

August 13, 1999

Telephone: 717-783-9454
FAX: 717-787-8820

Sherry D. Houston, Manager
Page's Restaurant Inc.
117 N. Diamond Street
Mercer, PA 16137

Dear Ms. Houston:

ISSUE: In your July 22, 1999 fax to this office, you inquire whether it would be permissible for Page's Restaurant, Inc., holder of restaurant liquor license No. R-18126, to conduct an in-house pool tournament. Participants in the pool tournament would pay \$5.00 to enter and all the monies taken in would be used to pay the first, second and third place winners. All prizes would be given off the licensed premises.

DISCUSSION: Generally speaking, events, tournaments or contests on licensed premises are not permissible. [40 Pa. Code Section 5.32]. However, an exception exists for events, tournaments or contests sponsored by the licensee with the total value of the prizes awarded \$500.00 or less. In addition, an event, tournament or contest on the licensed premises is not permissible if it involves unlawful gambling. Generally speaking, any event, tournament or contest which involves consideration, reward and which contains an element of chance, may constitute unlawful gambling. Consideration means that the participant must pay something to participate. The fact that the event, tournament or contest may also involve a certain amount of skill does not preclude a determination that there is some element of chance involved. You should contact either the State Police or local law enforcement officials to see if your pool tournament, which requires \$5.00 to enter and which awards prizes, would be considered unlawful gambling. In addition, licensees must keep records of all events, tournaments or contests, the prizes awarded, the value of the prizes and the names and addresses of the prize winners.

So long as your proposed pool tournament does not involve unlawful gambling and so long as you follow the provisions set forth in section 5.32, your proposed contest would be permissible.

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

LCB Advisory Opinion No. 99-290