



VIEW FROM THE BAR

by Marc Resiman, Esq.



Safekeeping Provision in Liquor Code Revised by Act 155 of 2006

Act 155, formerly known as House Bill 446, was signed into law by Governor Rendell on November 29, 2006. It contains a number of revisions to the Liquor Code.

One revision is especially significant for licensees whose licenses have been in safekeeping for 3 years as of February 7, 2007. Previously, the Liquor Code had been revised so as to provide for the termination of any license which had been in safekeeping with the Pennsylvania Liquor Control Board (PLCB) for 3 years (or more - any license submitted into safekeeping before February 7, 2003 was considered to have been submitted on that date) as of February 7, 2006. However, as I reported in an earlier column, the Legislature, bowing to pressure from the 700-odd licensees who were about to lose their property rights, extended the deadline by one year. Speculation was widespread at that time as to what the Legislature would do when the next deadline - February 7, 2007 - approached.

Among other things, Act 155 addresses this issue. There is good news and bad news: the good news is that the

prior 3-year safekeeping deadline has, in effect, been extended indefinitely. The bad news is that there will be a yearly surcharge for the privilege of continuing to keep your license in safekeeping with the PLCB. In counties of the first through the fourth class, the surcharge is \$5,000.00 per year. In counties of the fifth through the eighth class, the surcharge is \$2,500.00 per year. There are exceptions for fire, flood or other natural disaster. Additionally, a pending application for a transfer of license or a request to activate the license will toll the deadline. Otherwise, a license will be terminated on the 3-year anniversary that it was placed in safekeeping. Licenses which were submitted into safekeeping before February 7, 2004 are considered to have been submitted as of that date.

The new law provides that the request to extend the safekeeping period for another year must be in writing and the fee must be submitted at that time. I suggest that any licensee in this position contact a lawyer who practices in this area well before the February 7, 2007 deadline.

Please contact me if you would like a copy of Act 155.

(This column is brought to you as a public service by Marc Reisman, a partner in the law firm of Gelman & Reisman. If you have an issue you would like to see addressed, or if you would like a reprint of a previous column, write to him at 1701 Law & Finance Building, Pittsburgh, PA 15219, or call 1-800-883-1LAW. This column is intended for informational purposes only - consult Mr. Reisman for legal advice specific to your situation.)