

CHAPTER 130

PUBLIC RECREATION ON PRIVATE LANDS

H. F. 446

AN ACT relating to public recreation on private lands.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section one hundred eleven C point two (111C.2), sub-
2 section three (3), Code 1971, as amended by Senate File 28, Acts of
3 the Sixty-fourth General Assembly, First Session, is further amended
4 as follows:

5 3. "Recreational purpose" means the following or any combination
6 thereof: Hunting, horseback riding, fishing, swimming, boating,
7 camping, picnicking, hiking, pleasure driving, *motorcycling*, nature
8 study, water skiing, *snowmobiling*, *other summer and winter sports*,
9 and viewing or enjoying historical, [archeological] *archaeological*,
10 scenic, or scientific sites while going to and from or actually engaged
11 therein.

Approved June 14, 1971.

Italics indicate new material added to existing statutes; brackets indicate deletions from existing statutes. However, see Editor's note, page iii.

CHAPTER 131

LIQUOR AND BEER CONTROL

H. F. 172

AN ACT relating to a reorganization of the Iowa liquor control commission; creating an Iowa beer and liquor control department; providing for the appointment of an Iowa beer and liquor control council and a director of beer and liquor control and designating their powers and duties; creating a division of beer and liquor law enforcement in the department of public safety; amending provisions concerning liquor control licenses, special liquor permits, beer permits, and fees charged therefor; abolishing special distributors; altering dram shop liability; requiring certificates of compliance from distillers and brewers; declaring certain acts to be unlawful and providing penalties for violations; and otherwise amending current statutory provisions relating to the sale and possession of alcoholic liquor and beer in this state.

Be It Enacted by the General Assembly of the State of Iowa:

DIVISION I

GENERAL PROVISIONS RELATING TO ALCOHOLIC LIQUOR AND BEER

1 SECTION 1. **Public policy declared.** This Act shall be cited as the
2 "Iowa Beer and Liquor Control Act", and shall be deemed an exercise
3 of the police power of the state, for the protection of the welfare,
4 health, peace, morals, and safety of the people of the state, and all
5 its provisions shall be liberally construed for the accomplishment of
6 that purpose, and it is declared to be public policy that the traffic in
7 alcoholic liquors is so affected with a public interest that it should
8 be regulated to the extent of prohibiting all traffic in them, except as
9 provided in this Act.

1 SEC. 2. **General prohibition.** It shall be unlawful to manufacture
2 for sale, sell, offer or keep for sale, possess, or transport alcoholic

3 liquor or beer except upon the terms, conditions, limitations, and
4 restrictions enumerated in this Act.

1 SEC. 3. **Definitions.** As used in this Act, unless the context other-
2 wise requires:

3 1. "Council" means the Iowa beer and liquor control council estab-
4 lished by this Act.

5 2. "Department" means the Iowa beer and liquor control depart-
6 ment established by this Act, or any division of such department.

7 3. "Director" means the director of the Iowa beer and liquor con-
8 trol department, appointed pursuant to the provisions of this Act,
9 or his designee.

10 4. "Local authority" means the city or town council of any incor-
11 porated city or town in this state, or the county board of supervisors
12 of any county in this state, which is empowered by this Act to ap-
13 prove or deny applications for retail beer permits and liquor control
14 licenses; to recommend that such permits or licenses be granted and
15 issued by the department; and to take such other actions as are re-
16 served to them by this Act.

17 5. "Alcohol" means the product of distillation of any fermented
18 liquor rectified one or more times, whatever may be the origin there-
19 of, and includes synthetic ethyl alcohol.

20 6. "Spirits" means any beverage which contains alcohol obtained
21 by distillation mixed with drinkable water and other substances in
22 solution, including, but not limited to, brandy, rum, whisky, and gin.

23 7. "Wine" means any beverage containing alcohol obtained by the
24 fermentation of the natural sugar contents of fruits or other agri-
25 cultural products.

26 8. "Alcoholic liquor" or "alcoholic beverage" includes the three
27 varieties of liquor defined in subsections five (5), six (6), and seven
28 (7) of this section, except beer as defined in subsection nine (9) of
29 this section but including all beverages made as described in such
30 subsection which contain more than four percent of alcohol by weight,
31 and every liquid or solid, patented or not, containing alcohol, spirits,
32 or wine, and susceptible of being consumed by a human being, for bev-
33 erage purposes.

34 9. "Beer" means any liquid capable of being used for beverage pur-
35 poses made by the fermentation of an infusion in potable water of
36 barley, malt and hops, with or without unmalted grains or decortica-
37 ted and degerminated grains containing not more than four percent
38 of alcohol by weight.

39 10. "Person" means any individual, association, partnership, cor-
40 poration, club, hotel or motel, or municipal corporation owning or
41 operating a bona fide airport, marina, park, coliseum, auditorium, or
42 recreational facility in or at which the sale of alcoholic liquor or beer
43 is only an incidental part of such ownership or operation.

44 11. "Person of good moral character" means any person who meets
45 all of the following requirements:

46 a. He has such financial standing and good reputation as will
47 satisfy the director that he will comply with this Act and all laws, or-
48 dinances, and regulations applicable to his operations under this Act.

49 b. He does not possess a federal gambling stamp.

50 c. He is not prohibited by the provisions of section forty (40) of
51 this Act from obtaining a liquor control license or beer permit.

- 52 d. Is a citizen of the United States and a resident of this state,
53 or licensed to do business in this state in the case of a corporation.
- 54 e. He has not been convicted of a felony. However, if his conviction of a felony occurred more than five years before the date of the
55 application for a license or permit, and if his rights of citizenship have
56 been restored by the governor, the director may determine that he is
57 a person of good moral character notwithstanding such conviction.
- 58 f. If such person is a corporation, partnership, association, club,
59 or hotel or motel the requirements of this subsection shall apply to
60 each of the officers, directors, and partners of such person, and to any
61 person who directly or indirectly owns or controls ten percent or more
62 of any class of stock of such person or has an interest of ten percent
63 or more in the ownership or profits of such person. For the purposes
64 of this provision, an individual and his spouse shall be regarded as
65 one person.
- 66 12. "Residence" means the place where a person resides, permanently or temporarily.
- 67 13. "Permit" or "license" means an express written authorization
68 issued by the department for the manufacture or sale, or both, of
69 alcoholic liquor or beer.
- 70 14. "Application" means a formal written request for the issuance
71 of a permit or license supported by a verified statement of facts.
- 72 15. "Manufacture" means to distill, rectify, ferment, brew, make,
73 mix, concoct, or process any substance capable of producing a beverage
74 containing more than one-half of one percent of alcohol by
75 volume and includes blending, bottling, or the preparation for sale.
- 76 16. "Package" means any container or receptacle used for holding
77 alcoholic liquor.
- 78 17. "Distillery", "winery", and "brewery" means not only the
79 premises wherein alcohol or spirits is distilled, or rectified wine is
80 fermented, or beer is brewed, but in addition a person owning, representing, or in charge of such premises and the operations conducted
81 thereon, including the blending and bottling or other handling and
82 preparation of alcoholic liquor or beer in any form.
- 83 18. "Brewer" means any person who manufactures beer for the
84 purpose of sale, barter, exchange, or transportation.
- 85 19. "Importer" means the person transporting or ordering, authorizing, or arranging the transportation of alcoholic liquor or beer into
86 this state whether such person is a resident of this state or not.
- 87 20. "Import" means the transporting or ordering or arranging the
88 transportation of alcoholic liquor or beer into this state whether by a
89 resident of this state or not.
- 90 21. "State liquor store" means a store established by the department under this Act for the sale of alcoholic liquor in the original
91 package for consumption off the premises.
- 92 22. "Warehouse" means any premises or place primarily constructed or used or provided with facilities for the storage in transit
93 or other temporary storage of perishable goods or for the conduct of normal warehousing business.
- 94 23. "Public place" means any place, building, or conveyance to which the public has or is permitted access.
- 95 24. The terms "in accordance with the provisions of this chapter",
96 "pursuant to the provisions of this title", or similar terms shall
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105 include all rules and regulations of the department adopted to aid
106 in the administration or enforcement of those provisions.

107 25. The prohibited "sale" of alcoholic liquor or beer under this Act
108 includes soliciting for sales, taking orders for sales, keeping or ex-
109 posing for sale, delivery or other trafficking for a valuable considera-
110 tion promised or obtained, and procuring or allowing procurement for
111 any other person.

112 26. "Wholesaler" means any person, other than a brewer or bottler
113 of beer, who shall sell, barter, exchange, offer for sale, have in pos-
114 session with intent to sell, deal or traffic in alcoholic liquor or beer.
115 No wholesaler shall be permitted to sell for consumption upon the
116 premises.

117 27. "Retailer" means any person who shall sell, barter, exchange,
118 offer for sale, or have in possession with intent to sell any alcoholic
119 liquor for consumption on the premises where sold, or beer for con-
120 sumption either on or off the premises where sold.

121 28. "Air common carrier" means a person engaged in transporting
122 passengers for hire in interstate or foreign commerce by aircraft
123 and operating regularly scheduled flights under a certificate of public
124 convenience issued by the civil aeronautics board.

125 29. "Club" means any nonprofit corporation or association of
126 individuals, which is the owner, lessee, or occupant of a permanent
127 building or part thereof, membership in which entails the prepay-
128 ment of regular dues and is not operated for a profit other than such
129 profits as would accrue to the entire membership.

130 30. "Commercial establishment" means a place of business which
131 is at all times equipped with sufficient tables and seats to accommo-
132 date twenty-five persons at one time, and the licensed premises of
133 which conform to the standards and specifications of the department.

134 31. "Licensed premises" or "premises" means all rooms or enclo-
135 sures where alcoholic beverages or beer are sold or consumed under
136 authority of a liquor control license or beer permit.

137 32. "Hotel" or "motel" means a premise licensed by the state de-
138 partment of agriculture and regularly or seasonally kept open in a
139 bona fide manner for the lodging of transient guests, and with twenty
140 or more sleeping rooms.

141 33. "Legal age" means twenty-one years of age or more.

142 34. "Retail beer permit" means a class "B" or class "C" beer
143 permit issued under the provisions of this Act.

1 **SEC. 4. Department created—place of business.** There is hereby
2 created an Iowa beer and liquor control department to administer
3 and enforce the laws of this state concerning beer and alcoholic
4 liquor. The principal place of business of the department shall be in
5 the city of Des Moines, and suitable quarters or offices shall be pro-
6 vided the department in such city by the authority designated by law
7 to provide such quarters or offices to state departments or agencies.

1 **SEC. 5. Council created.** There is hereby created within the de-
2 partment an Iowa beer and liquor control council, composed of five
3 members, not more than three of whom shall belong to the same
4 political party. The council shall be held strictly accountable for the
5 enforcement of the provisions of this Act.

1 **SEC. 6. Appointment—term—qualifications—compensation.** The
2 governor shall appoint the initial members of the council for respec-
3 tive terms of one, two, three, four, and five years, all of which shall
4 commence January 1, 1972. Appointments thereafter shall be for five
5 years and shall be made by the governor, subject to confirmation by
6 two-thirds of the senate, within sixty days after the convening of the
7 general assembly each year for the member whose term is to expire
8 on the following July 1. Members of the council shall be chosen on
9 the basis of managerial ability and experience as business executives.
10 Members may be reappointed for one additional term. Each member
11 appointed shall receive full compensation for their services of two
12 thousand five hundred dollars per annum in addition to reasonable
13 and necessary expenses while attending meetings.

1 **SEC. 7. Vacancies.** Any vacancy on said council which may
2 occur when the general assembly is not in session shall be filled by
3 appointment by the governor, which appointment shall expire at the
4 end of thirty days following the organization of the next session
5 of the general assembly. Prior to the expiration of said period of
6 thirty days, the governor shall transmit to the senate for its approval
7 an appointment for the unexpired portion of the regular term. Any
8 vacancy occurring when the general assembly is in session shall be
9 filled in the same manner as regular appointments are made, and be-
10 fore the end of such session, and for the unexpired portion of the
11 regular term.

1 **SEC. 8. Bonds.** Each council member shall post a bond, at the
2 expense of the state, in such amount and with such sureties as the
3 executive council shall approve to guarantee to the state the proper
4 handling and accounting of such moneys and merchandise and other
5 properties as may be required in the administration of this Act. It
6 shall be the duty of the director to secure from all employees of the
7 department holding positions of trust a bond with such sureties as
8 the beer and liquor control council shall approve adequate to guar-
9 antee to the state the proper handling and accounting of all moneys,
10 merchandise, and other properties.

1 **SEC. 9. Council meetings.** The council shall meet as soon after
2 January 1, 1972 as is possible and on July first of each year there-
3 after for the purpose of selecting one of its members as chairman,
4 which member shall serve in such capacity for the succeeding year.
5 The council shall otherwise meet at the call of the chairman or when
6 any three members file with the chairman a written request for a
7 meeting. Written notice of the time and place of each meeting shall
8 be given to each member of the council. All council meetings shall be
9 held within the state. A majority of the council members shall con-
10 stitute a quorum.

1 **SEC. 10. Director appointed.** The council shall appoint, with the
2 approval of two-thirds of the senate, a director of beer and liquor
3 control, who shall in no event be a member of the council, at a salary
4 of not more than twenty-five thousand dollars per annum. Subse-
5 quent changes in such salary may be made by the general assembly.
6 The director shall be qualified to perform his duties by managerial
7 ability and experience as a business executive; shall post a bond paid

8 from the general fund of the state in an amount to be determined
9 by the council to insure proper discharge of his duties; and shall act
10 in the name of and serve at the pleasure of the council.

11 The director shall devote full time to the discharge of his duties.
12 He shall not hold any other elective or appointive office under the
13 laws of this state, the United States, or any other state or territory.
14 He shall not accept or solicit, directly or indirectly, contributions or
15 anything of value in behalf of himself, any political party, or any
16 person seeking an elective or appointive office nor use his official
17 position to advance the candidacy of anyone seeking an elective or
18 appointive office. The director, his spouse, and immediate family
19 shall not have any interest in any distillery, winery, brewery, im-
20 porter, permittee or licensee or any business which is subject to
21 license or regulation pursuant to this Act.

1 **SEC. 11. Expenses.** Members of the council, the director, and
2 other employees of the department shall be allowed their actual
3 and necessary expenses while traveling on business of the depart-
4 ment outside of their place of residence, however, an itemized account
5 of such expenses shall be verified by the claimant and approved by
6 the director. If such account is paid, the same shall be filed with
7 the department and be and remain a part of its permanent records.
8 All expenses and salaries of council members, the director, and other
9 employees shall be paid from appropriations for such purposes and
10 the department shall be subject to the budget requirements of chap-
11 ter eight (8) of the Code.

1 **SEC. 12. Removal.** Any council member shall be removed for any
2 of the causes and in the manner provided by chapter sixty-six (66)
3 of the Code relating to removal from office; such removal shall not be
4 in lieu of any other punishment that may be prescribed by the laws
5 of this state.

