



This Bill Analysis reflects the contents of the bill as it was presented in committee.

# SENATE BILL 154: Charitable Fundraising for Nonprofit Orgs.

2017-2018 General Assembly

<b>Committee:</b>	Senate Commerce and Insurance. If favorable, re-refer to Finance. If favorable, re-refer to Rules and Operations of the Senate	<b>Date:</b>	March 29, 2017
<b>Introduced by:</b>	Sens. Gunn, Lowe, Harrington	<b>Prepared by:</b>	Amy Darden
<b>Analysis of:</b>	First Edition		Committee Counsel

**OVERVIEW:** Senate Bill 154 would (i) increase the number of raffles that a nonprofit organization could hold each year from two to four, (ii) increase the annual amount of prizes that a nonprofit organization could award in raffles by a nonprofit from \$125,000 to \$250,000, (iii) authorize the sale and consumption of alcoholic beverages in a room where a raffle is being conducted, (iv) provide that a nonprofit organization that has received a limited special occasion ABC permit or special one-time ABC permit may renew the permit rather than applying for a new permit, and (v) allow a nonprofit organization holding ticketed event with a special one-time ABC permit to offer alcoholic beverages as a prize in a raffle or sell alcoholic beverages at auction at the ticketed event.

### CURRENT LAW AND BILL ANALYSIS:

**Section 1** would create a definition of "nonprofit organization" that mirrors language in existing law.

**Section 2** would increase the number of raffles that a nonprofit organization can hold per calendar year from two to four, and increase the total annual prizes that a nonprofit organization could award in raffles from \$125,000 to \$250,000. This section also clarifies that a regional or county chapter of a nonprofit organization is eligible to conduct raffles independently of its parent organization. This section would not affect raffles held by political candidates, political committees, or government entities.

**Section 3** would authorize the sale and consumption of alcoholic beverages in the same room where a raffle is being conducted.

**Section 4** would direct the ABC Commission to reissue a limited special occasion ABC permit or certain special one-time ABC permits to a nonprofit organization that has obtained the permit within the previous 18 months, provided that the same individual representing the organization requests reissuance of the permit for the same location. The reissuance fee would be the same as that to obtain a new permit of the same description. The Commission would be directed to investigate the applicant and the premises for reissued permits not more than once every three years. Providing false information on a permit reissuance would be grounds for denying, suspending, or revoking the permit, and would be a Class 1 misdemeanor.

This section would become effective December 1, 2017, and would apply to offenses committed on or after that date.

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**Section 5** would provide that a nonprofit organization that receives a special one-time permit to serve alcoholic beverages at a ticketed fundraising event may offer alcoholic beverages in the manufacturer's original closed container as a prize in a raffle, or may sell alcoholic beverages in the manufacturer's original closed container at auction, at the ticketed event to raise funds for the nonprofit organization.

**EFFECTIVE DATE:** Except as otherwise provided, this act would become effective October 1, 2017.

*Staff Attorney Chris Saunders substantially contributed to this summary.*