HOUSE No. 27

So much of the recommendations of the Department of the State Treasurer (House, No. 25) as relates to charity alcohol auctions. Consumer Protection and Professional Licensure.

The Commonwealth of Alassachusetts

In the One Hundred and Ninety-Second General Court (2021-2022)

An Act authorizing charity alcohol auctions.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Chapter 138 of the General Laws, as appearing in the 2018 Official Edition, is hereby amended by inserting the following section:-

Section 12D. (a) Notwithstanding any general or special law to the contrary, the local licensing authority in a city or town that votes to authorize the granting of licenses for the sale of alcoholic beverages may grant temporary licenses for the sale of alcoholic beverages to be drunk on the premises to applicants that are nonprofit charitable corporations organized under chapter 180 and registered with the non-profit organizations and public charities division of the office of the attorney general.

Each such temporary license shall describe the premises to which it applies and shall be granted only for the premises that are the principal place of business or headquarters of the applicant and that are legally zoned to allow such sales, or that are the premises of a licensee under section 12. The temporary license shall not be valid for more than 10 consecutive calendar days and a holder of any such temporary license shall not be granted more than 2 such licenses in a calendar year. A holder of a temporary license under this subsection shall be permitted to conduct such sales on any day and at any time permitted under said section 12. Any alcoholic beverages sold under this subsection shall be donated at no charge to the license holder and any alcoholic beverages donated may be dispensed by the employees or agents of the donors of such beverages, without compensation for the dispensing services. All proceeds from such sales shall be used for the license holder's charitable purpose.

The fee for the temporary license shall not exceed the minimum fee provided for holders of licenses to sell alcoholic beverages. The application procedures under section 15A shall not apply to temporary licenses under this subsection; provided, however, that such applications may be granted by the local licensing authority according to the local procedures for granting licenses under section 14.

(b) Notwithstanding any general or special law to the contrary, the local licensing authority in a city or town that votes to authorize the granting of licenses for the sale of alcoholic beverages may grant temporary licenses for the sale of alcoholic beverages to be drunk on the premises, to joint applicants that consist of not less than 1 nonprofit charitable corporation organized under chapter 180 and registered with the non-profit organizations and public charities division of the office of the attorney general and a licensee under section 12.

The temporary license shall describe the premises to which it applies and shall be granted only for the premises of the joint applicant that is a licensee under said section 12. The temporary license shall not be valid for more than 10 consecutive calendar days and a holder of any such temporary license shall not be granted more than 2 such licenses in a calendar year. A holder of a temporary license under this subsection shall be permitted to conduct such sales on any day and at any time permitted under said section 12. Any alcoholic beverages sold under this section shall be donated at no charge to the license holder and any alcoholic beverages donated may be dispensed by the employees or agents of the donor of such beverages without compensation for the dispensing services. A majority of the proceeds from such sales shall be used for the charitable corporation license holder's charitable purposes.

The fee for such temporary license shall not exceed the minimum fee provided for holders of licenses to sell alcoholic beverages at retail. The application procedures under section 15A shall not apply to such temporary licenses under this subsection; provided, however, that such applications may be granted by the local licensing authority according to the local procedures for granting licenses under section 14.

SECTION 2. Section 14 of said chapter 138, as so appearing, is hereby amended by striking the second paragraph in its entirety.

SECTION 3. Chapter 138 of the General Laws is hereby amended by striking out section 14A, as appearing in the 2018 Official Edition, and inserting in place thereof the following section:-

Section 14A. (a) Notwithstanding any general or special law to the contrary, the licensing authority in any city or town that votes to authorize the sale of alcoholic beverages may grant licenses for the sale of alcoholic beverages at auctions, not to be drunk on the premises, to an applicant that is licensed as an auctioneer pursuant to chapter 100 for not less than 10 years. Each license shall describe the premises to which it applies and shall be granted only for the

premises which are either the principal place of business or headquarters of the applicant and legally zoned to allow such sales or which are the premises of a licensee under section 12 or section 15. The fee for the license shall not exceed the minimum fee for holders of licenses under section 14. A holder of a license for the sale of alcoholic beverages at auctions may conduct any such auction on any day and at any time permitted under section 12. Applications shall be granted by the licensing authority according to the local procedure for granting licenses under said section 14.

