

February 1, 2016

Joseph Dubaskas, Sr.
VIA E-MAIL

RE: Use of Gambling Monies

Dear Mr. Dubaskas:

ISSUE: This office is in receipt of your e-mail, dated December 26, 2015, wherein you indicate that you are the manager of a non-profit club, which holds a catering club liquor license. You ask if the club may pay wages from its gambling monies.

Records maintained by the Pennsylvania Liquor Control Board (“Board”) indicate that Selinsgrove Post 6631 Veterans Social Activities Association holds Catering Club Liquor License No. CC-6300 (LID 72278) for use by it at premises located at 940 U.S. Route 522, Selinsgrove, Pennsylvania. You are listed as the Board-approved manager.

OPINION: Presuming that your club holds a small games of chance permit and the gambling is being conducted pursuant to the Local Option Small Games of Chance Act (“the Act”) [10 P.S. §§ 311-327], be advised that the interpretation of the Act falls outside of the scope of authority of the Board. Therefore, to the extent that payment of wages is from monies procured pursuant to the Act, you may wish to contact the Department of Revenue, Miscellaneous Tax Division at (717) 787-8275 to determine if it is permissible for you to use those funds in the manner described in your e-mail.

Additionally, it is recommended that you contact your local police, the Pennsylvania State Police or your County District Attorney for an official opinion as to whether the events from which the monies are earned constitute unlawful gambling.

Finally, be advised that Board Regulations require that a club adhere to the provisions of its constitution and bylaws. [40 Pa. Code § 5.81]. Therefore, if the

Joseph Dubaskas, Sr.

February 1, 2016

Page 2

provisions of your club's constitution or bylaws prohibit the club from using such monies to pay wages, then the club must adhere to its guidelines.

Please do not hesitate to contact this office should you have further 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 of Office of Regulatory Affairs
Tisha Albert, Director, Bureau of Licensing
Jeffrey Lawrence, Assistant Director, Bureau of Licensing

LCB Advisory Opinion No. 15-532