

July 22, 1959.

and Law
Enforcement.

House File 89

By DIETZ, KLEFSTAD, STRINGER, LUCKEN,
CARSTENSEN, MENSING, CONNER, DUFFY,
OWENS, CAMP, BRINCK, WEIK, BAUMHOVER,
AUBREY, DOYLE, NAUGHTON and ROONEY.

Passed House, Date 3-25-59 Passed Senate, Date.....

Vote: Ayes 35 Nays 72 Vote: Ayes..... Nays.....

Approved.....

A BILL FOR

An Act designated and known as a revenue-producing liquor control law, to amend chapters one hundred twenty-three (123) and one hundred twenty-four (124), Code 1958, and to provide for the retail sale of products sold by Iowa state liquor stores under strict conditions on a county-option basis,

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

1 Section 1. Section one hundred twenty-four point thirty-

2 one (124.31), Code 1958, is hereby amended by inserting

3 following the comma in line ten (10) thereof the following:

4 "to any licensee holding a liquor license, nor".

1 Sec. 2. Section one hundred twenty-three point twenty-

2 seven (123.27), Code 1958, is hereby amended as follows:

3 1. By striking the word "two" from subsection one (1), line

4 one (1) and inserting in lieu thereof the word "three".

5 2. By adding the following new paragraph: "c. Retail Permits."

6 3. By adding the following:

7 "A 'retail permit' in form prescribed by the commission

8 and subject to its issuance and for use under such rules

9 and regulations as the commission may adopt, shall be

10 issued to any person, firm or corporation holding a valid

11 liquor license."

1 Sec. 3. Section one hundred twenty-three point twenty-

2 eight (123.28), Code 1958, is hereby amended by adding

3 thereto the following:

4 "For a retail permit under section one hundred twenty-
5 three point twenty-seven (123.27) of the Code, the fee shall
6 be ten dollars (\$10.00) per year."

1 Sec. 4. Section one hundred twenty-three point five
2 (123.5), Code 1958, is hereby amended by adding thereto the
3 following:

4 "Liquor licensee" shall mean any person, firm, corporation,
5 or association holding a license to sell wine and spirits by
6 the drink, and "liquor license" shall mean such a license.

7 "Club" shall mean an association of persons incorporated
8 under the provisions of chapter five hundred four (504) of
9 the Code as a corporation not for pecuniary profit for the
10 promotion of some common object, owning, hiring or leasing a
11 building or space in a building suitable and adequate for the
12 reasonable use and accommodation of its members and their
13 guests, and provided with suitable and adequate kitchen and
14 dining-room space and equipment, implements and facilities,
15 and employing a sufficient number of servants or employees
16 for cooking, preparing and serving food and meals for its
17 members and their guests. Such club obtaining a license shall
18 file with the issuing authority annually, not later than
19 December first of each year, a list of the names and addresses
20 of its members.

21 "Golf and country club" shall mean a club, as defined
22 immediately above, which regularly maintains a golf course
23 consisting of not fewer than six holes for the use of its
24 members and guests.

25 "Hotel" shall mean a business established and maintained

26 for the purpose of serving the public, furnishing lodging
27 to transient guests, having available not fewer than fifteen
28 (15) rooms for such purpose, and holding a valid hotel license
29 issued by the state of Iowa.

30 "Issuing authority" shall mean the council of incorporated
31 cities and towns in the case of such cities and towns; the
32 board of supervisors in the case of unincorporated villages
33 and areas outside such incorporated cities and towns; and
34 the Iowa liquor control commission in the case of a dining-
35 car company, sleeping car company, railroad company, or
36 railway company.

1 Sec. 5. If a petition shall be signed by the electors of
2 any county in such number as shall equal twenty-five per cent
3 (25%) of the votes cast in such county for governor at the
4 last general election, which shall request that the question
5 of licensing the sale of wine and spirits by the drink be sub-
6 mitted to the electors thereof at a special election to be
7 called for that purpose, as hereinafter provided, and shall be
8 filed with the board of supervisors, the board shall cause to
9 be published once each week for four (4) weeks in succession
10 in a newspaper of general circulation in such county a notice
11 of a special election to be held not less than fifteen (15)
12 nor more than thirty (30) days from the date of the last
13 publication. The notice shall state the proposition to be
14 submitted to the electors at such special election. Each
15 sheet of the petition shall contain not more than thirty (30)
16 names of electors with their personal signatures, addresses,
17 and the date of signing. If residing within a city or town
18 where the electors are required to be registered, the

19 signature shall be the same as it appears upon the
20 registration records. At the top of each sheet shall be
21 stated the proposition to be submitted. No signature on
22 such petition shall be valid unless appended to the petition
23 with the last ninety (90) days prior to the date of filing
24 the petition. At the bottom of each sheet of such petition
25 shall be the affidavit of the person who circulated same,
26 stating that the signatures on the petition were made in
27 his presence, that he has reasonable cause to believe that
28 they are qualified electors of the particular county, and
29 that they are the persons they represent themselves to be.
30 Whoever signs any such petition, knowing that he is not a
31 qualified elector in the county where such petition is made,
32 or who aids or abets any other person in doing any of the
33 acts mentioned, or whoever bribes, gives or pays any money
34 or thing of value to any person directly or indirectly, to
35 induce him to sign such petition, shall upon conviction
36 thereof be punished by a fine of not exceeding three hundred
37 dollars (\$300.00) or by imprisonment in the county jail not
38 exceeding ninety (90) days or by both such fine and imprison-
39 ment, in the discretion of the court.

