

August 18, 2014

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Jim Lutchko

RE: Catering Club Event

Dear Mr. Lutchko:

ISSUE: This office is in receipt of your e-mail, dated July 24, 2014, wherein you state that your club is interested in hosting a Marine Corps birthday celebration in the upstairs ballroom. The club is considering opening the event to all veterans, and having free food and a cash bar. You inquire as to the applicable laws regarding this event.

Records maintained by the Pennsylvania Liquor Control Board (“Board”) indicate that St. Stanislaus Kostka Brotherhood holds Catering Club Liquor License No. CC-6 (LID 459) for premises located at 1901-03 16th Avenue, Altoona, Pennsylvania.

OPINION: There is nothing in the Pennsylvania Liquor Code or the Board’s Regulations that prohibits a club from being open to the public (i.e., to non-members) for the sale of food and non-alcoholic beverages anywhere on its licensed premises. Accordingly, extending an invitation to all veterans to attend the event is permissible, if it is not in conflict with the club’s constitution and bylaws. The Board’s Regulations require that the operations of a licensed club must conform to the club’s constitution and bylaws at all times. [40 Pa. Code § 5.81].

However, the sale of alcohol may present an issue if the event is self-sponsored by the club. Generally, non-members cannot purchase alcohol at a club. Section 406(a)(1) of the Liquor Code provides that “[n]o club licensee nor its officers, servants, agents or employees, other than one holding a catering license, shall sell any liquor or malt or brewed beverages to any person except a member of the club.” [47 P.S. § 4-406(a)(1)]. Catering club patrons, however, may purchase alcoholic beverages from the club, even if they are non-members, as long as they are present on the licensed premises as part of a catered event. A catered event is one involving the furnishing of liquor or malt or brewed beverages, or both, to be served with food prepared on the premises or brought onto the premises already prepared, for accommodation of groups of non-members who are using club facilities by prior arrangement, made at least twenty-four (24) hours in advance of the function, and which is paid for by the non-members. [40 Pa. Code § 5.83(a)]. Records must be kept showing the date and time

the catering arrangements were made, the name of the person or organization making the arrangements, and the number of persons to be accommodated. [40 Pa. Code § 5.83(b)]. A club cannot self-sponsor a catered event. The catered event must be conducted for a third party, although the third party can be a member of the club.

These prohibitions on selling alcohol to non-members do not, however, preclude a club member from purchasing alcoholic beverages for non-member guests; nor do they preclude the non-member from being served alcohol purchased by a club member. However, if the club's constitution or bylaws contain any provision prohibiting the service of alcoholic beverages to non-members, then the club must adhere to those restrictions. Likewise, if the club's constitution or bylaws prohibits the operation of a cash bar at events, the club must adhere to those restrictions. [40 Pa. Code § 5.81].

Should you have any additional questions, do not hesitate to contact this office.

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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