

May 14, 1999

Joseph L. Amendola, Esquire
Grand Lodge Benevolent and Protective
Order of Elks
110 Regent Court, Suite 202
State College, PA 16801-7966

RE: Interlocking Business

Dear Mr. Amendola:

ISSUE: This office received your letter dated April 22, 1999 asking for clarification whether the owner of a distributor or importing distributor license may concurrently serve as trustee for a club licensee even if the club's bylaws provide that the club is operated, managed and controlled by a separate committee.

OPINION: Section 443 of the Liquor Code [47 P.S. Section 4-443] requires a separation of the financial and business interests between the various classes of licenses. Specifically, section 443(b) prohibits a distributor from being an officer of a liquor licensee. [47 P.S. Section 4-443(b)].

Therefore, if pursuant to your organization's constitution and bylaws, a trustee is an officer of the club, then a lodge member who owns a beer distributorship may not serve as trustee, even though your club is operated, managed and controlled by a separate committee.

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,

FAITH S. DIEHL
CHIEF COUNSEL

cc: Bureau of Liquor Control Enforcement,
Pennsylvania State Police
David C. Martin

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

Advisory Opinion No. 99-169