

September 7, 2016

Bill Little  
**VIA E-MAIL**

**RE: Appreciation Night Event**

Dear Mr. Little:

ISSUE: This is in response to your e-mail of July 12, 2016, wherein you state that you are the manager of a bar, a licensed premises with LID 19537, within a bowling alley. You would like to conduct an appreciation night event for approximately fifty to seventy individuals who operate the bowling leagues; all of the individuals are over the age of twenty-one. The event would be free to the participants, but alcohol would not be provided. The participants would be able to purchase alcohol from the bar.

The invitees at the event, a casino night, would be given ten poker chips to play roulette and poker, with the maximum win of one chip per game; there would be a limit of amassing an additional twenty chips. The chips would then be entered to win prizes of no more than twenty-five dollars in the form of gift cards for restaurants and retail stores.

You want to ensure that the event is lawful, as described.

Records of the Pennsylvania Liquor Control Board ("PLCB") indicate that Bowling Refreshments, Inc., holds Restaurant Liquor License No. R-18596 (LID 19537) for use by it at 1475 West Street Road, Warminster, Pennsylvania.

OPINION: Section 5.32(e) of the PLCB's Regulations permits retail licensees to hold, or permit to be held, on their licensed premises an event, tournament, or contest, but only under certain conditions. 40 Pa. Code § 5.32(e). One of the conditions is that no unlawful gambling may be directly or indirectly associated with any event, tournament, contest, or activity on the licensed premises. If there is unlawful gambling, the licensee will be held strictly liable for such activity and could be cited for violation of the Liquor Code and the PLCB's Regulations. 40 Pa. Code § 5.32(e)(2).

Unlawful gambling consists of the following elements: (1) consideration or a fee or charge to play, (2) an element of chance, and (3) a prize or reward. Pennsylvania Liquor Control Bd. v. PPC Circus Bar, Inc., 96 Pa. Cmwlth. 115, 506 A.2d 521 (1986). For example, the Pennsylvania Commonwealth Court has held that poker playing for money, on licensed premises, is gambling, within the definition cited above. Pennsylvania

Liquor Control Bd. v. Kehler, 114 Pa. Cmwlth. 310, 538 A.2d 979 (1988). A casino night that deletes the element of consideration or fee to play may not constitute unlawful gambling; however, unlawful gambling is a Crimes Code violation and the PLCB does not interpret the Crimes Code. You are, therefore, advised to speak to your local District Attorney, local law enforcement officials, or the Pennsylvania State Police to get their opinions as to whether your proposed activities would constitute unlawful gambling.

For purposes of the Liquor Code and the PLCB's Regulations, the total value of prizes for any given event, tournament, or contest may not exceed \$1,000.00. The total value of all prizes awarded in any seven-day period may not exceed \$25,000.00. 40 Pa. Code § 5.32(e)(7). Please note that these limits are not only applicable to cash prizes, but include the fair market value of any non-cash prizes. Licensees shall maintain on the licensed premises for two years, from the date of the event, an itemized list of all prizes for each event, tournament, or contest indicating each prize, its value, and the name and address of the recipient. 40 Pa. Code § 5.32(e)(9).

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. 16-345