

Sec. 2. This Act shall apply to pupils participating in open enrollment as a result of whole grade sharing agreements entered into on or after July 1, 1990.

Approved May 28, 1991

CHAPTER 203

PACKAGING AND SALE OF WINE AND OTHER ALCOHOLIC BEVERAGES

S.F. 273

AN ACT relating to the packaging and sale of wine, by authorizing a class "B" wine permittee who also holds a class "E" liquor control license to sell wine to liquor control licensees and by providing for a study of license fees and surcharges.

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

Section 1. Section 123.30, subsection 3, paragraphs a, b, and c, Code 1991, are amended to read as follows:

a. CLASS "A". A class "A" liquor control license may be issued to a club and shall authorize the holder to purchase alcoholic liquors from class "E" liquor control licensees only, wine from class "A" wine permittees or class "B" wine permittees who also hold class "E" liquor control licenses only, and native wines from native wine manufacturers, and to sell liquors, wine, and beer, to bona fide members and their guests by the individual drink for consumption on the premises only.

b. CLASS "B". A class "B" liquor control license may be issued to a hotel or motel and shall authorize the holder to purchase alcoholic liquors from class "E" liquor control licensees only, wine from class "A" wine permittees or class "B" wine permittees who also hold class "E" liquor control licenses only, and native wines from native wine manufacturers, and to sell liquors, wine, and beer, to patrons by the individual drink for consumption on the premises only. However, beer may also be sold for consumption off the premises. Each license shall be effective throughout the premises described in the application.

c. CLASS "C". A class "C" liquor control license may be issued to a commercial establishment but must be issued in the name of the individuals who actually own the entire business and shall authorize the holder to purchase alcoholic liquors from class "E" liquor control licensees only, wine from class "A" wine permittees or class "B" wine permittees who also hold class "E" liquor control licenses only, and native wines from native wine manufacturers, and to sell liquors, wine, and beer, to patrons by the individual drink for consumption on the premises only. However, beer may also be sold for consumption off the premises.

A special class "C" liquor control license may be issued and shall authorize the holder to purchase wine from class "A" wine permittees or class "B" wine permittees who also hold class "E" liquor control licenses only, and to sell wine and beer to patrons by the individual drink for consumption on the premises only. However, beer may also be sold for consumption off the premises. The license issued to holders of a special class "C" license shall clearly state on its face that the license is limited.

Sec. 2. Section 123.173, unnumbered paragraphs 2 and 3, Code 1991, are amended to read as follows:

A class "A" wine permit allows the holder to manufacture and sell, or sell at wholesale, in this state, wine as defined in section 123.3, subsection 7. The holder of a class "A" wine permit may manufacture in this state wine having an alcoholic content greater than seventeen percent by weight for shipment outside this state. All class "A" premises shall be located within the state. A class "B" wine permit allows the holder to sell wine at retail for consumption

off the premises. A class "B" wine permittee who also holds a class "E" liquor control license may sell wine to class "A", class "B", and class "C" liquor control licensees for resale for consumption on the premises. A class "B" wine permittee who also holds a class "E" liquor control license may sell wine to class "A", class "B", and class "C" liquor control licensees in quantities of less than one case of any wine brand but not more than one such sale shall be made to the same liquor control licensee in a twenty-four hour period. A class "B" wine permittee shall not sell wine to other class "B" wine permittees.

A class "A" wine permittee shall be required to deliver wine to a class "B" wine permittee, and a class "B" wine permittee shall be required to accept delivery of wine from a class "A" wine permittee, only at the licensed premise premises of the class "B" wine permittee. Except as specifically permitted by the division upon good cause shown, delivery or transfer of wine from an unlicensed premise premises to a licensed "B" wine permittee's premise premises, or from one licensed "B" wine permittee's premise premises to another licensed "B" wine permittee's premise premises, even where if there is common ownership of all of the premises by one class "B" wine permittee, is prohibited. A class "B" wine permittee who also holds a class "E" liquor control license shall keep and maintain records for each sale of wine to liquor control licensees showing the name of the establishment to which wine was sold, the date of sale, and the brands and number of bottles sold to the liquor control licensee.

Sec. 3. Section 123.173, Code 1991, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. When a class "B" wine permittee who also holds a class "E" liquor control license sells wine to a class "A", class "B", or class "C" liquor control licensee, the liquor control licensee shall sign a report attesting to the purchase. The class "B" wine permittee who also holds a class "E" liquor control license shall submit to the division, on forms supplied by the division, not later than the tenth of each month a report stating each sale of wine to class "A", class "B", and class "C" liquor control licensees during the preceding month, the date of each sale, and the brands and numbers of bottles with each sale. A class "B" permittee who holds a class "E" liquor control license may sell to class "A", class "B", or class "C" liquor control licensees only if the licensed premises of the liquor control licensee is located within the geographic territory of the class "A" wine permittee from which the wine was originally purchased by the class "B" wine permittee.

Sec. 4. **LICENSE FEES AND SURCHARGES STUDY.** The administrator of the alcoholic beverages division of the department of commerce shall conduct a study of the fees and surcharges collected by the division from licensees and permittees for the privilege of selling the various types of alcoholic beverages in this state. The administrator shall review the entire fee and surcharge structure and make recommendations for changes to the general assembly.

The administrator shall complete the study and submit any recommendations to the general assembly not later than January 15, 1992.

Sec. 5. Section 455D.19, subsection 6, paragraph a, Code 1991, is amended to read as follows:

a. Packaging or packaging components with a code indicating a date of manufacture prior to July 1, 1990, and packaging or packaging components used by the wine industry prior to July 1, 1992.

Approved May 28, 1991