1 **SEC. 13. Exemption from suit.** No council member or officer or
2 employee of the department shall be personally liable for damages
3 sustained by any person due to the act of such member, officer, or
4 employee performed in the reasonable discharge of his duties as
5 enumerated in this Act.

1 **SEC. 14. Beer and liquor law enforcement.**

2 1. The division of beer and liquor law enforcement of the depart-
3 ment of public safety, created pursuant to section one hundred forty-
4 seven (147) of this Act, shall be the primary beer and liquor law-
5 enforcement authority for this state.

6 2. The other law-enforcement divisions of the department of pub-
7 lic safety, the county attorney, the county sheriff and his deputies,
8 and the police department of every city, including the day and night
9 marshal of any incorporated town, shall be supplementary aids to the
10 division of beer and liquor law enforcement. Any neglect, misfea-
11 sance, or malfeasance shown by any peace officer included in this sec-
12 tion shall be sufficient cause for his removal as provided by law.
13 Nothing in this section shall be construed to affect the duties and
14 responsibilities of any county attorney or peace officer with respect
15 to law enforcement.

16 3. The division of beer and liquor law enforcement shall be allowed
17 full access to all records, reports, audits, tax reports and all other
18 documents and papers in the department pertaining to liquor licensees
19 and beer permittees and their business.

1 **SEC. 15. Hearing board established.** There is hereby created a
2 three-member hearing board for the purpose of conducting depart-
3 mental hearings relating to controversies concerning the issuance,
4 suspension, or revocation of special liquor permits, liquor control
5 licenses, and beer permits authorized under this Act. One member
6 shall be appointed by the council from its membership, which member
7 may be periodically replaced by appointment of another council mem-
8 ber; one member shall be the attorney general or his designee; and
9 one member shall be the commissioner of public safety or his des-
10 ignee. The hearing board shall establish and adopt rules and pro-
11 cedures for conducting departmental hearings under this Act.

1 **SEC. 16. Functions of council and director.**
2 1. The council shall, in addition to the duties specifically enumer-
3 ated in this Act, act as a department policy-making body and serve
4 in an advisory capacity to the director. The director shall be respon-
5 sible for supervising the daily operations of the department and shall
6 execute the policies of the department as determined by the council.
7 2. The council may review and affirm, reverse, or amend all actions
8 of the director, including but not limited to the following instances:
9 a. Purchases of alcoholic liquor for resale by the department.
10 b. The granting or refusing of liquor licenses and permits, and
11 beer permits, and the suspension or revocation of such licenses and
12 permits.
13 c. The establishment of retail prices of alcoholic liquor.
14 d. The establishment or discontinuance of state liquor stores.

1 **SEC. 17. Prohibition on council members and employees.** Council
2 members, officers, and employees of the department shall not, while
3 holding such office or position, hold any other office or position under
4 the laws of this state, or any other state or territory or of the United
5 States; nor engage in any occupation, business, endeavor, or activity
6 which would or does conflict with his duties under this Act; nor,
7 directly or indirectly, use his office or employment to influence, per-
8 suade, or induce any other officer, employee, or person to adopt his
9 political views or to favor any particular candidate for an elective
10 or appointive public office; nor, directly or indirectly, solicit or accept,
11 in any manner or way, any money or other thing of value for any per-
12 son seeking an elective or appointive public office, or to any political
13 party or any group of persons seeking to become a political party.
14 Any officer or employee violating this section or any other provisions
15 of this Act shall, in addition to any other penalties provided by law,
16 be subject to suspension or discharge from his employment. Any
17 council member shall, in addition to any other penalties provided by
18 law, be subject to removal from office as provided by law.

1 **SEC. 18. Favors from licensee or permittee.** No person respon-
2 sible for the administration or enforcement of this Act shall accept
3 or solicit donations, gratuities, political advertising, gifts, or other
4 favors, directly or indirectly, from any liquor control licensee or beer

5 permittee. A violation of this section shall subject the violator to the
6 general penalties provided by this Act.

1 **SEC. 19. Distiller's certificate of compliance.**

2 1. Any manufacturer, distiller, vintner, or importer of alcoholic
3 beverages shipping, selling, or having alcoholic beverages brought
4 into this state for resale by the state shall, as a condition precedent
5 to the privilege of so trafficking in alcoholic liquors in this state,
6 annually make application for and shall hold a distiller's certificate
7 of compliance which shall be issued by the director for such pur-
8 pose. No brand of alcoholic liquor shall be sold by the department
9 in this state unless the manufacturer, distiller, vintner, importer,
10 and all other persons participating in the distribution of such brand
11 in this state have obtained such certificate. Such certificate of com-
12 pliance shall expire at the end of one year from the date of issuance
13 and shall be renewed for a like period upon application to the director
14 unless otherwise suspended or revoked for cause. Each application
15 for a certificate of compliance or renewal thereof shall be made in
16 such manner and upon such forms as shall be prescribed by the
17 director and shall be accompanied by a fee of fifty dollars payable
18 to the department. However, the provisions of this subsection need
19 not apply to a manufacturer, distiller, vintner, or importer who
20 ships or sells in this state no more than eleven gallons or its case
21 equivalent during any fiscal year as a result of "special orders"
22 which might be placed, as defined and allowed by departmental rules
23 adopted under this Act.

24 2. At the time of applying for a certificate of compliance, each
25 applicant shall file with the department the name and address of its
26 authorized agent for service of process which shall remain effective
27 until changed for another and a list of names and addresses of all
28 representatives, employees, or attorneys whom they may have
29 appointed in the state of Iowa to represent them for any purpose.
30 The listing of such representatives, employees, or attorneys shall be
31 amended from time to time by the certificate holder as necessary to
32 keep such listing current with the department.

33 3. The director and the attorney general are authorized to require
34 any certificate holder or person listed as his representative, em-
35 ployee, or attorney to disclose such financial and other records and
36 transactions as may be considered relevant in discovering violations
37 of this Act or of rules and regulations of the department or of any
38 other provision of law by any person.

39 4. Any violation of the requirements of this section, except sub-
40 section three (3), shall subject the violator to the general penalties
41 provided in this Act and in addition thereto shall be grounds for
42 suspension or revocation of the certificate of compliance, after notice
43 and hearing before the department hearing board. Willful failure
44 to comply with requirements which may be imposed under sub-
45 section three (3) of this section shall be grounds for suspension or
46 revocation of the certificate of compliance only. Decisions of the
47 hearing board concerning such suspension or revocation shall be
48 binding upon all parties.

49 5. This section shall not require the listing of those persons who
50 are employed on premises where alcoholic beverages are manufac-

51 tured, processed, bottled or packaged in Iowa or to persons who are
 52 thereafter engaged in the transporting of such alcoholic beverages
 53 to the department.

54 6. The attorney general may also proceed pursuant to the provi-
 55 sions of section seven hundred thirteen point twenty-four (713.24)
 56 of the Code in order to gain compliance with subsection three (3)
 57 of this section and may obtain an injunction prohibiting any further
 58 violations of this Act or other provisions of law. Any violation of
 59 that injunction shall be punished as contempt of court pursuant to
 60 chapter six hundred sixty-five (665) of the Code except that the
 61 maximum fine that may be imposed shall not exceed fifty thousand
 62 dollars.

1 SEC. 20. **Powers.** The director, in executing departmental func-
 2 tions, shall have the following duties and powers:

3 1. To purchase alcoholic liquors for resale by the department in
 4 the manner set forth in this Act.

5 2. To establish, maintain, or discontinue state liquor stores and to
 6 determine the cities and towns in which such stores shall be located.
 7 However, no liquor store shall be established within three hundred
 8 feet of any public or private educational institution, except that local
 9 authorities may by ordinance reduce such minimum distance.

10 3. To rent, lease, or equip any building or any land necessary to
 11 carry out the provisions of this Act.

12 4. To lease all plants and lease or buy equipment necessary to
 13 carry out the provisions of this Act.

14 5. To appoint vendors, clerks, agents, or other employees required
 15 for carrying out the provisions of this Act; to dismiss such employees
 16 for cause; to assign such employees to such divisions as may be
 17 created by the director within the department; and to designate
 18 their title, duties, and powers. All employees of the department,
 19 except occasional or part-time employees and the director, shall be
 20 subject to the provisions of chapter nineteen A (19A) of the Code.

21 6. To grant and issue beer permits, special permits, liquor control
 22 licenses, and other licenses; and to suspend or revoke all such per-
 23 mits and licenses for cause under this Act.

24 7. To license, inspect, and control the manufacture of beer and
 25 alcoholic liquors and regulate the entire beer and liquor industry in
 26 the state.

1 SEC. 21. **Rules and regulations.** The director may, with the
 2 approval of the council and subject to the provisions of chapter sev-
 3 enteen A (17A) of the Code, make such rules and regulations as are
 4 necessary to carry out the provisions of this Act. Such authority
 5 shall extend to but not be limited to the following:

6 1. Prescribing the duties of officers, vendors, clerks, agents, or
 7 other employees of the department and regulating their conduct
 8 while in the discharge of their duties.

9 2. Regulating the management, equipment, and merchandise of
 10 state liquor stores and warehouses in and from which alcoholic
 11 liquors are transported, kept, or sold and prescribing the books and
 12 records to be kept therein.

13 3. Regulating the purchase of alcoholic liquor generally and the
 14 furnishing of such liquor to state liquor stores established under

15 this Act, determining the classes, varieties, and brands of alcoholic
16 liquors to be kept in state warehouses or for sale at any state liquor
17 store.

18 4. Prescribing forms or information blanks to be used for the
19 purposes of this Act. The department shall prepare, print, and fur-
20 nish all forms and information blanks required under this Act.

21 5. Prescribing the nature and character of evidence which shall be
22 required to establish legal age.

23 6. Providing for the issuing and distributing of price lists show-
24 ing the price to be paid by purchasers for each brand, class, or variety
25 of liquor kept for sale under this Act. Provide for the filing or post-
26 ing of prices between class "A" beer permit holders and retailers as
27 provided in this Act, and establish or control such prices as may be
28 based on minimum standards of fill, quantity, or alcoholic content
29 for each individual sale of intoxicating liquor or beer as deemed
30 necessary for retail or consumer protection.

31 7. Prescribing the official seals, labels, or other markings which
32 shall be attached to or stamped on packages of alcoholic liquor sold
33 under this Act.

34 8. Prescribing, subject to this Act, the days and hours during
35 which state liquor stores shall be kept open for the purpose of the
36 sale of alcoholic liquors.

37 9. Prescribing the place and the manner in which alcoholic liquor
38 may be lawfully kept or stored by the licensed manufacturer under
39 this Act.

40 10. Prescribing the time, manner, means, and method by which
41 distillers, vintners, vendors, or others authorized under this Act may
42 deliver or transport alcoholic liquors and prescribing the time, man-
43 ner, means, and methods by which alcoholic liquor may be lawfully
44 conveyed, carried, or transported.

45 11. Prescribing, subject to the provisions of this Act, the conditions
46 and qualifications necessary for the obtaining of licenses and permits
47 and the books and records to be kept and the remittances to be made
48 by those holding licenses and permits and providing for the inspec-
49 tion of the records of all such licensees and permittees.

1 SEC. 22. **State monopoly.** The department shall have the sole
2 and exclusive right of importation, into the state, of all forms of
3 alcoholic liquor, except as otherwise provided in this Act, and no
4 person shall so import any such alcoholic liquor, except that an
5 individual of legal age may import and have in his possession an
6 amount of alcoholic liquor not exceeding one quart or, in the case of
7 alcoholic liquor personally obtained outside the United States, one
8 gallon for personal consumption only in a private home or other
9 private accommodation. No distillery shall sell any alcoholic liquor
10 within the state to any person but only to the department, except
11 as otherwise provided in this Act. It is the intent of this section to
12 vest in the department exclusive control within the state both as
13 purchaser and vendor of all alcoholic liquor sold by distilleries within
14 the state or imported therein, except beer, and except as otherwise
15 provided in this Act.

16 No person, by himself or through another acting for him shall
17 directly or indirectly, or upon any pretense, or by any device, manu-

18 facture, sell, exchange, barter, dispense, give in consideration of
19 the purchase of any property or of any services or in evasion of this
20 Act, or keep for sale, or have possession of any intoxicating liquor,
21 except as provided in this Act; or own, keep, or be in any way con-
22 cerned, engaged, or employed in owning or keeping, any intoxicating
23 liquor with intent to violate any provision of this Act, or authorize
24 or permit the same to be done; or manufacture, own, sell, or have
25 possession of any manufactured or compounded article, mixture or
26 substance, not in a liquid form, and containing alcohol which may
27 be converted into a beverage by a process of pressing or straining
28 the alcohol therefrom, or any instrument intended for use and cap-
29 able of being used in the manufacture of intoxicating liquor; or own
30 or have possession of any material used exclusively in the manufac-
31 ture of intoxicating liquor; or use or have possession of any material
32 with intent to use it in the manufacture of intoxicating liquors;
33 however, alcohol may be manufactured for industrial and nonbever-
34 age purposes by persons who have qualified for that purpose as
35 provided by the laws of the United States and the laws of this state.
36 Such alcohol, so manufactured, may be denatured, transported, used,
37 possessed, sold, and bartered and dispensed, subject to the limita-
38 tions, prohibitions and restrictions imposed by the laws of the
39 United States and this state. Any person may manufacture, sell,
40 or transport ingredients and devices other than alcohol for the mak-
41 ing of home-made wine.

1 **SEC. 23. State liquor stores.** The department shall establish and
2 maintain in any city or incorporated town which the director may
3 deem advisable, a state liquor store or stores for storage and sale of
4 alcoholic liquor in accordance with the provisions of this Act. The
5 department may, from time to time, as determined by the director,
6 fix the prices of the different classes, varieties, or brands of alcoholic
7 liquor to be sold.

1 **SEC. 24. Vendors—cash sales.** In the conduct and management
2 of state liquor stores the director is empowered to employ a person
3 who shall be known as a “vendor” who shall, subject to the direc-
4 tions of the director, observe all provisions of this Act and the rules
5 and regulations of the department. No vendor of any state liquor
6 store shall sell alcoholic liquor to any person except for cash.

1 **SEC. 25. Consumption on premises.** No vendor, officer, clerk,
2 agent, or employee of the department employed in any state liquor
3 store or state-owned warehouse shall allow any alcoholic liquor to
4 be consumed on such premises, nor shall any person consume any
5 liquor on such premises.

1 **SEC. 26. Restrictions on sales—seals—labeling.** No alcoholic
2 liquor shall be sold by the department to any purchaser except in a
3 sealed container with such identifying markers as shall be prescribed
4 by the director and affixed on the premises of a state warehouse or
5 store and no such container shall be opened upon the premises of
6 any state warehouse or store. Possession of alcoholic liquors which
7 do not carry the prescribed identifying markers shall be a violation
8 of this Act except as provided in section twenty-two (22) of this
9 Act.

