

House File 2540 - Introduced

HOUSE FILE 2540
BY COMMITTEE ON STATE
GOVERNMENT

(SUCCESSOR TO HSB 683)

A BILL FOR

1 An Act establishing a charity beer, spirits, and wine event
2 permit.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 123.32, subsection 1, paragraph b, Code
2 2020, is amended by adding the following new subparagraph:

3 NEW SUBPARAGRAPH. (7A) A charity beer, spirits, and wine
4 event permit as provided in section 123.173B.

5 Sec. 2. NEW SECTION. 123.173B Charity beer, spirits, and
6 wine event permit.

7 1. For purposes of this section, "*authorized nonprofit*
8 *entity*" includes a nonprofit entity which has a principal office
9 in the state, a nonprofit corporation organized under chapter
10 504, or a foreign corporation as defined in section 504.141,
11 whose income is exempt from federal taxation under section
12 501(c) of the Internal Revenue Code.

13 2. An authorized nonprofit entity may, upon application
14 to the division and receipt of a charity beer, spirits, and
15 wine event permit from the division, conduct a charity event
16 which allows for the consumption of beer, spirits, and wine on
17 the premises of the event and allows the authorized nonprofit
18 entity to include the cost of the beer, spirits, and wine at
19 the event as part of the admission fee to the event. The
20 completed application shall specify the date and time when the
21 charity beer, spirits, and wine event is to be conducted and
22 the premises in this state where the charity beer, spirits,
23 and wine event is to be physically conducted. The completed
24 application shall also specify that the premises where the
25 charity beer, spirits, and wine event is to be conducted has a
26 valid license or permit authorizing the consumption of beer,
27 spirits, or wine on the premises and that the authorized
28 nonprofit entity has entered into an agreement with the
29 licensee or permittee of the licensed premises allowing the
30 charity beer, spirits, and wine event to be conducted on the
31 premises and providing that the authorized nonprofit entity
32 shall reimburse the licensee or permittee for the beer,
33 spirits, and wine consumed at the event. The applicant shall
34 certify that the objective of the charity beer, spirits, and
35 wine event is to raise funds solely to be used for educational,

1 religious, or charitable purposes and that the entire proceeds
2 from the charity beer, spirits, and wine event are to be
3 expended for any of the purposes described in section 423.3,
4 subsection 78.

5 3. An authorized nonprofit entity shall be eligible to
6 receive only two charity beer, spirits, and wine event permits
7 during a calendar year and each charity beer, spirits, and
8 wine event permit shall be valid for a period not to exceed
9 thirty-six consecutive hours.

10 4. The authorized nonprofit entity conducting the charity
11 beer, spirits, and wine event shall obtain the beer, spirits,
12 and wine to be consumed on the premises of the charity beer,
13 spirits, and wine event from the applicable licensee or
14 permittee for the premises.

15 5. Any violation of the requirements of this chapter or the
16 rules adopted pursuant to this chapter shall subject the permit
17 holder to the general penalties provided in this chapter and
18 shall constitute grounds for imposition of a civil penalty,
19 suspension of the permit, or revocation of the permit after
20 notice and opportunity for a hearing pursuant to section 123.39
21 and chapter 17A.

22 EXPLANATION

23 The inclusion of this explanation does not constitute agreement with
24 the explanation's substance by the members of the general assembly.

25 This bill authorizes a nonprofit entity to conduct a charity
26 beer, spirits, and wine event.

27 New Code section 123.173B provides for the issuance of a
28 charity beer, spirits, and wine event permit to an authorized
29 nonprofit entity that allows the consumption of beer, spirits,
30 and wine at a charity beer, spirits, and wine event and allows
31 for including the cost of the beer, spirits, and wine as part
32 of an admission fee to the event. The bill requires the
33 nonprofit entity to specify the date and time and the premises
34 where the charity beer, spirits, and wine event is to be
35 conducted. The bill provides that the completed application

1 shall also specify that the premises has a valid license or
2 permit authorizing the consumption of beer, spirits, or wine
3 on the premises and that the authorized nonprofit entity has
4 entered into an agreement with the licensee or permittee of
5 the licensed premises allowing the charity beer, spirits, and
6 wine event to be conducted on the premises and providing for
7 reimbursing the licensee or permittee for the beer, spirits,
8 and wine consumed at the event. The bill requires proceeds
9 from the event to be expended for charitable purposes and
10 allows only two charity beer, spirits, and wine event permits
11 during a calendar year with each charity beer, spirits,
12 and wine event permit valid for a period not to exceed 36
13 consecutive hours. The bill requires the authorized nonprofit
14 entity to obtain the beer, spirits, and wine to be sold for
15 consumption on the premises of the charity beer, spirits, and
16 wine event from the applicable licensee or permittee for the
17 premises. The bill also provides that any violation of the
18 requirements of Code chapter 123 or the rules adopted pursuant
19 shall subject the permit holder to the general penalties
20 provided in Code chapter 123 and shall constitute grounds for
21 imposition of a civil penalty, suspension of the permit, or
22 revocation of the permit.