employing a majority of the employees of the licensee.
- (ii) Independently making day-to-day decisions about the operation of the business.
- (iii) Having final authority to decide how the licensed business is conducted.

RETAIL LICENSEE—A LICENSEE THAT HOLDS EITHER A HOTEL LICENSE, A RESTAURANT LIQUOR LICENSE, AN EATING PLACE RETAIL DISPENSER LICENSE, A CLUB LICENSE OR A CATERING CLUB LICENSE.

* * * * *

Chapter 13. Promotion

Subchapter C. SOLICITATION FOR THE PURCHASE OF ALCOHOLIC BEVERAGES

§ 13.102. Discount pricing practices.

(a) *General.* Retail licensees may discount the price of alcoholic beverages for [a consecutive period of time not to exceed 2 hours in a business day, but] not more than 4 CONSECUTIVE OR NONCONSECUTIVE hours in a day and not more than 14 hours in a week. Retail licensees may not engage in discount pricing practices between 12 midnight and the legal closing hour. Retail licensees shall post on the licensed premises notice of happy hours. The notice shall be posted so that it is readily visible to the public. The notice shall be posted no less than 7 days prior to the happy hour. Retail licensees may not engage in the following discount pricing practices unless specifically excepted in subsection (b):

(1) The sale or serving, or both, of more than one drink of liquor, wine, or malt or brewed beverages at any one time to any one person, for the price of one drink.

(2) The sale or serving, or both, of an increased volume of one drink of liquor, wine, or malt or brewed beverages without a corresponding and proportionate increase in the price for the drink.

(3) The sale or serving, or both, of an unlimited or indefinite amount of liquor, wine, or malt or brewed beverages for a set price.

(4) The pricing of alcoholic beverages in a manner which permits the price to change within [the 2-hour] a happy hour period.

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

(1) The sale or serving, or both, of an unlimited or indefinite amount of liquor, wine, or malt or brewed beverages for a fixed price for catered events which have been arranged at least 24 hours in advance.

(2) The offering for sale of one specific type of alcoholic beverage or drink per day or a portion thereof at a reduced price, if the offering does not violate subsection (a) and if the price of the drink does not change during the OFFERING day. For purposes of this section, a specific type of alcoholic beverage means either a specific registered brand of malt or brewed beverages, a type of wine, a type of distilled spirits or a mixed drink.

Examples of permissible drink discounts are {found in Board Advisory Notice 16.} **as follows:**

~~—(i) A specific brand of beer such as "Blue Hound Pilsner," "Brendan's Cream Stout" or "Oil City Light," but not "all draft," "all bottled beer" or "all Blue Hound products."~~

~~—(ii) Daily wine specials could be "Chardonnay" or "Merlot," but not "all white wine," "all red wine" or "all Kendall's wines."~~

~~—(iii) Permissible spirits specials would be "Rum and Cola" or "all brandy drinks," but not "all well drinks" or "all Jackson's products."~~

(3) EVENTS CONDUCTED UNDER THE AUTHORITY OF SUBSECTION (B) SHALL NOT BE COUNTED AGAINST THE FOUR HOUR DAILY OR THE FOURTEEN HOUR WEEKLY LIMITATION ON HAPPY HOURS SET FORTH IN SUBSECTION (A).

Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board
October 14, 2015

SUBJECT: Final Form Regulation Package 54-69
Discount Pricing Practices

TO: DAVID SUMNER, EXECUTIVE DIRECTOR
INDEPENDENT REGULATORY REVIEW COMMISSION

FROM: FAITH S. DIEHL *YSD*
CHIEF COUNSEL
PENNSYLVANIA LIQUOR CONTROL BOARD

By Hand Delivery

The Pennsylvania Liquor Control Board (“PLCB”) is submitting amendments to chapter 1 and chapter 13 of its regulations. Enclosed please find a copy of the regulatory analysis form, signed CDL-1 face sheet, preamble and Annex A (regulatory text).

The proposed version of these regulations was provided to the legislative oversight committees, the Independent Regulatory Review Commission and to the Legislative Reference Bureau on April 21, 2015. The PLCB received comments from IRRC, the response to which is set forth in a separate document, also enclosed.

Any questions and comments about this regulatory submission can be directed to Rodrigo Diaz, Executive Deputy Chief Counsel, or Norina Blynn, Assistant Counsel, at (717) 783-9454.

cc with enclosures:

Honorable Charles McIlhinney, Majority Chairman, Senate Law and Justice Committee
Honorable James Brewster, Minority Chairman, Senate Law and Justice Committee
Honorable Chris Ross, Majority Chairman, House Liquor Control Committee
Honorable Paul Costa, Minority Chairman, House Liquor Control Committee
Gail Reinard, Executive Director, Senate Law and Justice Committee
Victor Wills, Executive Director, Senate Law and Justice Committee
Shauna Boscaccy, Executive Director, House Liquor Control Committee
Lynn Benka-Davies, Executive Director, House Liquor Control Committee

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

I.D. NUMBER: 54-69
SUBJECT: Discount Pricing Practices
AGENCY: Liquor Control Board

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TYPE OF REGULATION

- ___ Proposed Regulation
X 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>
10/14/15	<u>Monica M. Giddis</u> (1)	SENATE LAW & JUSTICE COMMITTEE (Majority)
10/14/15	<u>Raney Gardell</u> (2)	SENATE LAW & JUSTICE COMMITTEE (Minority)
10/14/15	<u>Nancy Munnich</u> (3)	HOUSE LIQUOR CONTROL COMMITTEE (Majority)
10/14/15	<u>Kira Zwickler</u> (4)	HOUSE LIQUOR CONTROL COMMITTEE (Minority)
10/14/15	<u>K Cooper</u> (5)	INDEPENDENT REGULATORY REVIEW COMMISSION