

February 23, 1999

Patrick M. McHugh, Esq.
Suite 214, The 8040 Roosevelt Building
8040 Roosevelt Boulevard
Philadelphia, PA 19152

Dear Mr. McHugh:

ISSUE: In your letter dated January 29, 1999, you inquired on behalf of your client, the holder of a hotel liquor license, as to the legality of a proposed promotion for New Year's Eve 2000. According to your letter, your client's promotion would offer, for a single price, two nights of overnight accommodations and admission to a New Year's Party including, hors d'oeuvres, dinner, entertainment and an open bar.

OPINION: Unfortunately, your client's proposed promotion is not permissible as it is presently structured. Section 13.102 of the Board's regulations prohibit hotel licensees from offering an unlimited or indefinite amount of alcoholic beverages for a set price. [40 Pa. Code §13.102]. While there is an exception to this prohibition for catered events for third parties arranged 24 hours in advance, your client's proposed promotion does not fall within this exception since the event is not for a third party.

Please be advised that hotel licensees are permitted to offer a daily drink special and to discount the prices of alcoholic beverages for two consecutive hours in the same business day provided no discounting occurs after midnight (12:00 a.m.). In addition, Board Advisory Notice No. 10 (4th Revision) permits hotel licensees to provide one standard-sized alcoholic beverage to each patron per visit.

Since your client may be able to reconfigure its promotion within the parameters of section 13.102, enclosed is a copy of Board Advisory Notice No. 16 which discusses permissible discount pricing practices.

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

PATRICK M. MCHUGH, ESQ.

February 24, 1999

Page Two

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,

FAITH S. DIEHL
CHIEF COUNSEL

Enclosure

cc: Bureau of Liquor Control Enforcement,
Pennsylvania State Police

Refer to: (717) 783-9454
FAX: (717) 787-8820

LCB Advisory Opinion No. 99-062