1 **SEC. 27. Sales prohibited.** It shall be unlawful to transact the
2 sale or delivery of any liquor in, on, or from the premises of any
3 state liquor store or warehouse:

- 4 1. After the closing hour as established by the director.
- 5 2. On any legal holiday.
- 6 3. On any Sunday.
- 7 4. During such other periods or days as may be designated by the
8 director.

1 **SEC. 28. Transportation permitted.** It shall be lawful to trans-
2 port, carry, or convey alcoholic liquors from the place of purchase
3 by the department to any state warehouse, store, or depot established
4 by the department or from one such place to another and, when so
5 permitted by this Act, it shall be lawful for any common carrier or
6 other person to transport, carry, or convey alcoholic liquor sold by a
7 vendor from a state warehouse, store, depot or point of purchase by
8 the state to any place to which such liquor may be lawfully delivered
9 under this Act. No common carrier or other person shall break or
10 open or allow to be broken or opened any container or package con-
11 taining alcoholic liquor or use or drink or allow to be used or drunk
12 any alcoholic liquor while it is being transported or conveyed, but
13 this section shall not prohibit a private person from transporting
14 individual bottles or containers of alcoholic liquor exempted pursuant
15 to section twenty-two (22) of this Act and individual bottles or
16 containers bearing the identifying mark prescribed in section twenty-
17 six (26) of this Act which have been opened previous to the com-
18 mencement of such transportation. Nothing in this section shall
19 affect the right of any special permit or liquor control license holder
20 to purchase, possess, or transport alcoholic liquors subject to the
21 provisions of this Act.

1 **SEC. 29. Special permits.** A special permit for the purchase,
2 possession, or transportation of alcoholic liquors for the purposes
3 specified in those permits may be issued by the director upon appli-
4 cation being made to the department in the form and manner pre-
5 scribed by the director, accompanied by payment of the prescribed
6 fee, and upon the director being satisfied that the applicant has
7 complied with departmental rules and regulations established for
8 the issuance of such permit. Such special permits may be issued to
9 the following persons and for the following purposes:

10 1. To a physician, pharmacist, dentist, or veterinarian, entitling
11 the holder to purchase liquor from the state liquor stores for use
12 medicinally and in compounding prescriptions and to sell the same
13 for use medicinally in the compounded prescription only upon the
14 prescription of a licensed physician or surgeon, or to use such liquor
15 in manufacturing or compounding lotions, compounds, and like com-
16 modities not susceptible for beverage purposes, and to sell the same
17 for public use.

18 2. To a soldiers home, sanitarium, hospital, college, or home for
19 the aged which will entitle the holder to purchase liquor from the
20 state liquor stores for use for medicinal, laboratory, and scientific
21 purposes only.

22 3. To any minister, priest, or rabbi of any church or denomination
23 which uses vinous liquor in its sacramental ceremonies. The holder

24 of such a permit may purchase, have shipped by interstate or intra-
25 state common carrier, and possess vinous liquor for sacramental
26 purposes.

27 4. To manufacturers of patent and proprietary medicines, tinc-
28 tures, food products, extracts, toilet articles and perfumes, and
29 like commodities, none of which are susceptible of use as a beverage,
30 but which contain alcoholic liquor as one of their ingredients. Any
31 individual, or member of a firm, or officer of a corporation, desiring
32 such permit shall file an affidavit with the department stating the
33 following facts:

34 a. The name, place of business, and post office address of the
35 person desiring such permit.

36 b. The business in which said person is engaged and the articles
37 manufactured in such business which require in their manufacture
38 the use of alcoholic liquors.

39 c. That the applicant, if he is an individual, or any members of
40 the firm or officers of the corporation, if the applicant is not an
41 individual, has been convicted of any violation of the laws of this
42 state with reference to the sale of alcoholic liquors within the three
43 years preceding the date of the affidavit.

44 If the director is satisfied that the facts stated in such affidavit
45 are true and that the applicant is a person fit and proper to be
46 entrusted with the permit applied for, it shall be issued upon the
47 filing by the applicant of a bond in the penal sum of two thousand
48 dollars, with approved sureties, conditioned that the applicant will
49 faithfully observe the provisions of this Act.

50 Such special permit shall entitle the holder to import into the
51 state, or purchase from licensed distillers within the state or from
52 the department, alcoholic liquors for use in manufacture in accord-
53 ance with the terms of said permit, and to sell the product of such
54 manufacture.

55 It shall be the duty of every manufacturer holding a special permit
56 under the provisions of this subsection, whenever such manufacturer
57 purchases alcoholic liquor from any source other than the depart-
58 ment, to immediately file with the department a report of the receipt
59 of such liquor in accordance with rules and regulations adopted by
60 the director.

61 Every person holding a special liquor permit under this Act shall
62 fill out in duplicate, on forms furnished by the department, the
63 amount and kinds of liquors purchased, and shall retain one copy
64 in his establishment for a period of two years. The vendor of the
65 state liquor store at which the purchase was made shall monthly
66 forward the other copy to the department.

67 Nothing in this section shall prohibit the legitimate sale of patent
68 and proprietary medicines, tinctures, food products, extracts, toilet
69 articles and perfumes, and like commodities, none of which are sus-
70 ceptible of use as a beverage but which contain alcoholic liquor as
71 one of their ingredients, through the ordinary retail or wholesale
72 channels.

1 **SEC. 30. Liquor control licenses.**

2 1. Upon posting bond in the penal sum of five thousand dollars
3 with surety and conditions prescribed by the director, which bond
4 shall be conditioned upon the payment of all taxes payable to the

5 state under the provisions of this Act and compliance with all pro-
6 visions of this Act, a liquor control license may be issued to any
7 person who, or whose officers, in the case of a club or corporation, or
8 whose partners, in the case of a partnership, is of good moral char-
9 acter as defined by this Act.

10 As a further condition for issuance of a liquor control license, the
11 applicant must give consent to members of the fire, police and health
12 departments and the building inspector of cities and towns; the
13 county sheriff, deputy sheriff, and state agents, and any official
14 county health officer to enter upon the premises without a warrant
15 to inspect for violations of the provisions of this Act or ordinances
16 and regulations that cities and towns and boards of supervisors may
17 adopt.

18 2. No liquor control license shall be issued for premises which do
19 not conform to all applicable laws, ordinances, resolutions, and health
20 and fire regulations. Nor shall any licensee have or maintain any
21 interior access to residential or sleeping quarters unless permission
22 is granted by the director in the form of a living quarters permit.

23 3. Liquor control licenses issued under this Act shall be of the
24 following classes:

25 a. CLASS "A". A class "A" liquor control license may be issued
26 to a club and shall authorize the holder to purchase alcoholic liquors
27 from the department only, and to sell such liquors, and beer, to bona
28 fide members and their guests by the individual drink for consump-
29 tion on the premises only.

30 b. CLASS "B". A class "B" liquor control license may be issued
31 to a hotel or motel and shall authorize the holder to purchase alco-
32 holic liquors from the department only, and to sell such liquors, and
33 beer, to patrons by the individual drink for consumption on the
34 premises only, however, beer may also be sold for consumption off
35 the premises. Each such license shall be effective throughout the
36 premises described in the application.

37 c. CLASS "C". A class "C" liquor control license may be issued to
38 a commercial establishment but must be issued in the name of the
39 individual or individuals who actually own the entire business and
40 shall authorize the holder or holders to purchase alcoholic liquors
41 from the department only, and to sell such liquors, and beer, to
42 patrons by the individual drink for consumption on the premises
43 only, however, beer may also be sold for consumption off the premises.

44 d. CLASS "D". A class "D" liquor control license may be issued
45 to a railway corporation, to an air common carrier, and to passenger-
46 carrying boats or ships for hire with a capacity of twenty-five
47 persons or more operating in inland or boundary waters, and shall
48 authorize the holder to sell or furnish alcoholic beverages and beer
49 to passengers for consumption only on trains, watercraft as described
50 herein, or aircraft, respectively. Each such license shall be valid
51 throughout the state as a state license. Only one such license shall
52 be required for all trains, watercraft, or aircraft operated in the
53 state by the licensee.

1 SEC. 31. **Application contents.** Verified applications for the origi-
2 nal issuance or the renewal of liquor control licenses shall be filed
3 at such time and in such number of copies as the director shall pre-

4 scribe, on forms prescribed by the director, and, except as provided
5 in section thirty-five (35) of this Act, shall set forth under oath the
6 following information:

- 7 a. The name and address of the applicant.
8 b. The precise location of the premises for which a license is
9 sought.
10 c. The names and addresses of all persons, in the case of a cor-
11 poration, the officers, directors, and persons owning or controlling
12 ten percent or more of the capital stock thereof, having a financial
13 interest, by way of loan, ownership, or otherwise, in the business.
14 d. When required by the director, a sketch or drawing of the
15 premises proposed to be licensed, in such form and containing such
16 information as the director may require.
17 e. A statement whether any person specified in paragraph "c" of
18 this subsection has ever been convicted of any offense against the
19 laws of the United States, or any state or territory thereof, or any
20 political subdivision of any such state or territory.
21 f. A statement whether the applicant or any person specified in
22 paragraph "c" of this subsection possesses a federal gambling stamp.
23 g. Such other information as the director shall require.

1 **SEC. 32. Action by authorities on applications for liquor control**
2 **licenses and beer permits.**

3 1. **Filing of application.** An application for a class "A", class "B",
4 or class "C" liquor control license, and for a retail beer permit as
5 provided in sections one hundred twenty-eight (128) and one hun-
6 dred twenty-nine (129) of this Act, accompanied by the required
7 fee and bond, shall be filed with the appropriate city or town coun-
8 cil if the premises for which the license or permit is sought are
9 located within the corporate limits of a city or town, or with the
10 board of supervisors if the premises for which the license or permit
11 is sought are located outside the corporate limits of a city or town.
12 An application for a class "D" liquor control license and for a class
13 "A" beer permit, accompanied by the required fee and bond, shall
14 be filed with the department, which shall proceed in the same man-
15 ner as in the case of an application approved by local authorities.

16 2. **Action by local authorities.** The local authority shall either
17 approve or disapprove the issuance of a liquor control license or
18 retail beer permit, and shall endorse such approval or disapproval on
19 the application and forward same along with the required fee and
20 bond to the department. The fact that the local authority deter-
21 mines that no liquor control license or retail beer permit shall be
22 issued shall not be held to be arbitrary, capricious, or without reason-
23 able cause. There shall be no limit upon the number of liquor con-
24 trol licenses or retail beer permits which may be approved for issu-
25 ance by local authorities.

26 3. **Action by director.** Upon receipt of an application having been
27 disapproved by the local authority, the director shall disapprove
28 the application, so notify the applicant by registered mail, and return
29 the fee and bond to the applicant. Upon receipt of an application
30 having been approved by the local authority, the director shall
31 make such investigation as he deems necessary and may require the
32 applicant to appear before him and be examined under oath regard-
33 ing any matters pertinent to the application, in which case a record

34 shall be made of all testimony or evidence and the same shall be-
35 come a part of the application. If the application is approved by
36 the director, the license or permit applied for shall be issued. If
37 the application is disapproved by the director, the applicant and the
38 appropriate local authority shall be so notified by restricted certified
39 mail, and the fee and bond returned to the applicant.

40 **4. Appeal to hearing board.** Any applicant for a liquor control
41 license or beer permit may appeal to the department hearing board,
42 established pursuant to section fifteen (15) of this Act, from the
43 director's disapproval of an application for a license or permit. If,
44 upon such appeal the hearing board shall determine that the local
45 authority acted arbitrarily, capriciously, or without reasonable cause
46 in disapproving the application, or that, where the local authority
47 approved the application, the director's own disapproval should be
48 reversed, it shall order issuance of a license or permit. The same
49 right of appeal to the hearing board shall be afforded a liquor control
50 licensee or beer permittee whose license or permit has been
51 suspended or revoked under this Act, and the hearing board shall re-
52 duce the period of suspension or order reinstatement of such license
53 or permit for good cause shown.

54 **5. Appeal to courts.** Any applicant who feels aggrieved by a deci-
55 sion of the director or local authority disapproving, suspending, or
56 revoking issuance of a liquor control license or beer permit may, pro-
57 vided he has exercised his right of appeal to the hearing board as
58 provided in subsection four (4) of this section, appeal from said deci-
59 sion within ten days to the district court of the county wherein the
60 premises covered by the application are situated.

61 Where the hearing board on an appeal by an applicant finds that
62 the local authority acted arbitrarily, capriciously, or without reason-
63 able cause in disapproving an application and the director issues a
64 license or permit, the local authority may appeal from such decision
65 within ten days to the district court of the county wherein the
66 premises covered by the application are situated.

1 **SEC. 33. Records.** Every holder of a liquor control license shall
2 keep a daily record of the gross receipts of his business. Each bot-
3 tle emptied, except beer bottles, shall be broken immediately by the
4 licensee or his agent into a container provided for that purpose. The
5 records herein required and the premises of the licensee shall be
6 open to agents of the division of beer and liquor law enforcement
7 of the department of public safety during normal business hours of
8 the licensee.

1 **SEC. 34. Expiration—seasonal license or permit.** All liquor control
2 licenses and beer permits, unless sooner suspended or revoked,
3 shall expire one year from date of issuance. The director shall
4 cause sixty day's notice of such expiration to be given to each
5 licensee or permittee in writing. However, the director may issue
6 six-month or eight-month seasonal licenses or class "B" beer per-
7 mits for a proportionate part of the license or permit fee. No refund
8 shall be made for seasonal licenses or permits. No seasonal license
9 or permit shall be renewed except after a period of two months.

1 **SEC. 35. Simplified renewal procedure.** The director shall pre-
2 scribe simplified application forms for the renewal of liquor control

3 licenses and beer permits issued under the provisions of this Act,
4 which may be filed by licensees and permittees in lieu of a detailed
5 renewal application form when qualifications and qualification in-
6 formation have not changed since the original issuance of the license
7 or permit. Such simplified form shall require the licensee or per-
8 mittee to verify under oath that the information contained in the
9 original application remains current, and that no reason exists for
10 the department's refusal to renew the license or permit as originally
11 issued.

12 Such application, accompanied by the required fee and bond, shall
13 be filed in the same manner as is provided for filing the initial appli-
14 cation.

1 SEC. 36. Fees. The following fees shall be paid to the depart-
2 ment annually for special liquor permits and liquor control licenses
3 issued under sections twenty-nine (29) and thirty (30) of this Act
4 respectively:

5 1. Special liquor permits, the sum of five dollars.
6 2. Class "A" liquor control licenses, the sum of six hundred dol-
7 lars, except that for class "A" licenses in towns of less than two
8 thousand population, and for clubs of less than two hundred fifty
9 members, the license fee shall be four hundred dollars; however,
10 the fee shall be two hundred dollars for any club which is a post,
11 branch, or chapter of a veterans organization chartered by the Con-
12 gress of the United States, if such club does not sell or permit the
13 consumption of alcoholic beverages on the premises more than one
14 day in any week, and if the application for a license states that such
15 club does not and will not sell or permit the consumption of alco-
16 holic beverages on the premises more than one day in any week.