1 Sec. 6. Upon the ballot the proposition shall be stated
2 as follows:

3 "Shall the retail of wines and spirits by the drink
4 be licensed in (here insert the name of the county)?"

5 YES

6 NO

1 Sec. 7. The provisions of the statutes of this state
2 relating to election of officers, voting places, election

3 apparatus and blanks, preparation and form of ballots,
4 information to voters, delivery of ballots, calling of
5 elections, conduct of elections, manner of voting, counting
6 of votes, records and certificates of election, and recount
7 of votes, so far as applicable, shall apply to voting on the
8 proposition under the provisions of this Act. If a majority
9 of the ballots cast are "Yes", the board shall immediately
10 adopt rules and regulations providing for the issuance of
11 licenses under the provisions of this Act.

1 Sec. 8. No license shall be issued to any business in
2 any city or town unless the location thereof is as follows:

3 1. In cities and towns having a zoning ordinance, the
4 location shall be in an area zoned for retail business.

5 2. In cities and towns having no zoning ordinance, the
6 location shall be in an area where seventy-five per cent
7 (75%) or more of the frontage contiguous to the street and
8 on each side thereof for a distance of three hundred (300)
9 feet or more, is occupied by buildings used for business
10 purposes.

11 3. Notwithstanding the provisions of subsections one (1)
12 and two (2) above, no liquor license shall be issued to any
13 business, except a hotel, which is located within three
14 hundred (300) feet of the lot line of any church, schoolhouse,
15 character-building institution, normal school, college or
16 university.

17 4. The provisions of this section shall not prohibit the
18 sale of wines and spirits by the drink in any railway car
19 licensed under this Act.

1 Sec. 9. Except as hereinafter provided, power is hereby

2 granted to incorporated cities and towns to issue licenses
3 within their respective limits and to revoke the same for
4 causes hereinafter set forth or in the event the place of
5 business of the license holder is conducted in a disorderly
6 manner.

1 Sec. 10. Except as hereinafter provided, power is hereby
2 granted to boards of supervisors to issue licenses in their
3 respective counties outside the incorporated limits of cities
4 or towns and to revoke the same for causes hereinafter set
5 forth or in the event the place of business of the license
6 holder is conducted in a disorderly manner.

1 Sec. 11. No license shall be issued to any club whose
2 officers and board of directors are not determined by an
3 annual election at which each member is entitled to an equal
4 vote. If these conditions are not fulfilled at any election
5 subsequent to the issuance of a license, the license shall
6 not be renewed until such time as an election has been held
7 which fulfills the requirements of this section.

1 Sec. 12. No license shall be issued to any club whose
2 manager holds office except by appointment by the board of
3 directors of the club, nor if such manager receives any
4 compensation other than a fixed salary in no way contingent
5 upon the receipts or profits of the club. The license of any
6 club which violates the provisions of this section shall be
7 revoked.

1 Sec. 13. No license shall be issued to any club which
2 does not keep accurate and complete books and records of all
3 receipts and disbursements, and in the event a license is
4 issued to any club which thereafter fails or neglects to keep

5 such books and records, such license shall be revoked.

1 Sec. 14. No license shall be issued to any club which
2 has not been in existence for a period of one (1) year.

1 Sec. 15. The fee for a license issued by any city or
2 town or board of supervisors under this Act shall be one
3 thousand dollars (\$1,000.00) per annum, which fee shall be
4 payable five hundred dollars (\$500.00) to the commission,
5 which shall credit the same to the "liquor control act
6 fund", and five hundred dollars (\$500.00) to the general
7 fund of the city, town or county issuing the license. The
8 fee for a license issued by the commission under this Act
9 shall be one thousand dollars (\$1,000.00) per annum, which
10 fee shall be payable to the commission and shall be credited
11 to the "liquor control act fund".

1 Sec. 16. If four (4) or more counties have voted to issue
2 licenses under the provisions of this Act, the commission
3 may issue to any dining-car company, sleeping-car company,
4 railroad company or railway company a license which shall
5 authorize the holder thereof to keep for sale and sell on
6 any dining car, sleeping car, buffet car or observation car
7 on any train operated by such applicant from a point outside
8 the state of Iowa into or across the state, or from a point
9 in the state of Iowa to a point outside the state, wine and
10 spirits at retail for consumption in such cars. The applica-
11 tion for such license shall be in such form and contain such
12 information as may be required by the commission. Each such
13 license shall be good throughout the state as a state license.
14 Only one (1) such license shall be required for all cars
15 operated in this state by such applicant, but a duplicate of

16 such license shall be posted in each car in which wines and
17 spirits are sold. As a condition precedent to the
18 issuing of such license, the applicant shall give
19 bond to the commission with good and sufficient sureties
20 thereon to be approved by the commission conditioned upon
21 the faithful performance of this Act in the penal sum of
22 five thousand dollars (\$5,000.00). In addition to the
23 annual license fee of one thousand dollars (\$1,000.00),
24 there shall be paid to the commission a fee of ten dollars
25 (\$10.00) for each duplicate thereof. The commission shall
26 issue duplicates of such licenses from time to time as
27 applied for by each such company.

