HOUSE FILE 2540
BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO HSB 683)

(As Amended and Passed by the House March 4, 2020)
ALL New Language by the House

A BILL FOR

An Act establishing a charity beer, spirits, and wine event permit.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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

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

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

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

2. Upon application to the division and receipt of a charity beer, spirits, and wine event permit, an authorized nonprofit entity may conduct an event at which the entity is authorized to serve the event's attendees beer, spirits, and wine for consumption on the premises of the event, regardless of whether the entity charges an admission fee to the event or otherwise collects the cost of the beer, spirits, and wine served from the event's attendees and subject to the requirements of this section.

3. An application for a charity beer, spirits, and wine event permit shall include all of the following information:

a. The date and time when the charity beer, spirits, and wine event is to be conducted and the location of the premises in this state where the charity beer, spirits, and wine event is to be physically conducted.

b. The liquor control license or wine or beer permit number issued by the division for the premises where the charity beer, spirits, and wine event is to be conducted.

c. A certification that the objective of the charity beer, spirits, and wine event is to raise funds solely to be used for educational, religious, or charitable purposes and that the entire proceeds from the charity beer, spirits, and wine event are to be expended for any of the purposes described in section

423.3, subsection 78.

4. A charity beer, spirits, and wine event shall comply with all of the following requirements:

a. The event is to be conducted on a premises covered by a valid liquor control license or wine or beer permit issued by the division.

b. The authorized nonprofit entity shall have a written agreement with the liquor control licensee or wine or beer permittee covering the premises where the event is to be conducted specifying that that licensee or permittee shall act as the agent of the authorized nonprofit entity for the purpose of providing and serving alcoholic beverages to the attendees of the event.

c. The liquor control licensee or wine or beer permittee covering the premises where the event is to be conducted shall supply all alcoholic beverages served to the attendees of the event.

d. Only those types of alcoholic beverages as are authorized to be sold by the liquor control license or wine or beer permit covering the premises where the event is to be conducted are to be served to the attendees of the event.

5. An authorized nonprofit entity shall be eligible to receive no more than two charity beer, spirits, and wine event permits during a calendar year and each charity beer, spirits, and wine event permit shall be valid for a period not to exceed thirty-six consecutive hours.

6. Any violation of the requirements of this chapter or the rules adopted pursuant to this chapter shall subject the charity beer, spirits, and wine event permit holder to the general penalties provided in this chapter and shall constitute grounds for imposition of a civil penalty, suspension of the permit, or revocation of the permit after notice and opportunity for a hearing pursuant to section 123.39 and chapter 17A.

Sec. 3. Section 123.179, Code 2020, is amended by adding the

following new subsection:

NEW SUBSECTION. 7. The fee for a charity beer, spirits, and wine event permit is one hundred dollars.