

November 24, 2015

Edward Smith  
**VIA E-MAIL**

**RE: Hotel Liquor License Transfer Question**

Dear Mr. Smith:

ISSUE: This office is in receipt of your e-mail dated October 28, 2015, wherein you advise that you hold a hotel liquor license and you are in the process of selling your establishment and liquor license. You ask if the license must be transferred to another hotel, or if the license can be transferred to a bar/restaurant retail establishment.

Records of the Pennsylvania Liquor Control Board (“Board”) indicate that E.S. & Son of Uniontown, Inc. (“E.S.”) holds Hotel Liquor License No. H-3926 (LID 35215) for use by it at premises located at 999 North Gallatin Avenue Ext., Uniontown, Pennsylvania. Board records further reflect that the license holds “grandfathered” status, as of November 21, 2006, meaning it is exempt from the bedroom requirements of the Liquor Code.

OPINION: Generally speaking, a hotel liquor license may be sold and transferred to another party for use at another location, assuming the new location qualifies as a hotel and the application is approved by the Board.

As a “grandfathered” hotel licensee, you are exempted from the Liquor Code’s bedroom requirements for hotel licensees. As such, your license may be transferred, but the transfer may affect the license’s “grandfathered” status. If the license is transferred to a new owner and remains at its current location, the “grandfathered” status of the hotel, including the exemption from maintaining a required minimum number of bedrooms, would remain intact, and the new owner of the license, if his/her transfer application were approved by the Board, would acquire the “grandfathered” status.

If, however, the license were sold and transferred to another location, the “grandfathered” status of the hotel would be lost. A hotel liquor license cannot be transferred to another location without Board approval, and the Board cannot approve the transfer of a “grandfathered” hotel liquor license unless the new location meets the

current requirements in the Liquor Code for hotels, particularly with respect to bedrooms.

In other words, while the transfer of your hotel liquor license is possible, the “grandfathered” status cannot be transferred to another location, seeing as it is specific to the location for which it was issued. [47 P.S. § 4-461(c)]. The “grandfathered” status “dissolves” when the license is no longer associated with the physical building for which it was granted. Therefore, any proposed transferee of your hotel license who intends to transfer the license to a new location must meet the Liquor Code’s criteria for hotels, including room requirements. A restaurant at a new location that does not have bedrooms would not qualify.

Please do not hesitate to contact this office should you have 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,

**RODRIGO J. DIAZ  
EXECUTIVE DEPUTY CHIEF COUNSEL**

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

LCB Advisory Opinion No. 15-478