1 Sec. 17. No license shall be issued to any business in
2 which any official or employee of the issuing city or town,
3 or any member of his immediate family, is an officer,
4 employee, owner, partner or associate of any kind, or
5 stockholder. It shall be unlawful for any such official or
6 employee or immediate member of his family to own, hold or
7 have any interest, directly or indirectly, in any liquor
8 licensee's business.

1 Sec. 18. Applications for liquor licenses shall be sworn
2 to and shall be on a form prepared by the commission and
3 shall include the following information:

4 1. The name, age, citizenship, and place of residence of
5 the applicant in the case of individuals. In the case of
6 applicants other than individuals, the name and business
7 address of the applicant shall be given.

8 2. A description and location of the premises where the
9 applicant proposes to operate, with a detailed drawing and

10 floor plan of the premises or portion thereof which the
11 license is to include.

12 3. The name of the owner of the premises where the
13 applicant proposes to operate.

14 4. A statement of the applicant's occupations,
15 including location thereof, during the preceding twenty (20)
16 years, in the case of individuals.

17 5. A complete disclosure and statement of names of all
18 persons having any financial interest in said proposed
19 business, either directly or indirectly, whether secured
20 or not.

1 Sec. 19. In the event, after issuance of a liquor
2 license, it is found that the application therefor contained
3 any false statement, such license shall be revoked.

1 Sec. 20. Upon the filing of the application, the issuing
2 authority shall fix a date for hearing thereon, which shall
3 not be earlier than fifteen (15) days from the filing of
4 such application, and shall give at least ten (10) days
5 public notice at the time and place of such hearing by publi-
6 cation in a newspaper in the city or town. If no newspaper
7 is published in said city or town, then in some newspaper of
8 general circulation published in the county in which such
9 city or town is located.

1 Sec. 21. The application shall be filed with the issuing
2 authority accompanied by a bond in the penal sum of five
3 thousand dollars (\$5,000.00) providing for a forfeiture
4 thereof in the event of a revocation of the license resulting
5 from a violation of any of the beer, liquor or gambling laws
6 of the state of Iowa, the provisions of this Act, or of any

7 rule or regulation issued pursuant to this Act. Said bond
8 shall also be conditioned upon payment by the applicant of
9 all license fees, taxes or other charges imposed for the
10 operation of said business.

1 Sec. 22. The issuing authority may either approve or
2 disapprove any application. No application shall be
3 approved until the issuing authority has made a thorough
4 investigation and finds that the applicant, if an individual
5 is of good moral character, and if other than an individual,
6 possesses a good reputation, and that the applicant's place
7 of business conforms to all laws of the state of Iowa, all
8 health and fire regulations applicable thereto, and all
9 other applicable local ordinances, rules, and regulations.

1 Sec. 23. After approval of an application for a license,
2 the issuing authority shall forward the application to the
3 Iowa liquor control commission, and no license shall be
4 issued unless the commission has approved the application.

1 Sec. 24. No license shall be issued to an applicant
2 who has been convicted of a felony, and a license shall be
3 revoked in the event a licensee is convicted of a felony.

1 Sec. 25. Licenses shall be for a period of one (1) year,
2 commencing on the first day of July and ending on June 30
3 following, unless sooner revoked. Provided, however, that
4 a license may be issued for a portion of a year, and the
5 licensee fees herein provided shall be prorated.

1 Sec. 26. The issuance of a license shall be certified
2 by the issuing authority to the commission, except where the
3 commission itself issues such license, and the commission
4 shall keep a record of all licenses issued. The form of

5 license shall be prescribed by the commission.

1 Sec. 27. The commission shall sell wine and spirits at
2 wholesale to liquor licensees. Such wholesale price shall
3 be five per cent (5%) below Iowa liquor store retail prices.
4 There shall be no tax on the purchase price of wine and
5 spirits purchased by licensees, but there shall be a ten
6 per cent (10%) sales tax on each sale of liquor or wine by
7 the licensee, which tax shall be paid to the state tax
8 commission for the general fund of the state of Iowa.

9 Sec. 28. In addition to ordinances, rules and regulations
10 prescribed by the issuing authority, every licensee shall
11 be subject to the following:

12 1. No wine or spirits shall be sold except for consump-
13 tion upon the premises described in detail in the application
14 of the licensee.

15 2. All wine and spirits shall be purchased from the
16 commission and after delivery by the commission shall be
17 kept by the licensee only at the place of business and must
18 at all times be kept in the original bottles in which it is
19 received from the commission, until sold for immediate
20 consumption. Provided, however, that the provisions of this
subsubsection shall not apply to licensees whose license has
been issued by the commission under the provisions of section
Sixteen (16) of this Act.

21 3. No wine or spirits shall be sold on Sunday; nor shall
22 wine or spirits be sold on any of the legal holidays
23 designated in section five hundred forty-one point eighty-
24 five (541.85) of the Code.

