

House File 2341 - Introduced

HOUSE FILE 2341
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HSB 608)

A BILL FOR

1 An Act authorizing charitable auctions for alcoholic spirits.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 123.173A, Code 2011, is amended to read
2 as follows:

3 **123.173A Charity beer, spirits, and wine auction permit.**

4 1. For purposes of this section, "*authorized nonprofit*
5 *entity*" includes a nonprofit entity which has a principal office
6 in the state, a nonprofit corporation organized under chapter
7 504, or a foreign corporation as defined in section 504.141,
8 whose income is exempt from federal taxation under section
9 501(c) of the Internal Revenue Code.

10 2. An authorized nonprofit entity may, upon application to
11 the division and receipt of a charity beer, spirits, and wine
12 auction permit from the division, conduct a charity auction
13 which includes beer, spirits, and wine. The application shall
14 specify the date and time when the charity beer, spirits, and
15 wine auction is to be conducted and the premises in this state
16 where the charity beer, spirits, and wine auction is to be
17 physically conducted. The applicant shall certify that the
18 objective of the charity beer, spirits, and wine auction is
19 to raise funds solely to be used for educational, religious,
20 or charitable purposes and that the entire proceeds from the
21 charity beer, spirits, and wine auction are to be expended for
22 any of the purposes described in section 423.3, subsection 78.

23 3. An authorized nonprofit entity shall be eligible to
24 receive only two charity beer, spirits, and wine auction
25 permits during a calendar year and each charity beer, spirits,
26 and wine auction permit shall be valid for a period not to
27 exceed thirty-six consecutive hours.

28 4. The authorized nonprofit entity conducting the charity
29 beer, spirits, and wine auction shall obtain the beer, spirits,
30 and wine to be auctioned at the charity beer, spirits, and
31 wine auction from an Iowa retail beer permittee, an Iowa
32 retail alcoholic liquor permittee, an Iowa micro-distilled
33 spirits permittee, or an Iowa retail wine permittee, or may
34 receive donations of beer, spirits, or wine to be auctioned
35 at the charity beer, spirits, and wine auction from persons

1 who purchased the donated beer, spirits, or wine from an
2 Iowa retail beer permittee, an Iowa retail alcoholic liquor
3 permittee, an Iowa micro-distilled spirits permittee, or
4 an Iowa retail wine permittee and who present a receipt
5 documenting the purchase at the time the beer, spirits, or wine
6 is donated. The authorized nonprofit entity conducting the
7 charity beer, spirits, and wine auction shall retain a copy
8 of the receipt for a period of one year from the date of the
9 charity beer, spirits, and wine auction.

10 5. Persons shall be physically present at the charity
11 beer, spirits, and wine auction to be eligible to bid on beer,
12 spirits, and wine sold at the charity auction.

13 6. The beer, spirits, and wine sold at the charity beer,
14 spirits, and wine auction shall be in original containers
15 for consumption off of the premises where the charity beer,
16 spirits, and wine auction is conducted. No other alcoholic
17 beverage may be sold by the charity beer, spirits, and wine
18 auction permittee at the charity beer, spirits, and wine
19 auction. A purchaser of beer, spirits, or wine at a charity
20 beer, spirits, and wine auction shall not take possession of
21 the beer, spirits, or wine until the person is leaving the
22 event. A purchaser of beer, spirits, or wine at a charity
23 beer, spirits, and wine auction shall not open the container
24 or consume or permit the consumption of the beer, spirits, or
25 wine purchased on the premises where the charity beer, spirits,
26 and wine auction is conducted. A purchaser of beer, spirits,
27 or wine at a charity beer, spirits, and wine auction shall not
28 resell the beer, spirits, or wine.

29 7. A liquor control licensee, beer permittee,
30 micro-distilled spirits permittee, or wine permittee shall not
31 purchase beer, spirits, or wine at a charity beer, spirits, and
32 wine auction. The charity beer, spirits, and wine auction may
33 be conducted on a premises for which a class "B" liquor control
34 license or class "C" liquor control license has been issued,
35 provided that the liquor control licensee does not participate

1 in the charity beer, spirits, and wine auction, supply beer,
2 spirits, or wine to be auctioned at the charity beer, spirits,
3 and wine auction, or receive any of the proceeds of the charity
4 beer, spirits, and wine auction.

5 Sec. 2. Section 123.179, subsection 5, Code 2011, is amended
6 to read as follows:

7 5. The fee for a charity beer, spirits, and wine auction
8 permit is one hundred dollars.

9

EXPLANATION

10 Code section 123.173A, providing for a charity beer and wine
11 auction permit, is amended to allow the auction of alcoholic
12 spirits.