

July 29, 2016

Francis X. O'Brien, Esquire  
411 Walnut Street  
Harrisburg, PA 17101

**Re: Distributor Renting Suite from PV Licensee**

Dear Mr. O'Brien:

ISSUE: Your letter of July 5, 2016 states that your unidentified client holds a public venue liquor license for use at an athletic stadium. One of the holders of a suite in the stadium is the holder of a distributor's license. The distributor pays the standard rate for the suite, commensurate with the rate charged to other suite holders. You inquire whether the renting of the suite constitutes the provision of a thing of value to another class of licensee.

OPINION: Section 13.51 of the Pennsylvania Liquor Control Board's Regulations prohibits a licensee of one class from providing a license of another class anything of value. 40 Pa. Code § 13.51. However, this section is not violated when licensees of different classes engage in arm's length business transactions for the exchange of goods or services at fair market value, on terms commensurate with those available to non-licensees. In the circumstances you describe, the renting of the suite would be permissible.

Should you have any other questions and/or issues related to the Liquor Code or the PLCB'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.

Sincerely,



RODRIGO J. DIAZ  
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. 16-279