17 3. Class "B" liquor control licenses, the sum as follows:

18 a. Hotels or motels located within the corporate limits of cities
19 of ten thousand population and over, one thousand three hundred
20 dollars.

21 b. Hotels and motels located within the corporate limits of cities
22 of over three thousand and less than ten thousand population, one
23 thousand and fifty dollars.

24 c. Hotels and motels located within the corporate limits of cities
25 or towns of three thousand population and less, eight hundred dollars.

26 d. Hotels and motels located outside the corporate limits of any
27 city or town, one thousand three hundred dollars.

28 4. Class "C" liquor control licenses, the sum as follows:

29 a. Commercial establishments located within the corporate limits
30 of cities of ten thousand population and over, one thousand three
31 hundred dollars.

32 b. Commercial establishments located within the corporate limits
33 of cities or towns of over fifteen hundred and less than ten thousand
34 population, nine hundred fifty dollars.

35 c. Commercial establishments located within the corporate limits
36 of towns of fifteen hundred population or less, six hundred dollars.

37 d. Commercial establishments located outside the corporate lim-
38 its of any city or town, a sum equal to that charged in the incorpo-
39 rated city or town located nearest the premises to be licensed, and
40 in case there is doubt as to which of two or more differing corporate

41 limits are the nearest, the license fee which is the larger shall pre-
42 vail.

43 5. Class "D" liquor control licenses, the following sums:

44 a. For watercraft, one hundred fifty dollars.

45 b. For trains, five hundred dollars.

46 c. For air common carriers, each company shall pay a base annual
47 fee of five hundred dollars and, in addition, shall quarterly remit to
48 the department an amount equal to seven dollars for each gallon of
49 alcoholic liquor sold, given away, or dispensed in or over this state
50 during the preceding calendar quarter. The class "D" license fee for
51 air common carriers shall be in lieu of any other fee or tax collected
52 from such carriers in this state for the possession and sale of alco-
53 holic liquor and beer.

54 The department shall credit all fees to the beer and liquor control
55 fund and shall remit to the appropriate local authority, a sum equal
56 to sixty-five percent of the fees collected for each class "A", class
57 "B", or class "C" license covering premises located within their re-
58 spective jurisdictions.

1 SEC. 37. **Power to license and levy taxes.** The power to estab-
2 lish licenses and permits and levy taxes as imposed in Title VI of
3 the Code is vested exclusively with the state. Unless specifically
4 provided, no local authority shall levy a local tax on the sale of
5 alcoholic beverages or beer, require the obtaining of a special license
6 or permit for such sale on any establishment, or require the obtain-
7 ing of a license by any person as a condition precedent to his em-
8 ployment in the sale, serving, or handling of alcoholic beverages or
9 beer within an establishment operating under a license or permit.

1 SEC. 38. **Nature of permit or license.** A special liquor permit,
2 liquor control license, or beer permit shall be a purely personal priv-
3 ilege and be revocable for cause. It shall not constitute property nor
4 be subject to attachment and execution nor be alienable nor assign-
5 able, and in any case it shall cease upon the death of the permittee
6 or licensee. However, the director may in his discretion allow the
7 executor or administrator of a permittee or licensee to operate the
8 business of the decedent for a reasonable time not to exceed the
9 expiration date of the permit or license. Every permit or license
10 shall be issued in the name of the applicant and no person holding
11 a permit or license shall allow any other person to use same.

12 Any such licensee or permittee, or his executor, administrator, or
13 any person duly appointed by the court to take charge of and admin-
14 ister the property or assets of the licensee or permittee for the
15 benefit of his creditors, may voluntarily surrender such license or
16 permit to the department and when so surrendered the department
17 shall notify the local authority, and the department and such local
18 authority, or the local authority by itself in the case of a class "B"
19 beer permit, shall refund to the person so surrendering the license
20 or permit a proportionate amount of the fee paid for such license
21 or permit as follows: If surrendered during the first three months
22 of the period for which said license or permit was issued the refund
23 shall be three-fourths of the amount of the fee; if surrendered
24 more than three months but not more than six months after issu-
25 ance the refund shall be one-half of the amount of the fee; if sur-

26 rendered more than six months but not more than nine months
 27 after issuance the refund shall be one-fourth of the amount of the
 28 fee. No refund shall be made, however, for any special liquor per-
 29 mit, nor for a liquor control license or beer permit surrendered
 30 more than nine months after issuance. No refund shall be made to
 31 any licensee or permittee, upon the surrender of his license or per-
 32 mit, if there is at the time of said surrender a complaint filed with
 33 the department or local authority, charging him with a violation of
 34 the provisions of this Act. If upon hearing on any such complaint
 35 the license or permit is not revoked or suspended, then the licensee
 36 or permittee shall be eligible, upon surrender of his license or
 37 permit, to receive a refund as herein provided. But if his license or
 38 permit is revoked or suspended upon such hearing he shall not be
 39 eligible for the refund of any portion of his license or permit fee.

40 The local authority may in its discretion authorize a licensee or
 41 permittee to transfer the license or permit from one location to
 42 another within the same incorporated city or town, or within a
 43 county outside the corporate limits of a city or town, provided that
 44 the premises to which the transfer is to be made would have been
 45 eligible for a license or permit in the first instance and such transfer
 46 will not result in the violation of any law.

1 **SEC. 39. Suspension or revocation of liquor license or beer permit.**

2 Any liquor control license or beer permit issued under this Act may,
 3 after notice in writing to the license or permit holder and reasonable
 4 opportunity for hearing, and subject to section fifty (50) of this Act
 5 where applicable, be suspended for a period not to exceed one year
 6 or revoked by the local authority or the director for any of the fol-
 7 lowing causes:

8 1. Misrepresentation of any material fact in the application for
 9 such license or permit.

10 2. Violation of any of the provisions of this Act.

11 3. Any change in the ownership or interest in the business oper-
 12 ated under a class "A", class "B", or class "C" liquor control license,
 13 or any beer permit which change was not previously reported to and
 14 approved by the local authority and the department.

15 4. An event which would have resulted in disqualification from
 16 receiving such license or permit when originally issued.

17 5. Any sale, hypothecation, or transfer of such license or permit.

18 6. The failure or refusal on the part of any licensee or permittee
 19 to render any report or remit any taxes to the department under
 20 this Act when due.

21 Local authorities shall have the power to suspend any retail beer
 22 permit or liquor control license for a violation of any ordinance or
 23 regulation adopted by such local authority. Local authorities are
 24 empowered to adopt ordinances or regulations for the location of
 25 the premises of retail beer and liquor control licensed establish-
 26 ments and are empowered to adopt ordinances, not in conflict with
 27 the provisions of this Act and that do not diminish the hours dur-
 28 ing which beer or alcoholic beverages may be sold or consumed at
 29 retail, governing any other activities or matters which may affect
 30 the retail sale and consumption of beer and alcoholic liquor and the
 31 health, welfare and morals of the community involved.

1 **SEC. 40. Effect of revocation.** Any liquor control licensee or beer
2 permittee whose license or permit is revoked under this Act shall
3 not thereafter be permitted to hold a liquor control license or beer
4 permit in the state of Iowa for a period of two years from the date
5 of such revocation. The spouse and business associates holding ten
6 percent or more of the capital stock or ownership interest in the
7 business of a person whose license or permit has been revoked shall
8 not be issued a liquor control license or beer permit, and no liquor
9 control license or beer permit shall be issued which covers any busi-
10 ness in which such person has a financial interest for a period of
11 two years from the date of such revocation. In the event a license
12 or permit is revoked the premises which had been covered by such
13 license or permit shall not be relicensed for one year.

1 **SEC. 41. Manufacturer's license.** Upon application in the pre-
2 scribed form and accompanied by a fee of three hundred fifty dol-
3 lars, the director may in accordance with this Act grant and issue a
4 license, valid for a one-year period after date of issuance, to a manu-
5 facturer which shall allow the manufacture, storage, and wholesale
6 disposition and sale of alcoholic liquors to the department and to
7 customers outside of the state.

1 **SEC. 42. Wholesaler's license.** Upon application in the prescribed
2 form and accompanied by a fee of two hundred fifty dollars and
3 subject to the provisions of this Act, the director may grant a license,
4 valid for a one-year period after date of issuance, to a wholesaler
5 which shall allow the wholesaler to purchase alcoholic liquor from
6 manufacturers either within or without the state for the purpose of
7 selling to the department and customers of such wholesaler engaged
8 in the sale of alcoholic liquor at retail outside of the state.

1 **SEC. 43. Conditions—bond.** As a condition precedent to the ap-
2 proval and granting of any license to a manufacturer or wholesaler,
3 there shall be filed with the department a statement under oath that
4 the applicant is a bona fide manufacturer or wholesaler of alcoholic
5 liquors, and that the applicant will faithfully observe and comply
6 with all rules and regulations of the department and that he will in
7 all respects comply with the provisions of this Act, together with a
8 bond in the penal sum of five thousand dollars for a manufacturer
9 and one thousand dollars for a wholesaler with a surety to be ap-
10 proved by the director; said bond to be in favor of the state of Iowa
11 for the benefit of the state in case of any violation of this Act.

1 **SEC. 44. Gift of liquors prohibited.** No manufacturer or whole-
2 saler shall give away any alcoholic liquor of any kind or description
3 at any time in connection with his business except for testing or
4 sampling purposes only. No manufacturer, vintner, wholesaler, or
5 importer, organized as a corporation pursuant to the laws of this
6 state or any other state, and who deals in alcoholic liquor or beer
7 subject to this Act shall offer or give any thing of value to any coun-
8 cil member, official or employee of the department or directly or in-
9 directly contribute in any manner any money or thing of value to
10 any person seeking a public or appointive office or any recognized
11 political party or a group of persons seeking to become a recognized
12 political party.

1 **SEC. 45. Interest in liquor business.** No council member or de-
2 partment employee shall, directly or indirectly, individually, or as
3 a member of a partnership or shareholder in a corporation, have
4 any interest in dealing in or in the manufacture of alcoholic liquor
5 or beer nor receive any kind of profit nor have any interest in the
6 purchase or sale of alcoholic liquor or beer by persons so authorized
7 under this Act except that this provision shall not prevent any such
8 member or employee from lawfully purchasing and keeping alcoholic
9 liquor or beer in his possession for personal use.

10 No person engaged in the business of manufacturing, bottling, or
11 wholesaling alcoholic beverages or beer, nor any jobber or agent of
12 such person, shall directly or indirectly supply, furnish, give, or pay
13 for any furnishings, fixtures, or equipment used in the storage, han-
14 dling, serving, or dispensing of alcoholic beverages, beer, or food with-
15 in the place of business of a licensee or permittee authorized under
16 the provisions of this Act to sell at retail; nor shall he directly or
17 indirectly extend any credit for alcoholic beverages or beer or pay for
18 any such license or permit, nor directly or indirectly be interested in
19 the ownership, conduct, or operation of the business of another
20 licensee or permittee authorized under the provisions of this Act to
21 sell at retail. Any licensee or permittee who shall permit or assent
22 or be a party in any way to any such violation or infringement of
23 the provisions of this Act shall be deemed guilty of a violation of the
24 provisions of this Act.

1 **SEC. 46. Consumption in public places—intoxication.** It is un-
2 lawful for any person to use or consume alcoholic liquors or beer
3 upon the public streets or highways, or alcoholic liquors in any public
4 place, except premises covered by a liquor control license, and no
5 person shall be intoxicated nor simulate intoxication in a public
6 place. Any person violating any provisions of this section shall be
7 fined not to exceed one hundred dollars or sentenced not to exceed
8 thirty days in the county jail.

1 **SEC. 47. Persons under legal age.** After July 1, 1971, no person
2 shall sell, give, or otherwise supply alcoholic liquor or beer to any
3 person knowing or having reasonable cause to believe him to be un-
4 der legal age, and no person or persons under legal age shall indi-
5 vidually or jointly have alcoholic liquor or beer in his or their pos-
6 session or control; except in the case of liquor or beer given or dis-
7 pensated to a person under legal age within a private home and with
8 the knowledge and consent of the parent or guardian for beverage
9 or medicinal purposes or as administered to him by either a physi-
10 cian or dentist for medicinal purposes and except to the extent that
11 a person under legal age may handle alcoholic beverages and beer
12 during the regular course of his or her employment by a liquor con-
13 trol licensee or beer permittee under this Act.

1 **SEC. 48. Evidence of legal age demanded.**

2 1. Upon attempt to purchase alcoholic liquor in any state liquor
3 store by any person who appears to the vendor to be under legal age,
4 such vendor shall demand and the prospective purchaser upon such
5 demand shall display satisfactory evidence that he is of legal age.

6 2. Any person under legal age who presents to any vendor falsi-

7 fied evidence of age as provided in subsection one (1) of this section
8 shall be guilty of a misdemeanor and upon conviction shall be pun-
9 ished by a fine not to exceed one hundred dollars or by imprisonment
10 in the county jail for not more than thirty days.

1 **SEC. 49. Miscellaneous prohibitions.**

2 1. No person shall sell, dispense, or give to any intoxicated per-
3 son, or one simulating intoxication, any alcoholic liquor or beer.

4 2. No person or club holding a liquor control license or retail beer
5 permit under this Act, nor his agents or employees, shall do any of
6 the following:

7 a. Knowingly permit any gaming, gambling, solicitation for im-
8 moral purposes, or immoral or disorderly conduct on the premises
9 covered by the license or permit.

10 b. Sell or dispense any alcoholic beverage or beer on the prem-
11 ises covered by the license or permit, or permit the consumption
12 thereon between the hours of two a.m. and six a.m. on any weekday,
13 and between the hours of one a.m. on Sunday and six a.m. on the
14 following Monday.

15 c. Sell alcoholic beverages or beer to any person on credit, except
16 with a bona fide credit card. This provision shall not apply to sales
17 by a club to its members nor to sales by a hotel or motel to bona
18 fide registered guests.

19 d. Keep on any premises covered by a liquor control license any
20 alcoholic liquor in any container except the original package pur-
21 chased from the department, except still wines placed in dispensing
22 or serving containers for temporary storage, and except mixed
23 drinks or cocktails mixed on the premises for immediate consump-
24 tion. This prohibition shall not apply to common carriers holding
25 a class "D" liquor control license.

26 e. Reuse for packaging alcoholic liquor any container or receptacle
27 used originally for packaging alcoholic liquor; or adulterate, by the
28 addition of any substance, the contents or remaining contents of an
29 original package of alcoholic liquor; or knowingly possess any orig-
30 inal package which has been so reused or adulterated.

31 f. After July 1, 1971, any person under legal age shall not be em-
32 ployed in the sale or serving of alcoholic liquor or beer for consump-
33 tion on the premises where sold unless the person shall be at least
34 eighteen years old and the business of selling food or other services
35 constitutes more than fifty percent of the gross business transacted
36 therein and then only for the purpose of serving or clearing alcoholic
37 beverages or beer as an incident to a meal. This paragraph shall not
38 apply to class "C" beer permit holders.

