**South Carolina General Assembly**

122nd Session, 2017-2018

**A44, R65, S114**

**STATUS INFORMATION**

General Bill

Sponsors: Senators Bennett and Senn

Document Path: l:\s-jud\bills\bennett\jud0019.kw.docx

Introduced in the Senate on January 10, 2017

Introduced in the House on March 22, 2017

Last Amended on March 16, 2017

Passed by the General Assembly on May 10, 2017

Governor's Action: May 19, 2017, Signed

Summary: Alcoholic beverages

**HISTORY OF LEGISLATIVE ACTIONS**

 Date Body Action Description with journal page number

 12/13/2016 Senate Prefiled

 12/13/2016 Senate Referred to Committee on **Judiciary**

 1/10/2017 Senate Introduced and read first time ([Senate Journal‑page 67](file:///h%3A%5Csj%5C20170110.docx))

 1/10/2017 Senate Referred to Committee on **Judiciary** ([Senate Journal‑page 67](file:///h%3A%5Csj%5C20170110.docx))

 1/18/2017 Senate Referred to Subcommittee: Shealy (ch), Hutto, Senn

 2/23/2017 Senate Committee report: Favorable with amendment **Judiciary** ([Senate Journal‑page 15](file:///h%3A%5Csj%5C20170223.docx))

 3/16/2017 Senate Committee Amendment Adopted ([Senate Journal‑page 17](file:///h%3A%5Csj%5C20170316.docx))

 3/16/2017 Senate Read second time ([Senate Journal‑page 17](file:///h%3A%5Csj%5C20170316.docx))

 3/16/2017 Senate Roll call Ayes‑41 Nays‑1 ([Senate Journal‑page 17](file:///h%3A%5Csj%5C20170316.docx))

 3/21/2017 Senate Read third time and sent to House ([Senate Journal‑page 14](file:///h%3A%5Csj%5C20170321.docx))

 3/22/2017 House Introduced and read first time ([House Journal‑page 10](file:///h%3A%5Chj%5C20170322.docx))

 3/22/2017 House Referred to Committee on **Judiciary** ([House Journal‑page 10](file:///h%3A%5Chj%5C20170322.docx))

 5/3/2017 House Committee report: Favorable **Judiciary** ([House Journal‑page 64](file:///h%3A%5Chj%5C20170503.docx))

 5/9/2017 House Read second time ([House Journal‑page 74](file:///h%3A%5Chj%5C20170509.docx))

 5/9/2017 House Roll call Yeas‑67 Nays‑18 ([House Journal‑page 75](file:///h%3A%5Chj%5C20170509.docx))

 5/10/2017 House Read third time and enrolled ([House Journal‑page 13](file:///h%3A%5Chj%5C20170510.docx))

 5/15/2017 Ratified R 65

 5/19/2017 Signed By Governor

 5/26/2017 Effective date 11/19/17

 5/31/2017 Act No. 44

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**VERSIONS OF THIS BILL**

[12/13/2016](file:///p%3A%5Cpprever%5C2017-18%5C114_20161213.docx)

[2/23/2017](file:///p%3A%5Cpprever%5C2017-18%5C114_20170223.docx)

[2/28/2017](file:///p%3A%5Cpprever%5C2017-18%5C114_20170228.docx)

[2/28/2017-A](file:///p%3A%5Cpprever%5C2017-18%5C114_20170228A.docx)

[3/16/2017](file:///p%3A%5Cpprever%5C2017-18%5C114_20170316.docx)

[5/3/2017](file:///p%3A%5Cpprever%5C2017-18%5C114_20170503.docx)

(A44, R65, S114)

**AN ACT TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 61‑2‑185 SO AS TO ALLOW NONPROFIT ORGANIZATIONS TO APPLY FOR SPECIAL NONPROFIT EVENT LICENSES TO ALLOW THEM TO SOLICIT AND ACCEPT DONATIONS OF ALCOHOL TO BE SOLD FOR ON‑PREMISES CONSUMPTION UNDER CERTAIN CIRCUMSTANCES, TO PRESCRIBE A PROCESS FOR SUPPLIERS AND WHOLESALERS TO WORK TOGETHER TO PROVIDE DONATED ALCOHOL FOR LICENSED NONPROFIT EVENTS, TO ALLOW SUPPLIERS TO FURNISH EQUIPMENT AND TRAINED REPRESENTATIVES TO SERVE AND POUR ALCOHOL AT LICENSED NONPROFIT EVENTS, AND DEFINE NECESSARY TERMS.**

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

**Alcohol, special nonprofit event licenses, donations of alcohol, requirements, definitions**

SECTION 1. Chapter 2, Title 61 of the 1976 Code is amended by adding:

 “Section 61‑2‑185. (A) A nonprofit organization may apply for a special nonprofit license. A special nonprofit event is an event for which a nonprofit organization solicits and accepts donations of alcohol to be sold for on‑premises consumption. A nonprofit organization applying for a special nonprofit event license must meet the following requirements:

 (1) The organization must be a nonprofit organization registered and in good standing with the South Carolina Secretary of State as a domestic nonprofit organization.

 (2) The nonprofit organization must not hold a biennial permit or license issued pursuant to Title 61 for on‑premises or off‑premises consumption.

 (3) A special nonprofit event must last no longer than seventy‑two consecutive hours. For the purpose of this section, an event may take place at more than one location where the nonprofit organization has control of the premises for the special nonprofit event. For multiple locations to constitute one event, the location must be in the same county.

 (4) The nonprofit organization must have a reputation for peace and good order in its community, and the principals must be of good character.

