

WEST VIRGINIA LEGISLATURE

2020 REGULAR SESSION

Committee Substitute

for

Senate Bill 625

SENATORS TRUMP AND WELD, *original sponsors*

[Originating in the Committee on the Judiciary;

reported on February 3, 2020]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
2 designated §60-7-8b, relating to creating one-day annual license for a licensed private
3 club in partnership with a nonprofit permitting the charitable auction of sealed rare,
4 antique, or vintage liquor bottles; setting license fee; establishing license requirements;
5 and providing certain limited exceptions.

Be it enacted by the Legislature of West Virginia:

ARTICLE 7. LICENSES TO PRIVATE CLUBS.

§60-7-8b. One-day charitable rare, antique, or vintage liquor auction; licensee fee and application; license subject to provisions of article; exceptions.

1 (a) The commissioner may issue a special one-day, one-time, once-a-year license to a
2 licensed private club in partnership with duly organized, federally approved nonprofit corporations,
3 associations, organizations, or entities allowing the nonprofit to conduct a charitable auction of
4 certain sealed bottles of rare, antique, or vintage liquor, as determined by the commissioner, on
5 the private club licensee's licensed premises for off-premises consumption only, when raising
6 money for athletic, charitable, educational, scientific, or religious purposes.

7 (b) The one-time annual limit applies to the private club and the nonprofit.

8 (c) "Auction or auctioning", for purposes of this subsection, means any silent, physical act,
9 or verbal bid auction, where the auction requires in-presence bidding and online Internet-based
10 electronic bidding through a secure Internet-based application or website.

11 (d) The winning bidder of the auctioned rare, antique, or vintage liquor must pay for and
12 receive the sealed rare, antique, or vintage liquor bottle on or before the conclusion of the event.

13 (e) The private club and nonprofit shall not deliver or ship sealed rare, antique, or vintage
14 liquor bottles.

15 (f) Application. —

16 (1) The applicants shall jointly complete an application, including, but not limited to, the
17 date, time, place, and floorplan of the charitable event, a signed and notarized statement that at

18 least 80 percent of the gross proceeds from the charitable event will be donated directly to the
19 nonprofit before accounting for the charitable event's expenses, and other information required
20 by the commissioner.

21 (2) The license application shall be submitted to the commissioner at least 15 days prior
22 to the event.

23 (3) The applicants must be in good standing with the commissioner and the state, and the
24 applicants must receive the commissioner's approval prior to the charitable event.

25 (g) Fee. — The applicants shall pay a \$500 nonrefundable and nonprorated fee for the
26 license.

27 (h) Audit, review of application, and labeling. —

28 (1) The commissioner may audit to verify that at least 80 percent of the gross proceeds
29 from the charitable event will be donated directly to the nonprofit before accounting for the
30 charitable event's expenses.

31 (2) The commissioner shall review the applicants' list of rare, antique, or vintage liquor,
32 and the applicants shall submit paperwork showing that the liquor was purchased from a licensed
33 retail outlet in accordance with §60-3A-1 et seq. of this code with all taxes and fees paid.

34 (3) The commissioner may approve for auction any rare, antique, or vintage liquor with no
35 documentation, or not purchased in accordance with §60-3A-1 et seq. of this code, if all taxes and
36 fees are paid to the commissioner in accordance with §60-3A-1 et seq. of this code.

37 (4) Any undocumented rare, antique, or vintage liquor approved for charitable auction by
38 the commissioner must be labeled in the interest of public health and safety as follows: "Purchase
39 and consume at your own risk, as the authenticity or source of manufacture of this bottle has not
40 been verified".

41 (i) Licensure. — The nonprofit's charitable auctioning of sealed rare, antique, or vintage
42 liquor bottles, as determined by the commissioner, is permitted on the private club's licensed
43 premises, notwithstanding the bingo, raffle, and lottery provisions of §47-20-10, §47-21-11, and

44 §61-10-1 et seq. of this code, but in compliance with the auction requirements §19-2C-1 et seq.
45 of this code: *Provided*, That the nonprofit upon licensure by this code section is permitted a limited,
46 one-time exception of the requirement to be a licensed retail outlet and hold a retail license issued
47 pursuant to §60-3A-1 et seq. of this code in order to sell liquor: *Provided, however*, That the
48 private club upon licensure under this code section will be provided a limited, one-time exception
49 from §60-7-12(a)(1) and §60-6-8(6) of this code, and more specifically §60-6-8(6)(A) of this code,
50 in order to permit the licensed nonprofit to sell via auction the sealed rare, antique, or vintage
51 liquor bottles for off-premises consumption, and the carrying onto, the sale of, and the carrying
52 off of the licensed premises the approved sealed liquor bottles.

53 (j) *Penalties for violations*. — Any private club or nonprofit licensed pursuant to this code
54 section are subject to all penalties for violations committed under §60-7-1 et seq. of this code.

NOTE: The purpose of this bill is to permit the limited charitable auctioning of certain rare, antique, or vintage bottles of liquor in limited circumstances for a true charitable purpose while not violating other code sections regarding the sale and use of alcohol as a prize or the rights of retail liquor outlets licensed throughout the state.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.