25 4. No licensee shall sell, dispense, deliver or give in

21 any manner any wine or spirits to any intoxicated or inter-
22 dicted person, nor permit any person to consume on the
23 licensed premises any wine or spirits except those supplied
24 to such persons by the licensee in accordance with the
25 provisions of this Act, his license, and any ordinances, rules
26 or regulations for the enforcement thereof. No licensee
27 or employee thereof shall sell or deliver any wine or
28 spirits to any person who is a minor, nor permit any minor
29 to consume any wine or spirits on the licensed premises.
30 *No more than one (1) drink or portion of spirits shall*
31 *be delivered to any person at any one time, nor in any*
32 *package, receptacle or container, except the glass or con-*
33 *tainer containing only the drink to be consumed, excepting*
34 *that wine may be served by the bottle. No purchaser thereof*
35 *shall remove such drink or bottle contents from the licensed*
36 *premises where purchased before drinking the same. The*
37 *licensee shall conduct the business in a quiet, orderly*
38 *manner. No minor, intoxicated or interdicted person shall*
39 *knowingly be permitted to purchase, consume, or remove any*
40 *wine or spirits on or from the licensed premises.*

41 5. No licensee shall carry on the business of selling
42 wine or spirits unless his license is prominently displayed
43 in the place of business.

44 6. No license shall be assigned or transferred.

45 7. Premises, other than the dining-room of a hotel,
46 shall afford a clear and unobstructed view into the interior
47 of the place where wines and spirits are sold.

1 Sec. 29. The issuing authority shall make an investiga-
2 tion of any alleged violation for the purpose of revoking

any license if there is reasonable evidence that the holder thereof shall have violated any of the provisions of this Act or of any applicable ordinance, rule, or regulation.

1 Sec. 30. It shall be the duty of all peace officers to
2 investigate any alleged violations of the provisions of this
3 Act, and any member of the state permit board created under
4 the provisions of section one hundred twenty-four point
5 three (124.3) of the Code or any representative or inspector
6 so designated by such board shall have the power of a peace
7 officer for this purpose.

1 Sec. 31. Any citizen of a city or town or county having
2 information of any violation by the holder of a license in
3 such city or town or county may, and any peace officer having
4 such information shall, file a complaint with the appropriate
5 issuing authority. A copy of such complaint shall be filed
6 with the county attorney who shall thereupon cause an
7 investigation to be made and report the findings thereof to
8 the appropriate issuing authority. If the county attorney
9 finds that a violation has occurred, the appropriate issuing
10 authority shall cite the alleged violator to appear at a
11 hearing and show cause why the license should not be revoked
12 and the bond forfeited. Such alleged violator shall be
13 required to appear at such time as said issuing authority shall
14 determine and not more than thirty (30) days after such
15 citation. At the time of citing such alleged violator, the
16 issuing authority may, if the facts and circumstances warrant,
17 temporarily suspend the license of the alleged violator and
18 direct the peace officer serving the order to take possession
19 of the alleged violator's license and return the same to the

20 issuing authority pending the outcome of the hearing. Follow-
21 ing the hearing, the issuing authority shall determine whether
22 the license shall be revoked and the bond forfeited. In the
23 event such determination is adverse to the licensee, the
24 determination shall be reviewed by the commission, which shall
25 grant an appropriate hearing to the alleged violator. The
26 determination of the commission shall be final and may be
27 appealed from only by filing an appropriate action in the
28 district court.

1 Sec. 32. The revocation proceedings provided for above
2 shall not be a bar to any criminal prosecution, nor shall
3 such proceedings affect the right of a city or town or
4 board of supervisors to proceed against the bond of a
5 licensee for nonpayment of any taxes or license fees
6 owing under the provisions of this Act.

1 Sec. 33. In the event that the result of the special
2 election as hereinabove provided is favorable to the
3 issuing of licenses for retail sales of spirits and liquor,
4 no other special election on the proposition may be held
5 for a period of two (2) years. Such subsequent special
6 election may be called if a petition shall be signed by the
7 electors of the county in such number as shall equal twenty-
8 five per cent (25%) of the votes cast in such county for
9 governor at the last general election, which shall request
10 that the question of terminating the licensing of the sale
11 of wine and spirits by the drink be submitted to the
12 electors thereof at a special election to be called in the
13 manner provided for by Sections five (5), six (6), and
14 seven (7) of this Act. If a majority of the ballots cast

15 are "NO", all licenses, ordinances, rules, and regulations
16 theretofore issued under the provisions of this Act shall be
17 terminated on June 30 following such election.

1 Sec. 34. Whenever the provisions of existing laws are
2 in conflict with the provisions of this Act, the provisions
3 of this Act shall control and supersede all such existing
4 laws.

1 Sec. 35. Any person who violates any of the provisions
2 of this Act or who makes a false statement concerning a
3 material fact in submitting an application for a license or
4 for a renewal of a license, or gives false testimony at
5 any hearing concerning the revocation of a license shall
6 be punished by a fine of not less than three hundred dollars
7 (\$300.00) and not more than one thousand dollars (\$1,000.00)
8 or by imprisonment in the county jail for not less than
9 three (3) months nor more than one (1) year, or by both
10 such fine and imprisonment.

EXPLANATION OF HOUSE FILE 89

This bill is designed to provide a law which will be self-enforcing, thus reducing rather than adding to the administrative costs of law enforcement. This, of course, is in keeping with the demands by taxpayers for economy in government.

The bill recognizes that the problems of juvenile delinquency are being multiplied by the present law, which encourages disrespect and violation merely by driving over a state line into a neighboring state. It recognizes further that the problem of the drunken driver, which our governor has stressed so emphatically, will be greatly lessened by a law which will insure revocation of an expensive license if drinks are sold beyond a person's capacity; whereas under the present law, the tendency is to consume an entire bottle purchased at the state-owned liquor store or to consume beyond one's capacity in a neighboring state.