 (5) The nonprofit organization must obtain a special nonprofit event license from the department. A nonprofit organization shall not be licensed to hold more than four special nonprofits in one calendar year.

 (B)(1) A nonprofit organization seeking a special nonprofit event license application must submit an application, as promulgated by the department, that satisfies the requirements set forth in Section 61‑2‑90, and that includes notice to local law enforcement, and may require criminal background checks, together with a nonrefundable license fee of forty dollars.

 (2) The department must deny an application that does not contain the information required on the application and the license fee.

 (C) For purposes of this section only:

 (1) ‘Alcohol’ means beer, ale, porter, and other similar malt or fermented beverages, wine not in excess of twenty‑one percent alcohol, alcoholic liquors, or any other type of alcoholic beverage that contains any amount of alcohol and is used as a beverage for human consumption. It does not include alcohol that is not registered as a brand in this State and it does not include alcohol that is made at home for home consumption.

 (2) ‘Supplier’ means a manufacturer, producer, vintner, brewer, micro‑brewer, importer, distiller, or micro‑distiller of alcohol, authorized to do business in this State.

 (D) For a special nonprofit event only, a supplier or wholesaler of alcohol may donate alcohol to a nonprofit organization for sale and on‑premises consumption at a special nonprofit event, without violation of Section 61‑4‑735, Section 61‑4‑940, or Chapter 6, Title 61 subject to the following requirements:

 (1)(a) All alcohol provided to the nonprofit organization from a supplier or a wholesaler for the special nonprofit event must be transferred through a wholesaler licensed in this State that is authorized by an applicable supplier to sell alcohol to retailers.

 (b) Up to three calendar days prior to the event, the alcohol may be picked up by the nonprofit organization from the applicable wholesaler’s warehouse, upon presentation of the special nonprofit event license, or the alcohol may be delivered to the event premises by the applicable wholesaler, if the nonprofit organization is in control of the event premises at the time of delivery, and upon presentment of the special nonprofit event license.

 (c) Except as provided in subsection (E)(1), where applicable, the provisions of Article 13, Chapter 4, Title 61 concerning territorial agreements, operate.

 (2) The wholesaler shall pay the appropriate state excise taxes to the department on the donated alcohol.

 (3) A wholesaler that chooses to donate alcohol to the special nonprofit event may:

 (a) provide alcohol previously purchased from the supplier and invoice the appropriate supplier for the cost of the alcohol, together with the excise taxes paid or to be paid by the wholesaler; or

 (b) receive delivery of the donated alcohol from the supplier and bill the supplier for the excise tax paid or to be paid by the wholesaler.

 (4) The wholesaler that is providing the alcohol must present an invoice to the nonprofit organization that includes:

 (a) a listing of the types of alcohol and the alcohol brands that have been donated to the event;

 (b) the wholesaler’s regular price to retailers for the alcohol so donated; and

 (c) the name and address of the supplier or wholesaler that has donated the alcohol.

 (5) The wholesaler shall transfer the donated alcohol to the nonprofit organization only after presentation of the original special nonprofit event license, as issued by the department, and the delivery of the wholesaler’s invoice to the nonprofit organization.

 (6) For sales of nondonated alcohol from a wholesaler to the nonprofit organization for use and on‑premises consumption at the special nonprofit event, the provisions of Section 61‑4‑30 and Section 61‑6‑1300 apply.

 (7) The nonprofit organization licensed to hold the special nonprofit event is responsible for maintaining any and all invoices for alcohol donated or purchased for the event. The invoices must be available at the event upon request of the division.

 (E)(1) In addition to the donations of alcohol, a nonprofit organization may solicit from and a supplier may provide, without violation of Section 61‑4‑735, Section 61‑4‑940, or Chapter 6, Title 61, the following, with or without charge, for use at a special nonprofit event:

 (a) individual employees, agents, owners, or members of a supplier to pour and serve alcohol, if each of these individuals has received training from an alcohol education training program recognized by the department and posted on the department’s website;

 (b) point of sale advertising specialties, as defined by federal law and regulations; and

 (c) equipment used to dispense alcohol for sale for on‑premises consumption.

 (2) A wholesaler of alcohol shall not provide individual employees, owners, or members of a wholesaler to pour or serve alcohol at a special nonprofit event. A wholesaler of alcohol is prohibited from providing any services not authorized by Section 61‑4‑735, Section 61‑4‑940, or Section 61‑6‑1300.

 (F)(1) For brands of beer that are registered in the State, but have not yet been assigned to a wholesaler for the territory where the special nonprofit event is to be held, a producer or importer may deliver the beer to a willing wholesaler who operates in the territory where the event is to be held, along with the appropriate excise tax and proof that the brand has been registered in the State, and the wholesaler may provide such delivered beer for the event.

 (2) Brewpubs may donate beer that is brewed at the brewpub to a nonprofit organization holding a special nonprofit event pursuant to the requirements of this section. The brewpub must deliver the donated beer, together with the appropriate state excise tax, to a willing wholesaler that operates in the territory where the special nonprofit event is to be held and the wholesaler shall transfer the donated beer to the nonprofit organization in accordance with the provisions of this section.

 (3) Donations pursuant to this subsection and delivery by the producer, importer, or brewpub shall not operate as an assignment of territory to the wholesaler and shall not be considered violations of Article 13 or Article 17, Chapter 4, Title 61.”

**Time effective**

SECTION 2. This act becomes effective six months after approval by the Governor.

Ratified the 15th day of May, 2017.

Approved the 19th day of May, 2017.

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