

July 30, 2013

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Shari Meyers
Keelersville Club
keelersvilleclub@yahoo.com

RE: Club Event

Dear Ms. Meyers:

ISSUE: This is in response to your e-mail received on July 2, 2013, in which you inquire if a proposed club event is legal. The club wants to host a bar Olympics in which teams of two (2) individuals will compete in shuffleboard, darts, billiards, and the bowling arcade on premises. The entry fee of fifty dollars (\$50.00) per team would entitle each participant to a continental breakfast and a catered lunch. Nominal monetary prizes would be awarded for first through third place winners. You also inquire if the event can be opened to the public, and if so, would those individuals be able to purchase alcohol.

Records maintained by the Pennsylvania Liquor Control Board ("Board") indicate that the Keelersville Club holds Catering Club License No. CC-4168 (LID 1918) for premises located at 2522 Ridge Road, Perkasie, Pennsylvania.

OPINION:

Please be advised that section 5.32 of the Board's Regulations [40 Pa. Code § 5.32] permits retail licensees, such as clubs, to hold self-sponsored events, tournaments, or contests on their licensed premises. This section was amended as of July 1, 2013. Self-sponsored means paid for and carried out by the licensee. Such events, tournaments, and contests on retail licensed premises are subject to the following rules: there may be no unlawful gambling directly or indirectly associated with the event, tournament, or contest; there may be no consumption of alcohol by participants as part of the event, tournament, or contest; the price of admission may not include a charge for or entitle the participant to receive an

alcoholic beverage; a licensee or sponsoring charity may advertise the event, tournament, or contest; the value of all prizes awarded may not exceed one

thousand dollars (\$1,000.00), and the total value of all prizes awarded in a seven (7)-day period may not exceed twenty-five thousand dollars (\$25,000.00); and licensees must maintain records of the prizes and winners on the licensed premises for two (2) years following the event, tournament, or contest. [40 Pa. Code § 5.32(e)(1)-(7), (9)].

One of the conditions mentioned above is that no unlawful gambling may be directly or indirectly associated with any event, tournament, contest or activity on the licensed premises. Because unlawful gambling is a violation of the Pennsylvania Crimes Code, you may wish to contact the local police, the Pennsylvania State Police, or the County District Attorney's Office to ensure compliance with the law. Be advised, also, that pursuant to Commonwealth v. Irwin, 636 A.2d 1106 (Pa. 1993), the Crimes Code may identify acts as unlawful gambling if the prize to be awarded is worth more than the entry fee.

A club licensee is required to adhere to its constitution and bylaws. [40 Pa. Code § 5.81]. Thus, if the club's constitution and bylaws have restrictions with regard to holding events at the licensed premises, the club would need to adhere to those restrictions. If the proposed event is permissible under your constitution, then you must abide by the aforementioned rules.

In regard to opening the event to the public, there is nothing in the Liquor Code or the Board's Regulations that would require a club licensee to make a self-sponsored event, tournament, or contest private such that it is open only to members. Thus, club members would be permitted to bring a guest or guests to the club for an event, tournament, or contest, and the club may sell/serve the guests food and non-alcoholic beverages. However, non-members cannot purchase alcoholic beverages: alcoholic beverages must be paid for by the club members. However, if your club's constitution or bylaws have additional restrictions with regard to guests attending self-sponsored events, tournaments, and contests at the licensed premises, the club would also need to adhere to those restrictions.

Please do not hesitate to contact this office if you have any additional questions.

THIS OPINION APPLIES ONLY TO THE FACTUAL SITUATION DESCRIBED HEREIN AND DOES NOT INSULATE THE LICENSEE OR OTHERS FROM CONSEQUENCES OF CONDUCT OCCURRING PRIOR TO ITS ISSUANCE. THE PROPRIETY OF THE PROPOSED CONDUCT HAS BEEN ADDRESSED ONLY UNDER THE LIQUOR CODE AND REGULATIONS. THE LAWS AND POLICIES ON WHICH THIS OPINION IS BASED ARE SUBJECT TO CHANGE BY THE LEGISLATURE OR THE PENNSYLVANIA LIQUOR CONTROL BOARD.

Very truly yours,

FAITH S. DIEHL
CHIEF COUNSEL

cc: Pennsylvania State Police, Bureau of Liquor Control Enforcement
Jerry W. Waters, Director of Office of Regulatory Affairs
Tisha Albert, Director, Bureau of Licensing
Jeffrey Lawrence, Assistant Director, Bureau of Licensing

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