**South Carolina General Assembly**

122nd Session, 2017-2018

**H. 3850**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Bernstein, Rutherford, Tallon, Bannister, McCoy, Simrill, Stavrinakis, Herbkersman, Cole, J.E. Smith and Finlay

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Introduced in the House on February 23, 2017

Currently residing in the House Committee on **Judiciary**

Summary: Alcohol license

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

2/23/2017 House Introduced and read first time ([House Journal‑page 29](file:///h:\hj\20170223.docx))

2/23/2017 House Referred to Committee on **Judiciary** ([House Journal‑page 29](file:///h:\hj\20170223.docx))

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**VERSIONS OF THIS BILL**

[2/23/2017](file:///p:\pprever\2017-18\3850_20170223.docx)

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 61‑4‑555 SO AS TO PROVIDE DEFINITIONS FOR “NONPROFIT ORGANIZATION” AND “NONPROFIT SPECIAL EVENT”, AND TO PROVIDE THAT A NONPROFIT ORGANIZATION MAY BE ISSUED A LICENSE TO SERVE BEER AND WINE AT A NONPROFIT SPECIAL EVENT UNDER CERTAIN CONDITIONS.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Chapter 4, Title 61 of the 1976 Code is amended by adding:

“Section 61‑4‑555. (A) As used in this section:

(1) ‘Nonprofit organization’ means an organization registered and in good standing with the Secretary of State as a domestic nonprofit corporation which does not hold a biennial license issued under this title.

(2) ‘Nonprofit special event’ or ‘event’ means an event not exceeding seventy‑two hours in duration for which a license has been obtained from the department pursuant to the provisions and requirements of this section by a nonprofit organization and at which beer and wine is sold by the drink or included in the price of admission for on‑premise consumption.

(B) Subject to the requirements of this section, a nonprofit organization may be licensed to hold up to but not more than four nonprofit special events in a calendar year for a fee as the department designates.

(C) In addition to requirements set forth by the department, a nonprofit organization shall include the following with its application for a nonprofit special event license:

(1) a lease, license, or other evidence defining and demonstrating the nonprofit organization’s authorization and control over the premises on which the nonprofit event is held for the period set forth in the application;

(2) a criminal records check conducted by the State Law Enforcement Division within ninety days before the application filing date for the officers or members of the nonprofit organization as the department prescribes. The department shall deny the application if the criminal records check is not submitted with the application and filing fee or if it was obtained more than ninety days before the filing date; and

(3) proof of notification of local law enforcement in a form as the department prescribes. At a minimum, the notification must contain sufficient information to inform the department that either the chief of police, if the event is located within the city limits, or the county sheriff has been notified of the temporary permit application and given an opportunity to object.

(D) Notwithstanding the provisions of Sections 61‑4‑735 and 61‑4‑940, a manufacturer, producer, vintner, brewer, or importer may provide the following, with or without charge, to a nonprofit organization for use at a nonprofit special event:

(1) individual employees, owners, or members of a manufacturer, producer, vintner, or brewer to pour and serve beer and wine, so long as these individuals have received the Department of Alcohol and Other Drug Abuse Services (DAODAS) or department approved alcohol enforcement training;

(2) point of sale advertising specialties; and

(3) equipment used to dispense beer and wine.

(E) A wholesaler of beer and wine may not provide individual agents, employees, owners, or members of the wholesaler and such individuals may not pour or serve beer and wine at a nonprofit special event and may not provide any other services not authorized by Sections 61‑4‑735(C) and 61‑4‑940(C).

(F) All beer and wine consumed at a nonprofit special event must be delivered to the event premises by or picked from the warehouse of a licensed wholesaler authorized by the applicable producer or importer to sell the beer or wine to retailers in the territory where the nonprofit special event is held on or up to three calendar days before the nonprofit special event. The wholesaler may transfer the beer or wine only after presentation of the original permit issued by the department for the nonprofit special event and shall provide an invoice for all beer and wine transferred to the nonprofit organization. The provisions of Section 61‑4‑30 apply to all sales of beer and wine by wholesalers to nonprofit organizations for nonprofit special events. The nonprofit organization shall maintain all invoices for beer and wine at the event and make the invoices available to the division upon request.

(G) Notwithstanding the provisions of Sections 61‑4‑735 and 61‑4‑940, a manufacturer, producer, vintner, brewer, importer, or wholesaler may elect, but is under no obligation, to donate beer and wine to the nonprofit organization for sale and consumption at the event, subject to the following:

(1) the wholesaler shall pay all state excise taxes for donated beer and wine;

(2) the wholesaler invoice to the nonprofit organization must indicate:

(a) the beer or wine donated;

(b) the wholesaler’s price to retailers for the beer or wine donated; and

(c) who donated the beer or wine;

(3) If a producer or importer donates beer or wine to the nonprofit organization for the event, the wholesaler:

(a) may provide beer or wine previously purchased from the producer or importer and shall invoice the producer or importer for the cost of the beer or wine, along with the excise tax paid or to be paid by the wholesaler; or

(b) may receive delivery of the donated beer or wine from the producer or importer and shall bill the producer or importer for the excise tax paid or to be paid by the wholesaler.

(H) No brand of beer or wine may be served at the event unless the brand has first been registered in this State. If a brand of beer or wine has been registered in this State but has not yet been assigned to a wholesaler for the territory where the event will be held, the producer or importer may deliver the beer or wine to a willing wholesaler who operates in the territory where the event will be held, along with the appropriate excise tax and proof that the brand has been registered in this State, and the wholesaler may provide the delivered beer or wine for the event. The donation and delivery by the producer or importer shall not operate as an assignment of territory to the wholesaler.

(I) Notwithstanding the provisions of Article 17 of this chapter, a brewpub may donate beer brewed at the brewpub to a nonprofit organization for sale and consumption at a nonprofit special event by delivering the beer to a willing wholesaler who operates in the territory where the event will be held, along with the appropriate excise tax, and the wholesaler shall transfer the beer to the nonprofit organization in accord with this section.

(J) The exceptions to Sections 61‑4‑735 and 61‑4‑940 set forth in this section apply only to nonprofit special events authorized by this section and do not apply to any other biennial, temporary, or special permit authorized under this title.

(K) A nonprofit special event permit authorized under this section may be issued to a nonprofit organization contemporaneously with a permit authorized pursuant to Section 61‑6‑2000, and the department may create a single application for both permits.”

SECTION 2. This act takes effect upon approval by the Governor.

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