A licensee who holds a license under this section may provide, without charge, on-premises sample alcoholic beverages tastings for prospective customers if such beverages shall be available for sale at auction on those premises; provided, however, that no single serving of wine shall exceed 1 ounce, no single serving of malt beverages shall exceed 3 ounces and no single serving of distilled spirits shall exceed 1/4 of an ounce; and provided further, that the licensee shall control the dispensing of the alcoholic beverages.

(b) The local licensing authority in a city or town that votes to authorize the granting of licenses for the sale of alcoholic beverages may grant temporary licenses for the sale of alcoholic beverages at auction not to be drunk on the premises to applicants that are nonprofit charitable corporations organized under chapter 180 and registered with the non-profit organizations and public charities division of the office of the attorney general.

Each such temporary license shall describe the premises to which the license applies and shall be granted only for premises that are the principal place of business or headquarters of the applicant, or a location owned or leased by the applicant from which the applicant regularly conducts business and which are legally zoned to allow such sales, or which are the premises of a licensee under section 12 or 15.

No such temporary licenses shall be valid for more than 10 consecutive calendar days and a holder of a temporary license shall not be granted more than 5 licenses in a calendar year. A holder of a temporary license under this subsection may conduct such auctions on any day and at any time permitted under said section 12. Any alcoholic beverages sold under this section shall be donated at no charge to the license holder and all proceeds from such sales shall be used for the license holder's charitable purposes.

The fee for a temporary license under this subsection shall not exceed the minimum fee provided for holders of licenses to sell alcoholic beverages at retail. The application procedures under section 15A shall not apply to temporary licenses under this subsection; provided, however, that such applications may be granted by the local licensing authority according to the local procedures for the granting licenses under section 14.

(c) Notwithstanding any general or special law to the contrary, the local licensing authority in a city or town which votes to authorize the granting of licenses for the sale of

alcoholic beverages may grant temporary licenses for the sale of alcoholic beverages at auctions, not to be drunk on the premises, to applicants that are licensees under section 15 of chapter 138.

Each such temporary license shall describe the premises to which it applies and shall be granted only for premises that are the principal place of business or headquarters of the applicant and which are legally zoned to allow such sales or which are the premises of a licensee under said section 15. The temporary license shall not be valid for more than 10 consecutive calendar days and a holder of any such temporary license shall not be granted more than 2 such temporary licenses in a calendar year. A holder of a temporary license under this subsection shall be permitted to conduct such auctions on any day and at any time permitted under said section 15.

The fee for the temporary license shall not exceed the minimum fee provided for holders of licenses to sell alcoholic beverages at retail. The application procedures under section 15A shall not apply to temporary licenses under this subsection; provided, however, that such applications may be granted by the local licensing authority according to the local procedures for granting licenses under section 14.

(d) Notwithstanding any general or special law to the contrary, the local licensing authority in a city or town which votes to authorize the granting of licenses for the sale of an alcoholic beverage may grant temporary licenses for the sale of alcoholic beverages at auction not to be drunk on the premises to joint applicants which consist of not less than 1 nonprofit charitable corporation organized under chapter 180 and registered with the non-profit organizations and public charities division of the office of the attorney general and a licensee under section 12 or 15.

The temporary license shall describe the premises to which it applies and shall be granted only for the premises of the joint applicant that is a licensee under said section 12 or 15. The temporary license shall not be valid for more than 10 consecutive calendar days and a holder of any such temporary license shall not be granted more than 2 such licenses in a calendar year. A holder of a temporary license under this subsection shall be permitted to conduct such sales on any day and at any time permitted under said section 12. Any alcoholic beverages sold under this subsection shall be donated at no charge to the license holder. A majority of the proceeds from such sales shall be used for the charitable corporation license holder's charitable purposes.

The fee for such temporary license shall not exceed the minimum fee provided for holders of licenses to alcoholic beverages at retail. The application procedures under section 15A shall not apply to such temporary licenses under this subsection; provided, however, that such applications may be granted by the local licensing authority according to the local procedures for granting licenses under section 14.

SECTION 4. Chapter 153 of the acts of 1997, as most recently amended by chapter 405 of the acts of 2012, is hereby repealed.