~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

May 26, 2010

**H. 4516**

Introduced by Rep. M.A. Pitts

S. Printed 5/26/10--S.

Read the first time April 21, 2010.

**THE COMMITTEE ON JUDICIARY**

To whom was referred a Bill (H. 4516) to amend Sections 61-4-550 and 61-6-2000, Code of Laws of South Carolina, 1976, relating to special permits for the sale of beer, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, by striking on page 1, lines 30‑40 in their entirety and inserting the following:

/ “Section 61‑4‑550. (A) The department may issue permits to nonprofit organizations running for a period not exceeding fifteen days for a fee of ten dollars per day. For purposes of this section, a ‘nonprofit organization’ is an entity which is organized and operated exclusively for social, benevolent, patriotic, recreational, or fraternal purposes, and which is exempt from federal income taxes pursuant to Internal Revenue Code Section 501(c)(3), 501(c)(4), 501(c)(6), 501(c)(7), 501(c)(8), 501(c)(10), or 501(c)(19). It also includes political parties and their affiliates duly certified by the Secretary of State. ~~Such~~ These special permits ~~shall~~ may be issued only for locations at fairs and special functions. /

Amend the bill, as and if amended, by striking page 2, lines 12-19 in their entirety and inserting the following:

/ (C) The department shall require the applicant to notify in writing a minimum of fifteen days prior to the first day of a fair or special function the sheriff, or sheriff’s designee, of the county in which the fair or special function is to be located. Upon request of the applicant, the sheriff may waive the fifteen day notification requirement. A timely objection within seventy-two hours of the receipt of the notice by the sheriff or his official designee, submitted in writing to the department is sufficient grounds to deny the application.” /

Amend the bill further, as and if amended, by adding on page 2, after line 19 an appropriately numbered SECTION to read:

/ SECTION \_\_\_. Section 61-4-240 of the 1976 Code is amended to read:

“Section 61-4-240. Temporary permits for the possession, consumption, and sale of beer or wine may be issued pursuant to Sections 61‑4‑550, 61‑6‑500, ~~61‑6‑510,~~ 61‑6‑2000, or 61‑6‑2010, as appropriate, and in accordance with these statutes.” /

Amend the bill further, as and if amended, by striking page 2, lines 41-43 and page 3, lines 1-14 in their entirety and inserting the following:

/ Notwithstanding another provision of this article, the department may issue to a nonprofit organization a temporary license to sell alcoholic liquor by the drink at a special function for a period not to exceed twenty-four hours. A qualifying nonprofit organization may sell tickets at the door. The application for this temporary license must include a statement by the applicant as to the nature and date of the special function at which alcoholic liquor by the drink is to be sold, as well as other information required by the department. The department shall charge a nonrefundable filing fee of thirty-five dollars for processing each event on the application. The department may deny the application if the completed application and filing fee are not submitted at least fifteen days before the date of the special function, but upon request by the applicant, the department may waive this requirement. The department in its discretion may specify the terms and conditions of the license, pursuant to existing statutes and regulations governing these applications. /

Amend the bill further, as and if amended, by striking page 3, lines 30-42 and page 4, lines 1-10 in their entirety and inserting the following:

/ (C) The department shall require the applicant to notify in writing within fifteen days the sheriff, or the sheriff’s designee, of the county in which the special function is to be located. Upon request of the applicant, the sheriff may waive the fifteen day notification requirement. A timely objection within seventy-two hours of receipt of the notice by the sheriff or his official designee, submitted in writing to the department is sufficient grounds to deny the application.

(D) The department may issue up to twenty-five temporary licenses on one application for special functions in a twelve‑month period to the same nonprofit organization. This does not prohibit the nonprofit organization from applying for additional temporary licenses within the same twelve-month period.

(E) For purposes of this section, ‘nonprofit organization’ is an entity that is organized and operated exclusively for social, benevolent, patriotic, recreational, or fraternal purpose, and is exempt from federal income taxes pursuant to Internal Revenue Code Section 501(c)(3), 501(c)(4), 501(c)(6), 501(c)(7), 501(c)(8), 501(c)(10), or 501(c)(19). It also includes a political party or affiliate of a political party duly certified by the Secretary of State.” /

Renumber sections to conform.

Amend title to conform.

PAUL G. CAMPBELL, JR. for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

$0 (No additional expenditures or savings are expected)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

$0 (No additional expenditures or savings are expected)

**EXPLANATION OF IMPACT:**

The Department of Revenue and the South Carolina Law Enforcement Division (SLED) both indicate that enactment of this bill will have no impact on the General Fund of the State, or on federal and/or other funds.

*Approved By:*

Harry Bell

Office of State Budget

**A** **BILL**

TO AMEND SECTIONS 61-4-550 AND 61-6-2000, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO SPECIAL PERMITS FOR THE SALE OF BEER AND WINE AND FOR THE SALE OF ALCOHOLIC LIQUORS, RESPECTIVELY, BOTH SO AS TO ALLOW NONPROFIT ORGANIZATIONS TO ACQUIRE PERMITS FOR A LIMITED DURATION UNDER CERTAIN CIRCUMSTANCES AND LIMITATIONS; AND TO REPEAL SECTION 61-6-510 RELATING TO TEMPORARY PERMITS FOR THE SALE OF ALCOHOLIC LIQUORS FOR NONPROFIT ORGANIZATIONS.