The bill recognizes that decisions with respect to the issues of liquor-by-the-drink, better law enforcement, reduced juvenile delinquency, and reduced drunk driving should (following a vote of the local citizens) be left to local governing bodies elected by the people—city council and county board of supervisors. Ultimate approval of licenses is vested in the state liquor control commission, thus insuring uniformity throughout the state.

Technical provisions of the bill relate solely to the licensing and retail sale of products sold by our Iowa state liquor stores.

HOUSE FILE 89

Amend House File 89 as follows:

By striking all after the enacting clause and inserting in lieu thereof the following:

Section 1. Section one hundred twenty-three point one (123.1), Code 1958, is hereby amended by striking all after the word "this" in line thirteen (13) and inserting in lieu thereof the following: "title".

Sec. 2. Section one hundred twenty-three point five (123.5), Code 1958, is hereby amended by inserting after the words "Alcoholic liquor" in line one (1) of subsection five (5) the words "or 'alcoholic beverage'"; also by inserting after the word "License" in line one (1) of subsection nine (9) the following: "or liquor control license"; also by adding the following subsection:

" 'Air common carrier' means a person engaged in transporting passengers for hire in interstate or foreign commerce by aircraft and operating regularly scheduled flights under a certificate of public convenience issued by the Civil Aeronautics Board.

" 'Club' means a corporation or association of individuals organized in good faith for social, recreational, benevolent, charitable, political, patriotic, or athletic purposes, but not for private gain, which is the owner, lessor or occupant of a permanent building, or part thereof, membership in which entails the prepayment of regular dues, and which has been in continuous operation as a club for not less than two (2) years prior to making application for a license under this Act.

" 'Commercial establishment' means a place of business which is at all times equipped with sufficient tables and seats to accommodate twenty-five (25) persons at one time, is located in a business district or an area now or hereafter zoned as a business district, and the licensed premises of which conform to the standards and specifications of the commission.

" 'Licensed premises' or 'premises' means all rooms or enclosures where alcoholic beverages are sold and/or consumed under authority of a license.

" 'Hotel' means a premises or structure regularly or seasonably kept open in a bona fide manner for the lodging of transient guests, where there is in the same premises or structure an establishment where food is regularly prepared and served and where thirty-five (35) or more sleeping rooms are provided for such guests."

Sec. 3. Section one hundred twenty-three point sixteen (123.16), Code 1958, is hereby amended by inserting after the word "permits" in line one (1) of subsection seven (7), the following: " , liquor control licenses"; also by adding the following subsection:

"To hear appeals from any order denying an application for a liquor control license."

Sec. 4. Section one hundred twenty-three point sixteen (123.16), Code 1958, is further amended by striking all of subsection eight (8) after the word "chapter" in line three (3) and inserting in lieu thereof a period.

Sec. 5. Section one hundred twenty-three point seventeen (123.17), Code 1958, is hereby amended by striking all of paragraph "f" of subsection two (2) after the word "chapter" in line four (4) thereof and inserting the following: "by the commission."

Sec. 6. Section one hundred twenty-three point twenty-two (123.22), Code 1958, is hereby amended by inserting after the words "holder of a permit" in line four (4) of subsection one (1) the words: "or liquor control license"; also by striking the words "under such permit" in line five (5) and six (6) of subsection one (1); further by striking the word "person" in line two (2) of subsection two (2) and inserting in lieu thereof the words "permit holder".

HOUSE FILE 89

1 Amend House File 89 as follows:

2 1. By striking everything after the enacting clause and
3 inserting in lieu thereof the following:

4 "Section 1. No private, fraternal, service, golf, or
5 country club or association shall allow their members or
6 guests to consume alcoholic beverages in excess of four (4)
7 percent alcohol by weight that such members or guests bring
8 upon the premises unless such club or association obtains an
9 annual permit as hereinafter provided.

10 Sec. 2. City and town councils and county boards of
11 supervisors acting as local permit boards under the supervision
12 of the state permit board may issue permits as provided in
13 section one (1) of this Act within their respective jurisdictions
14 and shall revoke them for violations of this Act or of any law
15 pertaining to traffic in alcoholic beverages or beer. Permits
16 shall be issued and revoked in the manner provided in chapter
17 one hundred twenty-four (124) of the Code, for the issuance
18 of and revocation of beer permits.

19 Sec. 3. An annual permit shall be issued to a club or
20 association under the following terms and conditions:

21 1. A written application shall be submitted under oath
22 on forms prescribed and furnished by the state permit board
23 which shall materially embrace the following:

24 a. The names and addresses of all officers and all persons,
25 firms, or corporations owning or controlling all real and
26 personal property used by the club or association.

27 b. The names and addresses of all persons responsible for
28 the operation of the club or association, the names and
29 addresses of all employees, and the compensation paid all
30 such persons the preceding calendar year.

31 c. The names, addresses, and occupation of all members
32 of the club or association.

33 d. A copy of the organization charter and articles of
34 incorporation, if a corporation.

35 e. The location of all buildings used by the applicant
36 and the use to which each is put.

37 f. Any other information deemed relevant by the state
38 board.

