

August 5, 1999

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Mary Kay Sanko Grippa
Food and Beverage Director
Holiday Inn Pittsburgh Airport
1406 Beers School Road
Coraopolis, PA 15108

Dear Ms. Grippa:

ISSUE: This office is in receipt of your letter dated July 21, 1999 in which you request approval of a New Year's Eve package you would like to offer. The package will include 10 drink tickets for each person for soft drinks, juice, wine, beer, and mixed drinks to be used between the hours of 7:00 p.m. and 2:00 a.m., a seven-course sit down dinner and breakfast. You have stated that the majority of the guests purchasing this package will stay overnight at your facility.

OPINION: Section 13.102 of the Board's regulations was amended last year to eliminate the meal package exception. [40 Pa. Code Section 13.102]. Retail licensees are no longer permitted to offer an indefinite or unlimited amount of alcoholic beverages for a fixed price, unless a third party has arranged at least 24 hours in advance to hold a catered event on your licensed premises. However, it would be permissible for a retail licensee to offer a certain amount of alcoholic beverages for a set price, provided the beverages offered are at the normally set price. While there is no limit to the definite number of drinks you may offer, retail licensees cannot offer a set number of drinks for a fixed price as part of a package if other portions of the package are discounted. Otherwise, this would be considered an inducement to buy alcoholic beverages, which would be a violation of section 493(24) of the Liquor Code. [47 P.S. Section 4-493(24)].

A promotion, like the one you propose, in which individuals would be entitled to food and a set amount of drinks with no discounting of any of these components when tabulating the final ticket price is permissible. Please note that unless you hold an extended hours food permit, all patrons must vacate the licensed premises by 2:30 a.m. If you charge different prices for different drinks, this package may not be structured in such a manner as to permit the discounting of individual drinks.

Please also note that retail licensees are permitted, in the same business day, to offer a daily drink special, and to discount all alcoholic beverages for two consecutive hours so long as all discounts end by midnight. Further, retail licensees are permitted to offer a free, standard-sized alcoholic beverage to each patron per visit.

Enclosed is Board Advisory Notice No. 16, which outlines permissible discount pricing practices.

Please do not hesitate to contact this office again if you have any 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,

FAITH S. DIEHL
CHIEF COUNSEL

Enclosure

cc: Bureau of Liquor Control Enforcement,
Pennsylvania State Police

LCB Advisory Opinion No. 99-284