39 g. Allow any person other than the licensee, permittee, or em-
40 ployees of such licensee or permittee, to use or keep on the licensed
41 premises any alcoholic liquor in any bottle or other container which
42 is designed for the transporting of such beverages, except as per-
43 mitted in section ninety-five (95) of this Act. This paragraph
44 shall not apply to the lodging quarters of a class "B" liquor control
45 licensee or beer permittee, or to common carriers holding a class "D"
46 liquor control license.

47 h. Sell, give, or otherwise supply any alcoholic beverage or beer
48 to any person knowing or having reasonable cause to believe him to
49 be under legal age, or permit any person knowing or having reason-

50 able cause to believe him to be under legal age, to consume any alco-
51 holic beverage or beer.

52 i. In the case of a retail beer permittee, knowingly allow the mix-
53 ing or adding of alcohol or any alcoholic beverage to beer or any
54 other beverage in or about his place of business.

55 3. No person under legal age shall misrepresent his or her age for
56 the purpose of purchasing or attempting to purchase any alcoholic
57 beverage or beer from any licensee or permittee. If any person
58 under legal age shall misrepresent his or her age, and the licensee or
59 permittee establishes that he made reasonable inquiry to determine
60 whether such prospective purchaser was over legal age, such licensee
61 or permittee shall not be guilty of selling alcoholic liquor or beer to
62 minors.

1 **SEC. 50. Penalties.**

2 1. Any person who violates any of the provisions of section forty-
3 nine (49) of this Act shall be subject to a fine of not to exceed one
4 hundred dollars or to imprisonment for not more than thirty days
5 in the county jail.

6 2. The conviction of any liquor control licensee or beer permittee
7 for a violation of any of the provisions of section forty-nine (49) of
8 this Act shall, subject to subsection three (3) of this section, be
9 grounds for the suspension or revocation of the license or permit by
10 the department or the local authority. However, if any liquor control
11 licensee is convicted of any violation of subsection two (2),
12 paragraphs "a", "d" or "e", of such section, or any beer permittee
13 is convicted of a violation of paragraph "a", the liquor control
14 license or beer permit shall be revoked and shall immediately be sur-
15 rendered by the holder, and the bond of the license or permit holder
16 shall be forfeited to the department.

17 3. If any licensee, beer permittee, or employee of such licensee
18 or permittee shall be convicted of a violation of section forty-nine
19 (49), subsection two (2), paragraph "h" of this Act, or a retail
20 beer permittee shall be convicted of a violation of paragraph "i"
21 of such subsection, the director or local authority shall, in addition
22 to the other penalties fixed for such violations by this section, assess
23 a penalty as follows:

24 a. Upon a first conviction, the violator's liquor control license or
25 beer permit shall be suspended for a period of fourteen days.

26 b. Upon a second conviction within a period of two years, the vio-
27 lator's liquor control license or beer permit shall be suspended for a
28 period of thirty days.

29 c. Upon a third conviction within a period of five years, the viola-
30 tor's liquor control license or beer permit shall be suspended for a
31 period of sixty days.

32 d. Upon a fourth conviction within a period of five years, the vio-
33 lator's liquor control license or beer permit shall be revoked.

1 **SEC. 51. Advertisements for alcoholic liquor or beer.**

2 1. Except as permitted by federal statute and regulations, there
3 shall be no public advertisement or advertising of alcoholic liquors
4 in any manner or form within the state.

5 2. No person shall publish, exhibit, or display or permit to be
6 displayed any other advertisement or form of advertisement, or an-

7 nouncement, publication, or price list of, or concerning any alco-
 8 holic liquors, or where, or from whom the same may be purchased
 9 or obtained, unless permitted so to do by the regulations adopted
 10 by the department and then only in strict accordance with such reg-
 11 ulations. This subsection shall not apply, however:

12 a. To the department.

13 b. To the correspondence, or telegrams, or general communica-
 14 tions of the department, or its agents, servants, and employees.

15 c. To the receipt or transmission of a telegram or telegraphic copy
 16 in the ordinary course of the business of agents, servants, or em-
 17 ployees of any telegraph company.

18 3. No signs or other matter advertising any brand of beer shall
 19 be erected or placed upon the outside of any premises occupied by a
 20 licensee or permittee authorized to sell beer at retail. All such
 21 signs shall be removed by the owner of same by July 1, 1974.

22 4. Violation of this section shall be a misdemeanor punishable by
 23 a fine not exceeding one hundred dollars or imprisonment in the
 24 county jail not exceeding thirty days.

1 **SEC. 52. Prohibited sale.** No person not expressly authorized by
 2 this Act to deal in alcoholic liquors shall within the state keep for
 3 sale or offer for sale anything which is capable of being mistaken
 4 for a package containing alcoholic liquor and is either labeled or
 5 branded with the name of any kind of alcoholic liquor, whether the
 6 same contains any alcoholic liquor or not.

1 **SEC. 53. Liquor control fund.**

2 1. There shall be established within the office of the treasurer of
 3 state a fund to be known as the beer and liquor control fund. The
 4 fund shall consist of any moneys appropriated by the general as-
 5 sembly for deposit in the fund and moneys received from the sale
 6 of alcoholic liquors, from the issuance of permits and licenses, and
 7 of moneys and receipts received by the department from any other
 8 source.

9 2. The state comptroller shall periodically transfer from the beer
 10 and liquor control fund to the general fund of the state those reve-
 11 nues of the department which are not necessary for the purchase
 12 of liquor for resale by the department, or for remittances to local au-
 13 thorities or other sources as required by this Act, or for other obliga-
 14 tions and expenses of the department which are paid from such fund.

15 3. The treasurer of state shall semiannually distribute a sum of
 16 money equal to ten percent of the gross sales made by the state
 17 liquor stores to the cities and towns of the state. Such amount
 18 shall be distributed to the cities and towns of the state in pro-
 19 portion to the population that each incorporated city or town bears
 20 to the total population of all incorporated cities and towns of the
 21 state as computed by the latest federal census. A city or town may
 22 have one special federal census taken each decade, and the population
 23 figure thus obtained shall be used in apportioning amounts under
 24 this subsection beginning the calendar year following the year in
 25 which the special census is certified by the secretary of state. Such
 26 apportionment shall be made semiannually as of July first and Janu-
 27 ary first of each year. Warrants for the same shall be issued by
 28 the state comptroller upon certification of the treasurer of state and

29 mailed to the city clerk of each incorporated city and town of the
30 state and shall be made payable to such incorporated city or town
31 and shall be subject to expenditure under the direction of the city
32 council or other governing bodies of such incorporated city or town
33 for any lawful municipal purpose. It shall be a lawful municipal
34 purpose for cities and towns to allocate a portion of the above funds
35 for the purpose of financing the activities of a city or town com-
36 mission or committee on alcoholism, such commission or committee
37 to be appointed by the mayor or by the council or both. The com-
38 mission or committee may use any funds so allocated for the treat-
39 ment, rehabilitation, and education of alcoholics in Iowa.

40 4. In any case where a city or town has been incorporated since
41 the last federal census, the mayor and council shall certify to the
42 treasurer of state the actual population of such incorporated city
43 or town as of date of incorporation and its apportionment of funds
44 under this section shall be based upon such certification until the
45 next federal census enumeration. Any community which has dis-
46 solved its corporation shall not receive any apportionment of funds
47 under this section for any period after said corporation has been
48 dissolved.

49 5. In any case where a city or town has annexed any territory
50 since the last available federal census or special federal census, the
51 mayor and council shall certify to the treasurer of state the actual
52 population of such annexed territory as determined by the last cer-
53 tified federal census of said territory and the apportionment of
54 funds under this section shall be based upon the population of said
55 city or town as modified by the certification of the population of the
56 annexed territory until the next federal or special federal census
57 enumeration.

58 6. In any case where two or more cities or towns have consoli-
59 dated, the apportionment of funds under this section shall be based
60 upon the population of the city or town resulting from said con-
61 solidation and shall be determined by combining the population of
62 all cities and towns involved in the consolidation as determined by
63 the last available federal or special federal census enumeration for
64 said consolidating city or town.

65 7. The treasurer of state shall credit to the military service tax
66 fund described in chapter four hundred twenty-six A (426A) of
67 the Code, a sum of money equal to five percent of the gross amount
68 of sales made by the state liquor stores in the cities and towns of the
69 state. Any amount thus credited shall be allocated to the various
70 taxing districts of the state as reimbursement for losses of revenue
71 due to exemption or remission of property taxes which would be
72 imposed upon property upon which soldiers' exemptions or soldiers'
73 tax credits are provided under such terms as the general assembly
74 may provide.

1 **SEC. 54. Drawing appropriation.** Department appropriations
2 shall be paid by the treasurer of state upon the orders of the direc-
3 tor, in such amounts and at such times as the director deems neces-
4 sary to carry on operations in accordance with the terms of this Act.

1 **SEC. 55. Annual report.** The council shall cause to be prepared
2 an annual report to the governor of the state, ending with June 30

- 3 of each year, showing fully the results of the operations of the de-
4 partment covering the period since the last previous report. Such
5 report shall show:
- 6 1. Amount of profit or loss from state liquor store operations.
 - 7 2. Number of state liquor stores opened, the number closed, and
8 the number operating on last day included in report.
 - 9 3. Amount of fees received from such stores, separately and in
10 gross.
 - 11 4. The current balance of the beer and liquor control fund, and
12 the amount transferred from such fund to the treasurer of state dur-
13 ing the period covered by the report.
 - 14 5. All other funds on hand and the source from which derived.
 - 15 6. The total quantity and particular kind of alcoholic liquor sold.
 - 16 7. The increase or decrease of liquor sales from the previous re-
17 porting period.
 - 18 8. The number of liquor control licenses and beer permits issued,
19 by class, the number in effect on the last day included in the re-
20 port, and the number which have been suspended or revoked dur-
21 ing the period covered by the report.
 - 22 9. Amount of fees paid to the department from liquor control
23 licenses and beer permits, in gross, and the amount of liquor control
24 license fees returned to local subdivisions of government as pro-
25 vided under this Act.

1 **SEC. 56. Native wines.** Notwithstanding any other provision of
2 this Act, but subject to rules and regulations of the department, man-
3 ufacturers of native wines from grapes, cherries, other fruit juices,
4 or honey may sell, keep, or offer for sale and deliver the same in such
5 quantities as may be permitted by the director for consumption off
6 the premises.

7 A manufacturer of native wines shall not sell such wines other-
8 wise than as permitted by this section or allow any wine so sold, or
9 any part thereof, to be drunk upon the premises of such manufac-
10 turer. Any person may manufacture native wine for consumption
11 on his own premises.

12 For the purposes of this section "manufacturer" includes only those
13 persons who process the fruit or honey, ferment, and bottle native
14 wines in Iowa.

1 **SEC. 57. Examination of accounts.** The financial condition and
2 transactions of all offices, departments, stores, warehouses, and
3 depots of the department shall be examined at least once each year
4 by the state auditor and at shorter periods if requested by the di-
5 rector, governor, or executive council.

1 **SEC. 58. Auditing.** All provisions of sections eleven point six
2 (11.6), eleven point seven (11.7), eleven point ten (11.10), eleven
3 point eleven (11.11), eleven point fourteen (11.14), eleven point
4 eighteen (11.18), eleven point twenty-one (11.21), and eleven point
5 twenty-three (11.23) of the Code, relating to auditing of financial
6 records of governmental subdivisions which are not inconsistent
7 herewith are hereby made applicable to the department and its
8 offices, stores, warehouses, and depots.

1 **SEC. 59. Bootlegging.** Any person who, by himself, or through
2 another acting for him, shall keep or carry on his person, or in a

3 vehicle, or leave in a place for another to secure, any alcoholic liquor
4 or beer with intent to sell or dispense of such liquor or beer by gift or
5 otherwise in violation of law, or who shall, within this state, in any
6 manner, directly or indirectly, solicit, take, or accept any order for
7 the purchase, sale, shipment, or delivery of such alcoholic liquor or
8 beer in violation of law, or aid in the delivery and distribution of
9 any alcoholic liquor or beer so ordered or shipped, or who shall in any
10 manner procure for, sell, or give any alcoholic liquor or beer to any
11 person under legal age, for any purpose except as authorized and
12 permitted in this Act, shall be a bootlegger and be subject to the
13 general penalties provided by this Act.

1 **SEC. 60. Nuisances.** The premises where the unlawful manu-
2 facture or sale, or keeping with intent to sell, use, or give away, of
3 alcoholic liquors or beer is carried on, and any vehicle or other means
4 of conveyance used in transporting such liquor or beer in violation of
5 law, and the furniture, fixtures, vessels and contents, kept or used in
6 connection with such activities are nuisances and shall be abated as
7 provided in this Act.

1 **SEC. 61. Penalty.** Any person who erects, establishes, or uses any
2 premises for any of the purposes prohibited in section sixty (60) of
3 this Act, is guilty of nuisance and shall be subject to the general
4 penalties provided by this Act.

1 **SEC. 62. Injunction.** Actions to enjoin nuisances shall be brought
2 in equity in the name of the state by the county attorney who shall
3 prosecute the same to judgment.

1 **SEC. 63. Temporary writ.** In such action, the court shall, upon
2 the presentation of a petition therefor, allow a temporary writ of
3 injunction without bond, if it shall be made to appear to the satisfac-
4 tion of the court by evidence in the form of affidavits, depositions,
5 oral testimony or otherwise, that the nuisance complained of exists.

1 **SEC. 64. Notice.** Three days' notice in writing shall be given the
2 defendant of the hearing of the application, and if then continued at
3 his instance the writ as prayed shall be granted as a matter of
4 course.

1 **SEC. 65. Scope of injunction.** When an injunction has been
2 granted, it shall be binding upon the defendant throughout the state
3 and any violation of the provisions of this Act anywhere within the
4 state shall be punished as a contempt as herein provided.

1 **SEC. 66. Trial of action.** Any action brought hereunder shall be
2 accorded priority over other business pending before the district
3 court.

1 **SEC. 67. General reputation.** In all actions to enjoin a nuisance or
2 to establish a violation of the injunction, evidence of the general
3 reputation of the premises described in the petition or information
4 shall be admissible for the purpose of proving the existence of the
5 nuisance or the violation of the injunction.

1 **SEC. 68. Contempt.** In the case of a violation of any injunction
2 granted under the provisions of this Act, the court may summarily

3 try and punish the defendant pursuant to the general penalties
4 provided by this Act. The proceedings shall be commenced by filing
5 with the clerk of the court an information under oath setting out the
6 alleged facts constituting such violation, upon which the court shall
7 cause a warrant to issue under which the defendant shall be arrested.

1 **SEC. 69. Trial of contempt action.** The trial shall be as in equity
2 and may be had upon depositions, or either party may demand the
3 production and oral examination of the witnesses.

