

(Series 1974)
Bulletin #477
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TO: All Club Licensees

Subject: Club Licensees Catering to Non-Members

The Alcoholic Beverage Control Law enables licensed clubs to sell alcoholic beverages to non-members at special occasions, functions or events, held on the club premises, upon compliance with specified conditions and first obtaining an on-premises caterers permit from the Authority.

The Law is not intended to enable club licensees to compete with licensed restaurants, hotels and other on-premises licensees, in selling alcoholic beverages to the general public.

On-Premises Caterers Permits

Under the Law, a licensed club seeking a caterers permit for an affair to be held on the club premises must certify (1) that the club has not solicited the event nor advertised the affair in any manner as open to the public; and (2) that alcoholic beverages will be sold only to persons, invited to and attending the function, occasion or event. In addition, the licensed club must also show:

1. That the particular function or event is to be held by a sodality, auxiliary or other organization affiliated with the club;
2. That a particular charitable or non-profit function or event is to be held by a charitable or non-profit organization, and that such organization has one or more members who are also members of the club;
3. That the function or event is to be held by an organization not affiliated with the licensed club but in conjunction with the use of the primary athletic or sports facilities of the club.

The Alcoholic Beverage Control Law also authorizes the Authority to issue an on-premises caterers permit to a licensed club if the facts set forth in the application establish to the satisfaction of the Authority that no other suitably licensed premises authorized to sell alcoholic beverages to the public is available within a reasonable distance.

It is essential that such applications contain facts to comply with the Law. Standing alone, the statement "That no other suitably licensed premises authorized to sell alcoholic beverages to the public is available within a reasonable distance" is not sufficient. The statement should show the efforts made to obtain accommodations at premises authorized to sell alcoholic beverages to the general public, the names,

addresses and distances of the nearest two or three restaurants, hotels or catering establishments within a reasonable distance and the reasons why such premises are not suitable for the affair.

To comply with the Law, good and sufficient reasons must be shown to the satisfaction of the Authority. For example, if the restaurants, hotels or catering establishments, within a reasonable distance, will accommodate a maximum of 100 persons and 150 to 200 persons are expected to attend; this fact should be stated. If the affair is an anniversary dinner or occasion, and the anniversary date is not available at such restaurants, hotels or catering establishments, this fact should be included. If the nearest hotel, restaurant or catering establishment suitable for the affair is not located within a reasonable distance, or if the affair is being held during the winter months and transportation or inclement weather poses a hardship to persons attending the affair, facts to establish this reason should be set forth.

It is desirable that the circumstances which necessitate the use of the club premises be fully stated in the application. The Authority does not propose nor does time permit an investigation by the Authority's staff to establish good and sufficient reasons for approving the application. This is the province of the applicant club. Absent such facts, the application will be denied.

Off-Premises Caterers Permits

The Alcoholic Beverage Control Law provides that a caterers permit will not be granted to a club licensee for a function held off the club premises except where such is exclusively for the use and benefit of the club members only and is so restricted.

Necessity for Caterers Permits

Club licensees are cautioned that unless a caterers' permit is first obtained, a club licensee may sell alcoholic beverages only to its members and their guests accompanying them. Absent a caterers permit, the sale of alcoholic beverages to non-members, other than invited guests accompanied by host members, is a violation of law and jeopardizes the club license.

Application Forms for Caterers Permits

Application forms for club caterers permits should be used by club applicants as distinguished from applications used by licensees other than clubs. Such forms are available at all offices of the Authority and Local Boards. The proper completion of such applications with the necessary information will facilitate action by the Authority and will expedite notification to the licensed club.

When requesting caterers permit application forms, club licensees should specify "for Clubs".