39 2. The application shall be submitted within sixty (60)
40 days of the desired effective date if an initial permit or
41 within sixty (60) days of the expiration date, except that
42 all clubs or associations now operating shall, within twenty-
43 one (21) days from and after July 4, 1959, submit their appli-
44 cation, following which they may continue to operate unless
45 the application is denied.

46 3. The application shall be approved by a majority of
47 the members who have paid their current dues, present at a
48 meeting called to consider obtaining such a permit.

49 4. All officers and employees of the club or association
50 shall be of good moral character. No permit shall be issued
51 to any club or association whose officers or employees, or
52 any one of them, has been convicted of a violation of any
53 state or federal law pertaining to traffic in alcoholic
54 beverages, beer, or narcotics or convicted of a felony or
55 indictable misdemeanor.

56 5. The club or association shall be now and hereafter
57 located within an area zoned for commercial purposes or, if
58 the particular area is not subject to a zoning code, within
59 an area wherein at least fifty (50) percent of all the property
60 located in a three hundred (300) foot radius is used for
61 commercial purposes.

62 6. All buildings used by the club or association shall
63 conform to applicable building, health, and fire prevention
64 laws.

65 7. The applicant shall pay an annual fee of one thousand
66 (1,000) dollars, except as hereinafter provided, for each
67 separate building or affiliated club or association where
68 such alcoholic beverages are consumed. The proceeds shall be
69 payable one-half ($\frac{1}{2}$) to the general fund of the state and

70 one-half (½) to the general fund of the governing body
71 authorized to issue such permit to be used by such body to
72 enforce this Act. In addition, an annual bond shall be executed
73 in favor of the state in such form as is prescribed by the state
74 permit board with good and sufficient sureties approved by the
75 local permit board in the penal sum of five thousand (5,000)
76 dollars which shall be to insure the faithful observance of
77 this Act. The applicant and surety shall agree, that if the
78 permit is subsequently revoked the principal sum of the bond
79 shall be forfeited. If the applicant has been in operation as
80 such a club or association for at least ten (10) years prior
81 to July 4, 1959 and has not been convicted of violating any
82 law pertaining to alcoholic beverages or beer, the permit fee
83 shall be one hundred (100) dollars; however, the bond required
84 shall be the same.

85 Sec. 4. From and after July 4, 1959 such a permit shall
86 not be issued any club or association unless it has been in
87 continuous operation as such club or association for at least
88 five (5) years prior to the date of application.

89 Sec. 5. The permit shall at all times be prominently
90 displayed in the area of such club or association where
91 alcoholic beverages are consumed."

92 2. Further amend House File 89 by inserting a period
93 after the word "law" in line two (2) of the title and striking
94 the remainder of the title.

Filed and lost by committee of the whole
March 25, 1959.

RUSK of Jasper.

HOUSE FILE 89

1 Amend House File 89, Sec. fifteen (15), lines two (2) and three (3),
2 by striking the words and figures "one thousand dollars (\$1,000.00)"
and
3 insert in lieu thereof the words and figures "five hundred dollars
4 (\$500.00)".
5 Further amend House File 89, Sec. fifteen (15), line four (4) by
striking the words and figures
6 "five hundred dollars (\$500.00)" and insert in lieu thereof the words
7 and figures "two hundred fifty dollars (\$250.00)".
8 Further amend House File 89, Sec. fifteen (15), line six (6), by
striking the words
9 and figures "five hundred dollars (\$500.00)" and insert in lieu thereof
10 the words and figures "two hundred fifty dollars (\$250.00)".
11 Further amend House File 89, Sec. fifteen (15), line nine (9), by
striking the words
12 and figures "one thousand dollars (\$1,000.00)" and insert in lieu
13 thereof the words and figures "five hundred dollars (\$500.00)".
14 Further amend House File 89, Sec. sixteen (16), line twenty-three
(23), by striking
15 the words and figures "one thousand dollars (\$1,000.00)" and insert
16 in lieu thereof the words and figures "five hundred dollars (\$500.00)".

Filed from the floor and lost
March 25, 1959.

DUFFY of Dubuque.

HOUSE FILE 89

1 Amend House File 89 by adding thereto a new section
2 as follows:
3 This Act shall continue in force for a period of four
4 (4) years from the effective date of this Act in all
5 counties of the state which contain a city of over
6 thirty thousand (30,000) population according to the
7 1950 federal census.

Filed and lost by committee of the whole
March 25, 1959.

STRINGER of Scott.
CONNER of Wapello.

HOUSE FILE 89

- 1 Amend the Stringer amendment to House File 89 as follows:
- 2 At the end of line seven (7) strike the period and add
- 3 the following: ", including all county seat towns."

Filed from the floor and lost by committee of the whole
March 25, 1959. HARRINGTON of Buchanan.

HOUSE FILE 89

- 1 Amend the amendment filed by Stringer of Scott and
- 2 Conner of Wapello to House File 89 as follows:
- 3 Amend by striking from line six (6) the words and
- 4 figures thirty thousand (30,000) and inserting in lieu thereof
- 5 the words and figures twenty-five thousand (25,000)."
- 6 Further amend said amendment by adding thereto after the
- 7 word "census" the following: ", also any counties that have
- 8 three or more state-owned lakes, and any counties bordered by
- 9 both the Mississippi and the Des Moines rivers."