1 **SEC. 70. Injunction against bootlegger.** A bootlegger as defined
2 in this Act may be restrained by injunction from doing or continuing
3 to do any of the acts prohibited herein, and all the proceedings for
4 injunctions, temporary and permanent, and for punishments for
5 violation of the same as prescribed herein, shall be applicable to such
6 person, and the fact that an offender has no known or permanent
7 place of business, or base of supplies, or quits the business after the
8 commencement of an action, shall not prevent a temporary or per-
9 manent injunction, as the case may be, from issuing.

1 **SEC. 71. Conditions.** In no case shall a bootlegger injunction
2 proceeding, as provided in this Act, be maintained unless it be shown
3 to the court that efforts in good faith have been made to discover the
4 base of supplies or place where the defendant charged as a bootlegger
5 conducts his unlawful business or receives or manufactures the al-
6 coholic liquor or beer, of which he is charged with bootlegging.

1 **SEC. 72. Order of abatement.** If the existence of a nuisance is
2 established in a civil or criminal action, an order of abatement shall
3 be entered as a part of the judgment in the case. Such order shall
4 direct the confiscation of all alcoholic liquor or beer by the state; the
5 removal from the premises involved of all fixtures, furniture, vessels,
6 or movable property used in any way in conducting the unlawful
7 business; the sale of all such removed property as well as any vehicle
8 or other means of conveyance which has been abated, such sale to
9 be conducted in the manner provided for the sale of chattels under
10 execution; and the effective closing of the premises against use for
11 the purpose of manufacture, sale, or consumption of alcoholic liquor
12 or beer for a period of one year, unless sooner released by the court.

1 **SEC. 73. Use of abated premises.** If any person uses a premises
2 closed pursuant to an abatement order in violation of such order he
3 shall be punished for contempt as provided in this Act.

1 **SEC. 74. Fees.** For removing and selling the movable property,
2 the officer shall be entitled to charge and receive the same fees as
3 he would for levying upon and selling like property on execution; and
4 for closing the premises and keeping them closed a reasonable sum
5 shall be allowed by the court.

1 **SEC. 75. Proceeds of sale.** The proceeds of the sale of personal
2 property in abatement proceedings shall be applied first in payment
3 of the costs of the action and abatement, and second to the satisfac-
4 tion of any fine and costs adjudged against the proprietor of the

5 premises and keeper of said nuisance, and the balance, if any, shall
6 be paid to the defendant.

1 **SEC. 76. Abatement of nuisance.** If the owner of the abated
2 premises appears and pays all costs of the proceeding and files a bond
3 with sureties to be approved by the clerk in the full value of the
4 property, to be ascertained by the court, conditioned that he will
5 immediately abate the nuisance and prevent the same from being
6 established or kept on such premises within a period of one year
7 thereafter, the court may order such premises to be delivered to the
8 owner and cancel the order of abatement so far as it may relate to the
9 property.

1 **SEC. 77. Abatement before judgment.** If the action is in equity
2 and the owner of the premises pays the costs of the action and files
3 the bond prior to the entry of judgment and the abatement order,
4 such action shall be abated as to the premises only.

1 **SEC. 78. Existing liens.** The release of the property under the
2 provisions of either section seventy-six (76) or seventy-seven (77)
3 of this Act shall not release it from any judgment lien, penalty, or
4 liability, to which it may be subject by law.

1 **SEC. 79. Abatement bond a lien.** Undertakings of bonds for abate-
2 ment shall immediately after filing by the clerk of the district court
3 be docketed and entered upon the lien index as required for judg-
4 ments in civil cases, and from the time of such entries shall be liens
5 upon real estate of the persons executing the same, with like effect
6 as judgments in civil actions.

1 **SEC. 80. Attested copies filed.** Attested copies of such undertak-
2 ings may be filed in the office of the clerk of the district court of the
3 county in which the real estate is situated in the same manner and
4 with like effect as attested copies of judgments, and shall be im-
5 mediately docketed and indexed in the same manner.

1 **SEC. 81. Forfeiture of bond.** If the owner of a property who has
2 filed an abatement bond as provided in this Act fails to abate the
3 liquor or beer nuisance on the premises covered by the bond, or fails
4 to prevent the maintenance of any liquor or beer nuisance on said
5 premises at any time within a period of one year after entry of the
6 abatement order, the court shall, after a hearing in which such fact is
7 established, direct an entry of such violation of the terms of the
8 owner's bond, to be made on the record and the undertaking of his
9 bond thereupon forfeited.

1 **SEC. 82. Procedure.** A proceeding to forfeit an abatement bond
2 shall be commenced by filing with the clerk of the court, by the
3 county attorney of the county where the bond is filed, an application
4 under oath to forfeit such bond, setting out the alleged facts consti-
5 tuting the violation of the terms of the bond, upon which the court
6 shall direct by order attached to such application that a notice be
7 issued by the clerk of the district court directed to the principal and
8 sureties on the bond to appear at a certain date fixed to show cause
9 why such bond should not be forfeited and judgment entered for the
10 penalty fixed therein.

1 **SEC. 83. Method of trial.** The trial shall be to the court and as in
2 equity, and be governed by the same rules of evidence as contempt
3 proceedings.

1 **SEC. 84. Judgment.** If the court after hearing finds a liquor or
2 beer nuisance has been maintained on the premises covered by the
3 abatement bond and that liquor or beer has been sold or kept for sale
4 on the premises contrary to law within one year from the date of the
5 giving of such bond, then the court shall order the forfeiture of the
6 bond and enter judgment for the full amount of such bond against the
7 principal and sureties thereof, and the lien on the real estate created
8 pursuant to section seventy-nine (79) of this Act shall be decreed
9 foreclosed and the court shall provide for a special and general execu-
10 tion for the enforcement of such decree and judgment.

1 **SEC. 85. Appeal.** Appeal may be taken as in equity cases and the
2 cause be triable de novo except that if the state appeals it need not
3 file an appeal or supersedeas bond.

1 **SEC. 86. County attorney to prosecute.** It shall be the duty of the
2 county attorney to prosecute in the name of the state all forfeitures
3 of abatement bonds and the foreclosures of same.

1 **SEC. 87. Prompt service.** It shall be a misdemeanor for any peace
2 officer to delay service of original notices, writs of injunction, writs of
3 abatement, or warrants for contempt in any equity case filed for
4 injunction or abatement by the state.

1 **SEC. 88. Evidence.** On the issue whether a party knew or ought
2 to have known of such nuisance, evidence of the general reputation
3 of the place shall be admissible.

1 **SEC. 89. Counts.** Informations or indictments under this Act may
2 allege any number of violations of its provisions by the same party,
3 but the several charges must be set out in separate counts, and the
4 accused may be convicted and punished upon each one as on separate
5 informations or indictments, and a separate judgment shall be ren-
6 dered on each count under which there is a finding of guilty.

1 **SEC. 90. Penalties generally.** Unless other penalties are herein
2 provided, any person, except a person under legal age, who violates
3 any of the provisions of this Act, or who makes a false statement
4 concerning any material fact in submitting an application for a per-
5 mit or license, shall be punished by a fine of not more than one
6 thousand dollars, or by imprisonment in the county jail for not more
7 than one year, or by both such fine and imprisonment. Any person
8 under legal age who violates any of the provisions of this Act shall
9 upon conviction be punished by a fine not to exceed one hundred dol-
10 lars or by imprisonment in the county jail not to exceed thirty days.

1 **SEC. 91. Second and subsequent conviction.** Any person who has
2 been convicted, in a criminal action, in any court of record, of a
3 violation of any of the following:

4 1. Any provision of this Act.

5 2. Any provision of the prior laws of this state relating to intoxi-
6 cating liquors or beer which were in force prior to the enactment of
7 this Act.

8 3. Any provision of the laws of the United States or of any other
9 state relating to intoxicating liquors or beer, and who is thereafter
10 convicted of a subsequent criminal offense against any provision of
11 this Act shall be punished as follows:

12 a. For his second conviction, by a fine of not less than five hundred
13 dollars nor more than one thousand dollars, and by imprisonment in
14 the county jail or the state penitentiary for not less than six months
15 nor more than one year.

16 b. For his third and each subsequent conviction, by a fine of not
17 less than one thousand dollars nor more than three thousand dollars
18 and imprisonment in the state penitentiary for not more than three
19 years.

1 SEC. 92. **Civil liability applicable to sale or gift of beer or intoxi-**
2 **cants by licensees.** Every husband, wife, child, parent, guardian, em-
3 ployer or other person who shall be injured in person or property or
4 means of support by any intoxicated person or resulting from the
5 intoxication of any such person, shall have a right of action, severally
6 or jointly against any licensee or permittee who shall sell or give any
7 beer or intoxicating liquor to any such person while he is intoxicated,
8 or serve any such person to a point where such person is intoxicated
9 for all damages actually sustained.

10 Every liquor control licensee and class "B" beer permittee shall
11 furnish proof of financial responsibility either by the existence of a
12 liability insurance policy or by posting bond in such amount as de-
13 termined by the department.

1 SEC. 93. Within six months of the occurrence of an injury, the
2 injured person shall give written notice to the licensee or permittee
3 or such licensee's or permittee's insurance carrier of his intention
4 to bring an action under this section, indicating the time, place and
5 circumstances causing the injury. Such six months period shall be
6 extended if the injured party is incapacitated at the expiration there-
7 of or unable, through reasonable diligence, to discover the name
8 of the licensee, permittee, or person causing the injury or until such
9 time as such incapacity is removed or such person has had a reason-
10 able time to discover the name of the licensee, permittee or person
11 causing the injury.

1 SEC. 94. No right of action for contribution or indemnity shall
2 accrue to any insurer, guarantor or indemnitor of any intoxicated
3 person for any act of such intoxicated person against any licensee
4 or permittee as defined in this Act.

1 SEC. 95. **Premises must be licensed—exception as to conventions**
2 **and social gatherings.** It is unlawful for any person to allow the dis-
3 pensing or consumption of intoxicating liquor, except sacramental
4 wines and beer, in any establishment unless such establishment is
5 licensed under this Act.

6 However, bona fide conventions or meetings may bring their own
7 legal liquor onto the licensed premises if the liquor is served to dele-
8 gates or guests without cost. All other provisions of this Act shall
9 be applicable to such premises. The provisions of this section shall
10 have no application to private social gatherings of friends or relatives

11 in a private home or a private place which is not of a commercial
12 nature nor where goods or services may be purchased or sold nor any
13 charge or rent or other thing of value is exchanged for the use of such
14 premises for any purpose other than for sleeping quarters.

1 **SEC. 96. Tax on beverages sold for consumption on the premises.**

2 1. There is imposed on every person licensed to sell alcoholic bev-
3 erages for consumption on the premises where sold, a special tax
4 equivalent to fifteen percent of the price established by the depart-
5 ment on all alcoholic beverages for general sale to the public. Such
6 tax shall be paid by all licensees at the point of purchase from the
7 state on all alcoholic beverages intended or used for resale for con-
8 sumption on the premises of retail establishments. Such tax shall be
9 in lieu of any other sales tax applied at the state store and shall be
10 shown as a separate item on special sales slips provided by the de-
11 partment for purchases by licensees.

12 2. Except as allowed under section ninety-five (95) of this Act no
13 licensee shall knowingly keep on the licensed premises nor use for
14 resale purposes any alcoholic liquor on which the special tax has not
15 been paid to the state. The conviction of a violation of this section
16 shall cause the license held to automatically be revoked and the
17 license shall immediately be surrendered by the holder, and the bond
18 of the license holder shall be forfeited to the department.

19 3. Each bottle of alcoholic liquor purchased by a licensee shall bear
20 an identification marker applied at the place of purchase.

1 **SEC. 97. Covered into general fund.** All revenues, except the
2 portion of license fees remitted to the local authorities, arising under
3 the operation of the provisions of this Act shall become part of the
4 state general fund.

1 **SEC. 98. Labeling shipments.** It shall be unlawful for any com-
2 mon carrier or for any person to transport or convey by any means,
3 whether for compensation or not, within this state, any intoxicating
4 liquors, unless the vessel or other package containing such liquors
5 shall be plainly and correctly identified, showing the quantity and
6 kind of liquors contained therein, the name of the party to whom they
7 are to be delivered, and the name of the shipper, or unless such in-
8 formation is shown on a bill of lading or other document accompany-
9 ing the shipment. No person shall be authorized to receive or keep
10 such liquors unless the same be marked or labeled as required by this
11 section. The violation of any provision of this section by any common
12 carrier, or any agent or employee of any carrier, or by any person,
13 shall be punished under the provisions of this Act.

14 Liquors conveyed, carried, transported, or delivered in violation of
15 this section, whether in the hands of the carrier or someone to whom
16 they shall have been delivered, shall be subject to seizure and con-
17 demnation, as liquors kept for illegal sale.

1 **SEC. 99. False statements.** If any person, for the purpose of pro-
2 curing the shipment, transportation, or conveyance of any intoxi-
3 cating liquors within this state, shall make to any person, company,
4 corporation, or common carrier, or to any agent thereof, any false
5 statements as to the character or contents of any box, barrel, or
6 other vessel or package containing such liquors; or shall refuse to

7 give correct and truthful information as to the contents of any such
8 box, barrel, or other vessel or package so sought to be transported or
9 conveyed; or shall falsely mark, brand, or label such box, barrel, or
10 other vessel or package in order to conceal the fact that the same
11 contains intoxicating liquors; or shall by any device or concealment
12 procure or attempt to procure the conveyance or transportation of
13 such liquors as herein prohibited, he shall be fined for each offense one
14 hundred dollars and costs of prosecution, and be committed to the
15 county jail until such fine and costs are paid.

1 **SEC. 100. Packages in transit.** Any peace officer of the county
2 under process or warrant to him directed shall have the right to
3 open any box, barrel, or other vessel or package for examination, if
4 he has reasonable ground for believing that it contains intoxicating
5 liquors, either before or while the same is being so transported or
6 conveyed.

1 **SEC. 101. Record of shipments.** It shall be the duty of all common
2 carriers, or corporations, or persons who shall for hire carry any
3 intoxicating liquors into the state, or from one point to another
4 within the state, for the purpose of delivery, and who shall deliver
5 such intoxicating liquor to any person, company, or corporation, to
6 keep, at each station or office where it employs an agent or other per-
7 son to make delivery of freight and keep records relative thereto, a
8 record book, wherein such carrier shall, promptly upon receipt and
9 prior to delivery, enter in ink, in legible writing, in full, the name
10 of the consignor of each shipment of intoxicating liquor to be de-
11 livered from or through such station, from where shipped, the date
12 of arrival, the quantity and kind of liquor, so far as disclosed by
13 lettering on the package or by the carrier's records, and to whom
14 and where consigned, and the date delivered.

1 **SEC. 102. Inspection of shipping records.** The record book re-
2 quired by section one hundred one (101) of this Act shall, during
3 business hours, be open to inspection by any peace or law enforcing
4 officer. It shall be a misdemeanor to refuse such inspection.

1 **SEC. 103. Record receipt upon delivery.** No shipment billed in
2 whole or in part as intoxicating liquor shall be delivered to the con-
3 signee until such consignee upon such record book enters in ink, in
4 legible writing, his full name and residence or place of business, giving
5 the name of the town or city, and the street name and number if any,
6 and certifies that such liquor is for his own lawful purposes.