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

SECTION 1. Section 61‑4‑550 of the 1976 Code is amended to read:

“Section 61‑4‑550. (A) The department may issue permits to nonprofit organizations running for a period not exceeding fifteen days for a fee of ten dollars per day. For purposes of this section, a ‘nonprofit organization’ is an entity which is organized and operated exclusively for charitable, religious, or fraternal purposes which is exempt from federal income taxes pursuant to Internal Revenue Code Section 501(c)(3), 501(c)(4), 501(c)(6), 501(c)(7), 501(c)(8), 501(c)(10), 501(c)(19). It also includes political parties and their affiliates duly certified by the Secretary of State. ~~Such~~ These special permits ~~shall~~ may be issued only for locations at fairs and special functions.

(B) The department shall require the applicant to obtain a criminal records check conducted by the State Law Enforcement Division within ninety days prior to an initial application. The department shall deny the application if the criminal records check is not submitted with the application and filing fee or if it was obtained more than ninety days before. For a subsequent application, the applicant is not required to obtain a new criminal records check unless:

(1) more than two years have elapsed since the most recent criminal records check was conducted; or

(2) the nonprofit organization has added or replaced a principal. For purposes of this section, all principals are deemed to be the applicant.

(C) The department shall require the applicant to notify the sheriff, or sheriff’s designee, of the county in which the fair or special function is to be located or, if the location of the fair or special function is within an incorporated area with a police department, the chief of police or the chief’s designee. A timely objection by the sheriff or chief of police, or his official designee, submitted in writing to the department is sufficient grounds to deny the application.”

SECTION 2. Section 61‑6‑2000 of the 1976 Code is amended to read:

“Section 61‑6‑2000. (A) ~~In addition to the licenses authorized pursuant to the provisions of subarticle 1 of this article, the department also may issue a temporary license for a period not to exceed twenty‑four hours to a nonprofit organization which authorizes an organization to purchase and sell at a single social occasion alcoholic liquors by the drink. Notwithstanding another provision of this article, the issuance of this permit authorizes the organization to purchase alcoholic liquors from licensed retail dealers in the same manner that a person with a biennial license is issued pursuant to the provisions of subarticle 1 of this article are authorized to make these purchases. The fee for the permit is thirty‑five dollars payable at the time of application. The permit application must include a statement by the applicant as to the amount of alcoholic liquors to be purchased and the nature and date of the social occasion at which they are to be sold. The issuance or nonissuance of permits authorized pursuant to the provisions of this section is within the discretion of the department.~~ Notwithstanding another provision of this article, the department may issue to a bona fide nonprofit organization a temporary license to sell alcoholic liquor by the drink at a special function not open to the general public for a period not to exceed twenty‑four hours. However, a bona fide nonprofit organization may sell tickets at the door if the price of the ticket includes a full membership to the organization. The application for this temporary license must include a statement by the applicant as to the nature and date of the special function at which alcoholic liquor by the drink is to be sold, as well as other information required by the department. The department shall charge a nonrefundable filing fee of thirty‑five dollars for processing each event on the application. The department may deny the application if the completed application and filing fee are not submitted at least fifteen days before the date of the special function. The department in its discretion may specify the terms and conditions of the license.

(B) The department ~~may~~ shall require the applicant to obtain a criminal background check conducted by the State Law Enforcement Division within ~~thirty~~ ninety days prior to an initial application. ~~Background checks for subsequent applications are not required unless the officers of the nonprofit organization change~~ The department shall deny the application if the criminal records check is not submitted with the application and filing fee or if it was obtained more than ninety days before. For a subsequent application, the applicant is not required to obtain a new criminal records check unless:

(1) more than two years have elapsed since the most recent criminal records check was conducted; or

(2) the nonprofit organization has added or replaced a principal. For purposes of this section, all principals are deemed to be the applicant.

(C) The department shall require the applicant to notify in writing within fifteen days the sheriff, or the sheriff’s designee, of the county in which the special function is to be located or, if the location of the special function is within an incorporated area with a police department, the chief of police or the chief’s designee. A timely objection by the sheriff or chief of police, or his official designee, submitted in writing to the department is sufficient grounds to deny the application.

(D) The department may issue no more than twenty‑five temporary licenses on each application for special functions in a twelve‑month period to the same nonprofit organization.

(E) For purposes of this section, ‘nonprofit organization’ means an entity that:

(1) is organized and operated exclusively for social, benevolent, patriotic, recreational, or fraternal purpose;

(2) has limited membership not open to the general public;

(3) has been in existence for at least twelve months before the date of application; and

(4) has obtained an exemption from federal income taxes pursuant to Internal Revenue Code Section 501(c)(3), 501(c)(4), 501(c)(6), 501(c)(7), 501(c)(8), 501(c)(10), 501(c)(19); or

(5) is a political party or affiliate of a political party duly certified by the Secretary of State.”

SECTION 3. Section 61‑6‑510 of the 1976 Code is repealed.

SECTION 4 This act takes effect upon approval by the Governor and applies to applications for special functions beginning on January 1, 2011.

‑‑‑‑XX‑‑‑‑