Filed and lost by committee of the whole
March 25, 1959. WEIK of Dickinson.

HOUSE FILE 89

- 1 Amend the Carstensen amendment to House File 89 by
- 2 striking in line five (5) the words "one (1) a.m." and
- 3 inserting in lieu thereof the words "twelve (12)
- 4 midnight". Further amend in line fourteen (14) by
- 5 striking the words "one (1) a.m." and inserting in
- 6 lieu thereof the words "twelve (12) midnight".

Filed from the floor and lost by committee of the whole
March 25, 1959. LUCKEN of Plymouth.

HOUSE FILE 89

- 1 Amend House File 89, section thirty (30) by adding
- 2 thereto a new paragraph:
- 3 "Under this Act, possession of, application for, or
- 4 issuance of a federal retail liquor dealer's stamp shall
- 5 be prima facie evidence that the person, firm, corporation,
- 6 association or club so possessing, applying for, or to whom
- 7 or to which is issued such stamp is engaged in the retail
- 8 sale of alcoholic liquors.

Filed and adopted by committee of the whole
March 25, 1959. LUCKEN of Plymouth.

HOUSE FILE 89

- 1 Amend House File 89, section twenty-eight (28), subsection
- 2 four (4), line 38, after the word "person" by inserting the
- 3 following: "or one who is taking or has taken treatment
- 4 for alcoholism, or is a member of an organization endeavoring
- 5 to rehabilitate alcoholics.

Filed and lost by committee of the whole
March 25, 1959. BURTON of Mitchell.

HOUSE FILE 89

- 1 Amend line three (3) of the Hagedorn amendment by
- 2 inserting after the figure "(5%)" the following: ", not to
- 3 exceed seven hundred fifty thousand dollars (\$750,000.00)."

Filed and adopted by committee of the whole
March 25, 1959. WILSON of Linn.

HOUSE FILE 89

- 1 Amend section twenty-seven (27) of House File 89 by striking
- 2 from lines two (2), three (3), four (4), and five (5) the words
- 3 "Such wholesale price shall be five per cent (5%) below Iowa
- 4 liquor store retail prices. There shall be no tax on the
- 5 purchase price of wine and spirits purchased by licensees"
- 6 and inserting in lieu thereof the following: "Such wholesale
- 7 prices shall be set by the commission".

Filed and adopted
March 25, 1959.

CONNOR of Wapello.

HOUSE FILE 89

- 1 Amend House File 89, section four (4), by striking the period
- 2 in line thirty-six (36) and adding the following: "or a certificated
- 3 air carrier of passengers."

Filed and lost by committee of the whole
March 25, 1959.

REPPERT of Polk.

66 Sec. 7. Section one hundred twenty-three point twenty-four
67 (123.24), Code 1958, is hereby amended by inserting after the
68 word "sold" in line one (1) the words "by the commission".

69 Sec. 8. Section one hundred twenty-three point twenty-six
70 (123.26), Code 1958, is hereby amended by inserting after the
71 word "permit" in line twenty-five (25) the words "or liquor
72 control license".

73 Sec. 9. Section one hundred twenty-three point twenty-seven
74 (123.27), Code 1958, is hereby amended by adding at the end of
75 subsection two (2), paragraph "a", the following:

76 "However, no individual permit shall be required for the
77 purchase of alcoholic liquor for consumption on premises
78 covered by a liquor control license."

79 Sec. 10. Section one hundred twenty-three point twenty-seven
80 (123.27), Code 1958, is hereby amended by adding the following:

81 4. "Upon posting bond in the penal sum of five thousand
82 dollars (\$5,000.00) with surety and conditions prescribed by
83 the commission, and for the payment of all taxes due the state
84 and upon compliance with other appropriate provisions of this
85 Act, liquor control licenses may be issued to any person who
86 (or whose officers and stockholders, in the case of a club or
87 corporation, or whose partners, in the case of a partnership)
88 is of good moral character, has not been convicted of a felony,
89 is a citizen of the United States, is not chargeable directly
90 or indirectly with the administration or enforcement of the
91 alcoholic beverages laws of the state of Iowa, and is, in the
92 judgment of the commission, of such financial standing and
93 good reputation as will satisfy the commission that the
94 licensee will comply with the law and the regulations of the
95 commission."

96 5. "No liquor control license shall be issued for premises
97 which do not conform to all laws, ordinances and resolutions,
98 health and fire regulations applicable thereto, or, except in
99 the case of a hotel, have any interior access to residential or
100 sleeping quarters; nor shall any class "C" liquor control
101 license be issued for premises which are not wholly within the
102 corporate limits of a city or town, or in platted villages."

103 6. Liquor control licenses issued under this chapter shall
104 be of the following classes:

105 a. Class "A". A class "A" liquor control license may be
106 issued to a club and shall authorize the holder thereof to
107 purchase at wholesale, spirits and wine from the commission
108 only, at prices to be set by the commission, and to sell
109 alcoholic beverages so purchased to bona fide members and
110 their guest by the individual drink for consumption on the
111 premises only.