1 **SEC. 104. Unlawful delivery.** It shall be a misdemeanor for any
2 corporation, common carrier, person, or any agent or employee
3 thereof:

- 4 1. To deliver any intoxicating liquors to any person other than to
5 the consignee.
- 6 2. To deliver any intoxicating liquors without having the same
7 receipted for as provided in section one hundred three (103) of this
8 Act.
- 9 3. To deliver any intoxicating liquors where there is reasonable
10 ground to believe that such liquor is intended for unlawful use.

1 SEC. 105. **Immunity from damage.** In no case shall any corpora-
2 tion, common carrier, person, or the agent thereof, be liable in dam-
3 ages for complying with any requirement of this Act.

1 SEC. 106. **Federal statutes.** The requirements of this Act relative
2 to the shipment and delivery of intoxicating liquors and the records
3 to be kept thereof shall be construed in harmony with federal stat-
4 utes relating to interstate commerce in such liquors.

1 SEC. 107. **Unnecessary allegations.** In any indictment or informa-
2 tion under this Act, it shall not be necessary:

3 1. To set out exactly the kind or quantity of intoxicating liquors
4 manufactured, sold, given in evasion of the statute, or kept for
5 sale.

6 2. To set out the exact time of manufacture, sale, gift, or keeping
7 for sale.

8 3. To negative any exceptions contained in the statute creating
9 or defining the offense, which may be proper ground of defense.

10 But proof of the violation by the accused of any provision of this
11 Act, the substance of which violation is briefly set forth, within the
12 time mentioned in said indictment or information, shall be sufficient
13 to convict such person.

1 SEC. 108. **Second conviction defined.** The second or subsequent
2 convictions provided for in this Act shall be convictions on separate
3 informations or indictments, and, unless shown in the information or
4 indictment, the charge shall be held to be for a first offense.

1 SEC. 109. **Record of conviction.** On the trial of any cause in which
2 the accused is charged with a second or subsequent offense, a duly
3 authenticated copy of the former judgment in any court in which such
4 conviction was had shall be competent evidence of such former con-
5 viction.

1 SEC. 110. **Proof of sale.** It shall not be necessary in every case
2 to prove payment in order to prove a sale within the meaning and
3 intent of this Act.

1 SEC. 111. **Purchaser as witness.** The person purchasing any in-
2 toxicating liquor sold in violation of this Act shall in all cases be a
3 competent witness to prove such sale.

1 SEC. 112. **Peace officer as witness.** Every peace officer shall give
2 evidence, when called upon, of any facts within his knowledge tending
3 to prove a violation of the provisions of this Act.

1 SEC. 113. **Judgment lien.** For all fines and costs assessed or
2 judgments rendered of any kind against any person for a violation
3 of any provision of this Act, or costs paid by the county on account of
4 such violation, the personal and real property of the violator, whether
5 exempt or not, except the homestead, as well as the premises and
6 property, personal and real, occupied and used for the unlawful
7 purpose, with the knowledge of the owner or his agent, by the viola-
8 tor, shall be liable, and the same shall be a lien on such real estate
9 until paid.

1 SEC. 114. **Enforcement of lien.** Costs paid by the county for the
2 prosecution of actions or proceedings, civil or criminal, under this

3 Act, as well as the fines inflicted or judgments rendered, may be en-
4 forced against the property upon which the lien attaches by execu-
5 tion, or by action against the owner of the property to subject it to
6 the payment thereof.

1 SEC. 115. **Defense.** In any prosecution under this Act for the
2 unlawful transportation of intoxicating liquors it shall be a defense
3 that the character and contents of the shipment or thing transported
4 were not known to the accused or to his agent or employee.

1 SEC. 116. **Right to receive liquors.** The consignee of intoxicating
2 liquors shall, on demand of the carrier transporting such liquors,
3 furnish the carrier, at the place of delivery, with legal proof of the
4 consignee's legal right to receive such liquors at the time of delivery,
5 and until such proof is furnished the carrier shall be under no legal
6 obligation to make delivery nor be liable for failure to deliver.

1 SEC. 117. **Delivery to sheriff.** If such proof is not furnished the
2 carrier within ten days after demand, the carrier may deliver such
3 liquors to the sheriff of the county embracing the place of delivery,
4 and such delivery shall absolve the carrier from all liability pertain-
5 ing to such liquors.

1 SEC. 118. **Destruction.** The sheriff shall, on receipt of such
2 liquors from the carrier, report the receipt to the district court of his
3 county, and the court shall proceed to summarily enter an order for
4 the destruction or forfeiture to the state of such liquors.

1 SEC. 119. **Evidence.** In all actions, civil or criminal, under the
2 provisions of this Act, the finding of intoxicating liquors or of instru-
3 ments or utensils used in the manufacture of intoxicating liquors, or
4 materials which are being used, or are intended to be used in the
5 manufacture of intoxicating liquors, in the possession of or under the
6 control of any person, under and by authority of a search warrant or
7 other process of law, and which shall have been finally adjudicated
8 and declared forfeited by the court, shall be competent evidence of
9 maintaining a nuisance or bootlegging, or of illegal transportation
10 of intoxicating liquors, as the case may be, by such person.

1 SEC. 120. **Attempt to destroy.** The destruction of or attempt to
2 destroy any liquid by any person while in the presence of peace
3 officers or while a property is being searched by a peace officer, shall
4 be competent evidence that such liquid is intoxicating liquor and in-
5 tended for unlawful purposes.

1 SEC. 121. **Venue.** In any prosecution under this Act for the un-
2 lawful sale of alcoholic liquor or beer a sale of alcoholic liquor or
3 beer which requires a shipment or delivery of such liquor or beer
4 shall be deemed to be made in the county in which such delivery is
5 made by the carrier to the consignee, his agent, or employee.

6 In any prosecution under this Act for the unlawful transportation
7 of intoxicating liquor, the offense shall be held to have been com-
8 mitted in any county in which such liquor is received for transporta-
9 tion, through which it is transported, or in which it is delivered.

DIVISION II
BEER PROVISIONS

1 **SEC. 122. Permit or license required.** No person shall manufac-
2 ture for sale or sell beer at wholesale or retail unless a permit is first
3 obtained as provided in this division or, a liquor control license
4 authorizing the retail sale of beer is first obtained as provided in
5 division I of this Act. No liquor control license holder shall be re-
6 quired to hold a separate class "B" beer permit or to post a separate
7 bond.

1 **SEC. 123. Effect on liquor control licensees.** All applicable pro-
2 visions of this division relating to class "B" beer permits shall apply
3 to liquor control licensees in the purchasing, storage, handling, serv-
4 ing, and sale of beer.

1 **SEC. 124. Permits—classes.** Permits for the manufacture and
2 sale, or sale of beer shall be divided into three classes, and shall be
3 known as either class "A", "B", or "C" permits. A class "A" permit
4 shall allow the holder to manufacture and sell beer at wholesale.
5 The holder of a class "A" permit may manufacture beer of more than
6 four percent of alcohol by weight for shipment outside this state
7 only. A class "B" permit shall allow the holder to sell beer at retail
8 for consumption on or off the premises. A class "C" permit shall
9 allow the holder to sell beer at retail for consumption off the
10 premises.

1 **SEC. 125. Issuance of permits.** The director shall issue class "A",
2 "B", and "C" beer permits and may suspend or revoke such permits
3 for cause as provided in this Act.

1 **SEC. 126. Prohibited interest.** It shall be unlawful for any person
2 or persons to be either directly or indirectly interested in more than
3 one class of beer permit.

1 **SEC. 127. Class "A" application.** A class "A" permit shall be
2 issued by the director to any person who:

3 1. Submits a written application for such permit, which applica-
4 tion shall state under oath:

5 a. The name and place of residence of the applicant and the length
6 of time he has lived at such place of residence.

7 b. That he is a citizen of the state of Iowa.

8 c. The place of birth of the applicant, and if the applicant is a
9 naturalized citizen, the time and place of such naturalization.

10 d. The location of the premises where the applicant intends to
11 operate.

12 e. The name of the owner of the premises and if such owner is not
13 the applicant, that such applicant is the actual lessee of the premises.

14 2. Establishes:

15 a. That he is a person of good moral character as defined by this
16 Act.

17 b. That the premises where he intends to operate conform to all
18 laws and health and fire regulations applicable thereto.

19 3. Furnishes a bond in the form prescribed and to be furnished by
20 the department, with good and sufficient sureties to be approved by
21 the director conditioned upon the faithful observance of this Act,

22 in the penal sum of five thousand dollars, payable to the state.

23 4. Gives consent to members of the fire, police and health depart-
24 ments and the building inspector of cities and towns; the county
25 sheriff, deputy sheriff, and state agents, and any official county health
26 officer to enter upon the premises without a warrant to inspect for
27 violations of the provisions of this Act or ordinances and regulations
28 that local authorities may adopt.

1 SEC. 128. **Class "B" application.** A class "B" permit shall be is-
2 sued by the director to any person who:

3 1. Submits a written application for such permit, which application
4 shall state under oath:

5 a. All the information required of a class "A" applicant by section
6 one hundred twenty-seven (127), subsection one (1), of this Act.

7 b. That the premises for which the permit is sought is and will
8 continue to be equipped with sufficient tables and seats to accom-
9 modate twenty-five persons at one time, and is located within a
10 business district or an area now or hereafter zoned as a business
11 district.

12 2. Fulfills the requirements of section one hundred twenty-seven
13 (127), subsection two (2), of this Act, relating to class "A" appli-
14 cants.

15 3. Furnishes a bond in the same form and manner as prescribed
16 for a class "A" applicant by section one hundred twenty-seven (127),
17 subsection three (3), of this Act, except that the amount of the bond
18 shall be five hundred dollars. Such bond shall be further conditioned
19 that the permittee and his surety, as part of the class "B" permit,
20 shall consent to forfeiture of the principal sum of said bond in event
21 of suspension or revocation of the permit as a result of charges filed
22 and hearing held as provided by this Act.

23 4. Consents to inspection as required in section one hundred
24 twenty-seven (127), subsection four (4), of this Act.

1 Sec. 129. **Class "C" application.** No class "C" permit shall be
2 issued to any person except the owner or proprietor of a grocery
3 store or pharmacy.

4 "Grocery store" means any retail establishment, the principal busi-
5 ness of which consists of the sale of food or food products for con-
6 sumption off the premises.

7 "Pharmacy" means a drug store in which drugs and medicines are
8 exposed for sale and sold at retail, or in which prescriptions of li-
9 censed physicians and surgeons, dentists or veterinarians are com-
10 pounded and sold by a registered pharmacist.

11 A class "C" permit shall be issued by the director to any person
12 who is the owner or proprietor of a grocery store or pharmacy, who:

13 1. Submits a written application for such permit, which application
14 shall state under oath all the information required of a class "A"
15 applicant by section one hundred twenty-seven (127), subsection
16 one (1), of this Act.

17 2. Establishes that he is a person of good moral character as
18 defined by this Act.

19 3. Furnishes a bond in the same form and manner as prescribed
20 for a class "A" applicant by section one hundred twenty-seven (127),
21 subsection three (3), of this Act, except that the amount of the bond
22 shall be five hundred dollars.

23 4. Consents to inspection as required in section one hundred
24 twenty-seven (127), subsection four (4), of this Act.

25 5. States the number of square feet of interior floor space which
26 comprises the retail sales area of the premises for which the permit
27 is sought.

1 **SEC. 130. Authority under class "A" permit.** Any person holding
2 a class "A" permit issued by the department shall be authorized to
3 manufacture and sell, or sell at wholesale, beer for consumption off
4 the premises, such sales within the state to be made only to persons
5 holding subsisting class "A", "B" or "C" permits, or liquor control
6 licenses issued in accordance with the provisions of this Act.

1 **SEC. 131. Authority under class "B" permit.** Subject to the
2 provisions of this Act, any person holding a class "B" permit shall
3 be authorized to sell beer for consumption on or off the premises.
4 However, unless otherwise provided in this Act, no sale of beer shall
5 be made for consumption on the premises unless the place where such
6 service is made is equipped with tables and seats sufficient to ac-
7 commodate not less than twenty-five persons at one time.

1 **SEC. 132. Authority under class "C" permit.** Any person holding
2 a class "C" permit shall be allowed to sell beer for consumption off the
3 premises. Such sales shall be in original containers only.

1 **SEC. 133. Sale on trains—bond.** Subject to the provisions of this
2 Act, any dining car company, sleeping car company, railroad com-
3 pany, or railway company may make application to the director for
4 special class "B" permit, and the director may issue a permit to
5 any such company which shall authorize the holder to keep for sale
6 and sell beer on any dining car, sleeping car, buffet car, or observa-
7 tion car operated by such applicant in, through, or across the state.
8 The application for such permit shall be in such form and contain
9 such information as may be required by the director. Each such
10 permit shall be good throughout the state as a state permit. Only
11 one such permit shall be required for all cars operated in this state
12 by such applicant, but a duplicate of such permit shall be posted in
13 each car in which such beverages are sold; and no further permit
14 shall be required or tax levied for the privilege of selling beer for
15 consumption in such cars. As a condition precedent to the issuing
16 of any such permit, the applicant shall give bond to the department,
17 with good and sufficient sureties thereon to be approved by the
18 director, conditioned upon faithful compliance with the provisions
19 of this Act in the penal sum of one thousand dollars.

1 **SEC. 134. Fees.**

2 1. The annual permit fee for a class "A" permit shall be two hun-
3 dred fifty dollars.

4 2. The annual permit fee for a class "B" permit shall be graduated
5 according to population as follows:

6 a. For premises located within the corporate limits of cities with
7 a population of over ten thousand, three hundred dollars.

8 b. For premises located within the corporate limits of cities or
9 towns of over fifteen hundred but less than ten thousand, two hun-
10 dred dollars.

11 c. For premises located within the corporate limits of towns with
12 a population of under fifteen hundred, one hundred dollars.

13 d. For premises located outside the corporate limits of any city or
14 town, a sum equal to that charged in the incorporated city or town lo-
15 cated nearest the premises to be operated under the permit, and in
16 case there is doubt as to which of two or more differing corporate
17 limits are the nearest, the permit fee which is the largest shall prevail.

18 3. The annual permit fee for a class "C" permit shall be graduated
19 on the basis of the amount of interior floor space which comprises
20 the retail sales area of the premises covered by the permit, as follows:

21 a. Up to one thousand five hundred square feet, the sum of seventy-
22 five dollars.

23 b. Over one thousand five hundred square feet and up to two
24 thousand square feet the sum of one hundred dollars.

25 c. Over two thousand and up to five thousand square feet, the sum
26 of two hundred dollars.

27 d. Over five thousand square feet, the sum of three hundred
28 dollars.

29 4. The annual permit fee for a special class "B" permit, issued
30 under section one hundred thirty-three (133) of this Act, shall be
31 one hundred dollars, and three dollars for each duplicate permit,
32 which fees shall be paid to the department. The department shall
33 issue duplicates of such permits from time to time as applied for by
34 each such company.

