

## Assembly Bill No. 522

### CHAPTER 444

An act to amend Section 24045.6 of the Business and Professions Code, relating to alcoholic beverages.

[Approved by Governor October 3, 2017. Filed with  
Secretary of State October 3, 2017.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 522, Cunningham. Alcoholic beverages: nonprofit corporations: raffles.

The Alcoholic Beverage Control Act, administered by the Department of Alcoholic Beverage Control, prohibits any licensee from giving any premium, gift, or free goods in connection with the sale or distribution of any alcoholic beverage, but permits alcoholic beverages to be provided in consumer contests and sweepstakes subject to specified conditions. Existing law permits the department to issue a special temporary on-sale or off-sale beer or wine license to certain nonprofit corporations that entitles the licensee to sell beer or wine, as specified. Existing law generally makes it a misdemeanor for a person to sell chances in a lottery, but excepts from this prohibition a charitable organization that has been registered with the Department of Justice that conducts a raffle pursuant to certain requirements.

This bill would authorize a nonprofit corporation issued a special temporary on-sale or off-sale beer or wine license and that also obtains a raffle registration to offer, provide, or award alcoholic beverages as a prize in a raffle.

*The people of the State of California do enact as follows:*

SECTION 1. Section 24045.6 of the Business and Professions Code is amended to read:

24045.6. (a) The department may issue a special temporary on-sale or off-sale beer or wine license to any nonprofit corporation that is exempt from payment of income taxes under Section 23701d or 23701e of the Revenue and Taxation Code and Section 501(c)(3) or 501(c)(6) of the Internal Revenue Code. An applicant for this license shall accompany the application with a fee of one hundred dollars (\$100).

(b) This special license shall only entitle the licensee to sell beer or wine bought by, or donated to, the licensee to a consumer and to any person holding a license authorizing the sale of beer or wine. Notwithstanding any other provision of this division, a licensee may donate or sell beer or wine to a nonprofit corporation that obtains a special temporary on-sale or off-sale

license under this section, provided that the donation is not made in connection with a sale of an alcoholic beverage.

(c) This special license shall be for a period not exceeding 15 days. In the event the license under this section is issued for a period exceeding two days, it shall be used solely for retail sales in conjunction with an identifiable fundraising event sponsored or conducted by the licensee and all bottles of beer or wine sold under this license shall bear a label prominently identifying the event. Only three special licenses authorized by this section shall be issued to any corporation in a calendar year.

(d) (1) Notwithstanding Section 25600 or any rule of the department, a nonprofit corporation issued a special temporary on-sale or off-sale beer or wine license pursuant to this section that also obtains a raffle registration from the Department of Justice pursuant to Section 320.5 of the Penal Code may offer, provide, or award alcoholic beverages as a prize in a raffle.

(2) Nothing in this subdivision permits the awarding of alcoholic beverages as a raffle prize, or the sale or consumption of any alcoholic beverages, that are not otherwise authorized to be sold pursuant to the special temporary on-sale or off-sale beer or wine license obtained by the nonprofit corporation.