

December 15, 2015

Daniel Pavone, Jr.
Loyal Order of Moose Lodge 1101
VIA E-MAIL

Re: Catered Event Guests and Raffles

Dear Mr. Pavone:

ISSUE: This is in response to your e-mail dated November 10, 2015, wherein you ask for the rules covering a private club with a catering license. Specifically, you ask if individuals who are renting the club for a catered event are permitted to bring liquor onto the licensed premises for the purpose of raffling it off. In your telephone conversation with this office, you explained that someone who is renting your club would like to raffle off a “basket of cheer” that would contain alcohol.

Records of the Pennsylvania Liquor Control Board (“Board”) indicate that Willow Grove Lodge No. 1101 Loyal Order of Moose holds Catering Club Liquor License No. CC-408 (LID 2935) for the premises at 3 Woodlawn Avenue, Willow Grove, Pennsylvania.

OPINION: A catering club liquor license permits the sale of liquor and malt or brewed beverages for consumption on the premises to members only, from 7:00 a.m. until 3:00 a.m. any day. [47 P.S. §§ 4-401, 4-406]. The club is also permitted to furnish alcoholic beverages with food to groups of non-members by prior arrangement for catered events. [47 P.S. § 4-401(b)]. Catered events are those 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 the accommodation of groups of non-members, who are using the facilities at the club by prior arrangement, made at least twenty-four (24) hours in advance of the time of the function, and is paid for by the non-members. [40 Pa. Code § 5.83].

Generally, there may not be unlawful gambling directly or indirectly associated with an activity on the licensed premises, and a licensee will be held strictly liable for unlawful gambling on the licensed premises. [40 Pa. Code § 5.32(e)(2)]. However, certain gambling activities, while unlawful generally, are considered to be lawful if conducted by an entity that holds a small games of chance permit. The Local Option Small Games of Chance Act [10 P.S. §§ 311-327] regulates what type of games may be conducted by holders of a small games

of chance permit, how they may be conducted, what records must be kept and what prizes may be awarded.

It should be noted that raffles typically involve gambling and thus would not be permissible unless authorized under the Small Games of Chance Act. However, even if the raffle itself is lawful, the giving of alcohol as a prize is not. Pursuant to section 493(24) of the Liquor Code [47 P.S. § 4-493(24)], Board Advisory Notice No. 10 (6th Revision) and section 5.32(h) of the Board Regulations [40 Pa. Code § 5.32(h)], alcoholic beverages may not be included as part of a prize. Therefore, even if the proposed raffle were permitted under the auspices of a Small Games of Chance license, allowing alcohol to be raffled as the prize is not permissible.

For more information about the rules governing a catering club licensee, please visit the Board's website at www.lcb.state.pa.us. From the "Licensees" link, scroll down to "Licensing Info," then over to "Pamphlets & Booklets." There you will find the "Information Booklet for Retail Club Licensees."

Should you have any other questions and/or issues related to the Liquor Code or the Board's Regulations, please feel free to once again 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,

RODRIGO J. DIAZ
EXECUTIVE DEPUTY 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

LCB Advisory Opinion No. 15-491