1 **SEC. 135. Brewers certificate of compliance.**

2 1. Any manufacturer, brewer, bottler, importer, or vendor of beer
3 or any agent thereof desiring to ship, sell, or have beer brought into
4 this state for resale by a class "A" permittee shall first make ap-
5 plication for and shall be issued a brewer's certificate of compliance
6 by the director for such purpose. Such certificate of compliance
7 shall expire at the end of one year from the date of issuance and shall
8 be renewed for a like period upon application to the director unless
9 otherwise revoked for cause. Each application for a certificate of
10 compliance or renewal thereof shall be accompanied by a fee of one
11 hundred dollars payable to the department. Each holder of a cer-
12 tificate of compliance shall furnish such information and in such form
13 as the director may require. Any brewer whose plant is located in
14 Iowa and who otherwise holds a class "A" beer permit to sell beer
15 at wholesale shall be exempt from the fee, but not of the terms and
16 conditions, as herein provided.

17 2. At the time of applying for a certificate of compliance, each
18 applicant shall file with the department a list of all class "A" permit-
19 tees with whom it intends to do business and shall designate the
20 geographic area in which its products are to be distributed by such
21 permittee. The listing of class "A" permittees and geographic area
22 as filed with the department may be amended from time to time
23 by the holder of a certificate of compliance.

24 3. All class "A" permit holders shall sell only those brands of beer
25 which are manufactured, brewed, bottled, shipped, or imported by a
26 person holding a current certificate of compliance. Any employee
27 or agent working for or representing the holder of a certificate of
28 compliance within this state shall register his name and address with

29 the department, which names and addresses shall be filed with the
30 department's copy of the certificate of compliance issued.

31 4. It shall be unlawful for any holder of a certificate of compliance
32 or his agent, or any class "A" permit holder or his agent, to grant to
33 any retail beer permit holder, directly or indirectly, any rebates,
34 free goods, or quantity discounts on beer which are not uniformly
35 offered to all retail permittees.

36 5. Notwithstanding any other penalties provided by this Act, any
37 holder of a certificate of compliance or any class "A" permit holder
38 who shall violate any of the provisions of this section shall be subject
39 to a fine not to exceed one thousand dollars or suspension of his
40 certificate or permit for a period not to exceed sixty days or both such
41 fine and suspension.

1 SEC. 136. **Barrel tax.** In addition to the annual permit fee to be
2 paid by all class "A" permittees under the provisions of this Act there
3 shall be levied and collected from such permittees on all beer manu-
4 factured for sale or sold in this state at wholesale and on all beer
5 imported into this state for sale at wholesale and sold in this state
6 at wholesale, a tax of three and seventy-two hundredths dollars for
7 every barrel containing thirty-one gallons, and at a like rate for any
8 other quantity or for the fractional part of a barrel. However, no
9 tax shall be levied or collected on beer shipped outside this state by a
10 class "A" permittee or sold by one class "A" permittee to another
11 class "A" permittee.

12 All revenue derived from the barrel tax shall accrue to the state
13 general fund.

14 All of the provisions of this Act relating to the administration of
15 the barrel tax on beer shall apply to this section.

1 SEC. 137. **Report of barrel sales—penalty.** Every person holding
2 a class "A" permit shall on or before the tenth day of each calendar
3 month commencing on the tenth day of the calendar month following
4 the month in which such person is issued a permit, make a report
5 under oath to the department upon forms to be furnished by the
6 department for such purpose showing the exact number of barrels
7 of beer, or fractional parts thereof, sold by such permit holder during
8 the preceding calendar month. Such report shall also state such
9 information as the director may require, and such permit holders
10 shall at the time of filing said report pay to the department the
11 amount of tax due at the rate fixed in section one hundred thirty-six
12 (136) of this Act.

13 A penalty of ten percent of the amount of the tax shall be added
14 thereto if the report is not filed and the tax paid within the time re-
15 quired by this section.

1 SEC. 138. **Books of account required.** Each class "A" permittee
2 shall keep proper books of account and records showing the amount
3 of beer sold by him, which books of account shall be at all times
4 open to inspection by the director. Each class "B" and class "C"
5 permittee shall keep proper books of account and records showing
6 each purchase of beer made by him, and the date and the amount
7 of each purchase and the name of the person from whom each pur-
8 chase was made, which books of account and records shall be at all
9 times open to inspection by the director.

1 **SEC. 139. Separate locations—class “A”.** Every class “A” per-
2 mittee having more than one place of business shall be required to
3 have a separate permit for each separate place of business main-
4 tained by such permittee wherein such beer is stored, warehoused, or
5 sold.

1 **SEC. 140. Separate locations—class “B” or “C”.** Every person
2 holding a class “B” or class “C” permit having more than one place
3 of business where such beer is sold shall be required to have a sep-
4 arate license for each separate place of business, except as other-
5 wise provided by this Act.

1 **SEC. 141. Keeping liquor where beer is sold.** No alcoholic liquor
2 for beverage purposes shall be used, or kept for any purpose in the
3 place of business of class “B” permittees, or on the premises of such
4 class “B” permittees, at any time. A violation of any provision of
5 this section shall be grounds for suspension or revocation of the per-
6 mit pursuant to section fifty (50), subsection three (3), of this Act.
7 This section shall not apply in any manner or in any way, to any
8 railway car of any dining car company, sleeping car company, rail-
9 road company or railway company, having a special class “B” per-
10 mit; to the premises of any hotel or motel for which a class “B” per-
11 mit has been issued, other than that part of such premises regularly
12 used by the hotel or motel for the principal purpose of selling beer
13 or food to the general public; or to drug stores regularly and con-
14 tinuously employing a registered pharmacist, from having alcohol
15 in stock for medicinal and compounding purposes.

1 **SEC. 142. Purchase from nonpermit holder.** It shall be unlawful
2 for the holder of any class “B” or class “C” permit issued under the
3 provisions of this Act to sell beer, except beer purchased from a per-
4 son holding a subsisting class “A” permit issued in accordance with
5 the provisions of this Act, and/or on which the tax provided in sec-
6 tion one hundred thirty-six (136) of this Act, has been paid. How-
7 ever, the provisions of this section shall not apply to the holders of
8 special class “B” permits issued under section one hundred thirty-
9 three (133) of this Act, for sales in cars engaged in interstate com-
10 merce nor to class “D” liquor control licensees as provided in this
11 Act.

12 It shall be unlawful for any person not holding a class “A” permit
13 to import beer into this state for the purpose of sale or resale.

1 **SEC. 143. Distribution of funds.** The revenues obtained from
2 permit fees and the barrel tax collected under the provisions of this
3 Act shall be distributed as follows:

4 1. All retail beer permit fees collected by any local authority at
5 the time application for the permit is made, and remitted with the
6 permit application to the department, shall be refunded by the de-
7 partment to the local authority at the time the permit is issued.

8 2. All permit fees and taxes collected by the department under
9 this division shall accrue to the state general fund, except as other-
10 wise provided.

1 **SEC. 144. Bottling beer.** No person shall bottle beer within the
2 state of Iowa for purposes other than for individual consumption in

3 a private home, except class "A" permittees who have complete
 4 equipment for bottling beer and who have received the approval of
 5 the local board of health as to sanitation, and it shall be the duty
 6 of local boards of health to inspect the premises and equipment of
 7 class "A" permittees who desire to bottle beer.

1 **SEC. 145. Labels on bottles, barrels, etc.—conclusive evidence.**
 2 The label on any bottle, keg, barrel, or other container in which beer
 3 is offered for sale in this state, representing the alcoholic content
 4 of such beer as being in excess of four per centum by weight shall be
 5 conclusive evidence as to the alcoholic content of the beer contained
 6 therein.

1 **SEC. 146. Saving clause.** This Act shall not impair or affect any
 2 act done, offense committed or right accruing, secured or acquired,
 3 or penalty, forfeiture, or punishment incurred prior to the time this
 4 Act takes effect, but the same may be enjoyed, asserted, enforced,
 5 prosecuted, or inflicted, as fully and to the same extent as if this Act
 6 had not been passed.

1 **SEC. 147.** Chapter eighty (80), Code 1971, is amended by add-
 2 ing the following section thereto:

3 The commissioner of public safety shall establish a division of
 4 beer and liquor law enforcement and appoint a chief enforcement
 5 officer to head the division, who shall be an attorney licensed to prac-
 6 tice in the state, and the other agents needed in the division as are
 7 necessary to enforce the provisions of Title VI of the Code. All en-
 8 forcement officers, assistants, and agents of the division, excluding
 9 clerical workers, shall be subject to the provisions of section eighty
 10 point fifteen (80.15) of the Code.

1 **SEC. 148.** Section ninety-seven A point one (97A.1), subsection
 2 two (2), Code 1971, is amended as follows:

3 2. "Peace officer" or "peace officers" shall mean all members of
 4 the divisions of highway safety and uniformed force and criminal
 5 investigation and bureau of identification in the department of public
 6 safety, except clerical workers, who have passed a satisfactory phys-
 7 ical and mental examination and have been duly appointed as mem-
 8 bers of the state department of public safety in accordance with
 9 the provisions of section 80.15 and the division of drug law enforce-
 10 ment in the department of public safety except clerical workers, *and*
 11 *the division of beer and liquor law enforcement of the department*
 12 *of public safety, except clerical workers.*

1 **SEC. 149.** All agents of the enforcement division of the liquor
 2 control commission and the appropriation to sustain them are, on
 3 the effective date of this Act, transferred to the department of pub-
 4 lic safety as agents of the division of beer and liquor law enforce-
 5 ment, whether or not they qualify as such under chapter eighty (80)
 6 of the Code, notwithstanding the provisions of section one hundred
 7 forty-seven (147) of this Act; however, those agents who do not
 8 qualify as such under chapter eighty (80) of the Code shall remain
 9 members of the Iowa public employees retirement system. This sec-
 10 tion shall only be printed in the session laws and not made a perma-
 11 nent part of the Code.

1 SEC. 150. Section seven hundred thirteen point twenty-four
2 (713.24), subsection two (2), Code 1971, is amended by adding the
3 following new paragraph:

4 e. Any violations of this Act or any other provisions of law by a
5 manufacturer, distiller, vintner, importer, or any other person par-
6 ticipating in the distribution of alcoholic liquor or beer as defined in
7 this Act.

1 SEC. 151. Section ninety-seven A point three (97A.3), subsec-
2 tion one (1), Code 1971, is amended as follows:

3 1. All members of the division of highway safety and uniformed
4 force and the division of criminal investigation and bureau of iden-
5 tification in the department of public safety, excepting the members
6 of the clerical force, who are employed by the state of Iowa when
7 this chapter becomes effective, and all persons thereafter employed
8 as members of such divisions in the department of public safety
9 or division of drug law enforcement or *qualified members of the*
10 *division of beer and liquor law enforcement* in said department ex-
11 cept the members of the clerical force, shall be members of this sys-
12 tem. Such members shall not be required to make contributions
13 under any other pension or retirement system of the state of Iowa,
14 anything to the contrary notwithstanding.

1 SEC. 152. Section eighty point twenty-five (80.25), and chapters
2 one hundred twenty-three (123), one hundred twenty-three C (123C),
3 one hundred twenty-four (124), one hundred twenty-five (125), one
4 hundred twenty-six (126), one hundred twenty-eight (128), one
5 hundred twenty-nine (129), one hundred thirty (130), one hun-
6 dred thirty-one (131), one hundred thirty-two (132), one hundred
7 thirty-three (133), and one hundred thirty-four (134), Code 1971,
8 are repealed.

1 SEC. 153. 1. Unless otherwise provided, the effective date of this
2 Act shall be January 1, 1972; however, the appointments which are
3 required to be made pursuant to sections six (6) and ten (10) of this
4 Act may be made prior to that date for transitional purposes.

5 2. The Iowa liquor control commission, created pursuant to sec-
6 tion one hundred twenty-three point six (123.6) of the Code, shall
7 continue to discharge its duties under Title VI of the Code, and its
8 members are entitled to full salary and other benefits, through De-
9 cember 31, 1971, at which time the commission shall be abolished
10 and all rights, functions, and duties pertaining to the commission
11 and its members shall cease. Any member whose term expires on
12 June 30, 1971 shall not be replaced as provided by law and such
13 members shall continue in office through December 31, 1971.

14 3. On January 1, 1972 all unexpended funds of the Iowa liquor
15 control commission, from whatever source obtained, all real and
16 personal property, including buildings, offices, furniture, fixtures,
17 and supplies of the commission, and all personnel of the commission
18 not otherwise affected by this Act, shall be transferred to the Iowa
19 beer and liquor control department created by this Act. Any appro-
20 priation previously made to the Iowa liquor control commission shall,
21 after January 1, 1972, be deemed to have been made to the Iowa beer
22 and liquor control department.

23 4. This section shall only be printed in the session laws and not
24 made a permanent part of the Code.

Approved June 16, 1971.

Italics indicate new material added to existing statutes; brackets indicate deletions from existing statutes.
However, see Editor's note, page iii.

CHAPTER 132

BEER TAX

S. F. 514

AN ACT to increase the tax on beer.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section one hundred twenty-four point twenty-five
2 (124.25), unnumbered paragraph one (1), Code 1971, is amended as
3 follows:

4 In addition to the annual permit fee to be paid by all class "A" per-
5 mittees, under the provisions of this chapter, there shall be levied
6 and collected from such permittees on all beer manufactured for sale
7 or sold in this state at wholesale and on all beer imported into this
8 state for sale at wholesale and sold in this state at wholesale, a tax
9 of [three] *four* and [seventy-two] *thirty-four* hundredths dollars for
10 every barrel containing thirty-one gallons, and at a like rate for any
11 other quantity or for the fractional part of a barrel. Provided, how-
12 ever, that no tax shall be levied or collected on beer shipped outside
13 this state by a class "A" permittee or sold by one class "A" permittee
14 to another class "A" permittee.

1 SEC. 2. House File one hundred seventy-two (172), section one
2 hundred thirty-six (136), unnumbered paragraph one (1), Acts of the
3 Sixty-fourth General Assembly, First Session, is amended as follows:

4 In addition to the annual permit fee to be paid by all class "A"
5 permittees under the provisions of this Act there shall be levied and
6 collected from such permittees on all beer manufactured for sale or
7 sold in this state at wholesale and on all beer imported into this
8 state for sale at wholesale and sold in this state at wholesale, a tax
9 of [three] *four* and [seventy-two] *thirty-four* hundredths dollars for
10 every barrel containing thirty-one gallons, and at a like rate for any
11 other quantity or for the fractional part of a barrel. However, no
12 tax shall be levied or collected on beer shipped outside this state by
13 a class "A" permittee or sold by one class "A" permittee to another
14 class "A" permittee.

Approved June 30, 1971.

Italics indicate new material added to existing statutes; brackets indicate deletions from existing statutes.
However, see Editor's note, page iii.