112 b. Class "B". A class "B" liquor control license may be
113 issued to a hotel as herein defined and shall authorize the
114 holder thereof to purchase, at wholesale, spirits and
115 wine from the commission only, at prices to be set by the
116 commission, and to sell alcoholic beverages so purchased to
117 patrons by the individual drink for consumption on the premises
118 only. Each such license shall be effective throughout the
119 premises described in the application therefor, but a
120 duplicate of such license shall be posted in each room
121 wherein such beverages are dispensed.

122 c. Class "C". A class "C" liquor control license may be
123 issued to a commercial establishment and shall authorize the
124 holder thereof to purchase, at wholesale, spirits and wine
125 from the commission only, at prices to be set by the commission,
126 and to sell alcoholic beverages so purchased to patrons by the
127 individual drink for consumption on the premises only.

128 d. Class "D". A class "D" liquor control license may be
129 issued to a railway corporation and to an air common carrier
130 and shall authorize the holder thereof to sell or furnish
131 alcoholic beverages to passengers for consumption only on
132 trains or aircraft, respectively. Each such license shall be
133 good throughout the state as a state license. Only one such
134 license shall be required for all trains or aircraft operated
135 in the state by the licensee, but a duplicate of such license
136 issued shall be posted in each railroad car or aircraft in
137 which such beverages are sold. Such licensee shall keep a
138 record of all alcoholic beverages sold or furnished in the

139 state of Iowa, and on or before the last day of each month
140 shall render a report to the commission showing the quantities
141 of the various kinds of alcoholic beverages so sold or
142 furnished during the preceding month, which report shall be
143 accompanied by payment of appropriate taxes owing.

144 7. An application for a class "B" or class "C" liquor
145 control license, accompanied by the required fee and bond,
146 shall be filed with the appropriate city or town council if
147 the premises proposed to be licensed are located within the
148 corporate limits of a city or town, or with the board of

149 supervisors if the premises proposed to be licensed are
150 located outside the corporate limits of a city or town.
151 Application for class "A" and class "D" liquor control
152 licenses, accompanied by the required fee and bond, shall be
153 filed with the commission, which shall proceed in the same
154 manner as in the case of an application approved by local
155 authorities.

156 a. Action by local authorities. If the city or town council,
157 or county board of supervisors, as the case may be, approves
158 the issuance of a license, it shall endorse its approval on the
159 application and forward same along with the fee and bond to the
160 commission; or if it disapproves issuance of a license, it
161 shall endorse its disapproval on the application and forward
162 same along with the fee and bond to the commission.

163 b. Action by the commission. Upon receipt of an application
164 which has been disapproved, the commission shall disapprove the
165 application and so notify the applicant by registered mail.
166 Upon receipt of an application having been approved, the
167 commission shall make such investigation as it deems necessary;
168 and it may require the applicant to appear before it and be
169 examined under oath regarding any matters pertinent to the
170 application, in which case a record shall be made of all
171 testimony or evidence and the same shall become a part of the
172 application. If the application is approved, an appropriate
173 liquor control license shall be issued. If the application is
174 disapproved, the applicant and the appropriate city or town
175 council, or county board of supervisors, shall be so notified
176 in writing, and the fee and bond shall be returned to the
177 applicant.

178 c. Appeal to commission. Any applicant for a liquor
179 control license may appeal to the commission from its
180 disapproval of an application for a license; or, in lieu of
181 such appeal, the commission may afford the applicant a hearing
182 through issuance of a notice to the applicant of contemplated
183 disapproval of a license. If, upon such appeal or hearing,
184 the commission shall determine that the city or town council,
185 or county board of supervisors, acted arbitrarily, capriciously,
186 or without reasonable cause in disapproving the application, or
187 that the commission's own disapproval or contemplated disapproval
188 should be reversed, it may issue a license.

189 d. Appeal to courts. Any applicant who feels aggrieved by
190 a decision of the commission disapproving issuance of a
191 license may, provided he has exercised his rights of appeal
192 to the commission as hereinabove provided, appeal from said
193 decision within ten (10) days by writ of certiorari to the
194 district court of the county wherein the premises covered by
195 the applications are situated.

196 8. Applications for the original issuance or the renewal
197 of liquor control licenses shall be filed at such time and in
198 such number of copies as the commission shall by regulation
199 prescribe, on forms prescribed by the commission, and shall
200 set forth under oath the following information:

201 a. The name and address of the applicant,

202 b. The precise location of the premises for which a
203 license is sought,

204 c. The names and addresses of all persons (in the case of
205 a corporation, the officers, directors, and persons owning or
206 controlling ten (10) per cent or more of the capital stock
207 thereof) having a financial interest, by way of loan,
208 ownership, or otherwise, in the business or the profits
209 thereof.

210 d. When required by the commission, a sketch or drawing
211 of the premises proposed to be licensed and in such form and
212 containing such information as the commission may require,

213 e. A statement whether any person specified in (c) above
214 has ever been convicted of any offense against the laws of
215 the United States, or any state or territory thereof, or any
216 political subdivision of any such state or territory,

217 f. Such other information as the commission shall require.

218 9. Cities and towns are hereby empowered to adopt ordinances
219 for the enforcement of this chapter and are further empowered
220 to adopt ordinances providing for the limitation of Class 'B'
221 and Class 'C' licenses, provided however, that where an ordinance
222 is adopted providing for the limitation of Class 'B' and Class
223 'C' licenses, the minimum limitation shall not be less than one
224 Class 'B' or Class 'C' license to be issued upon application
225 meeting the requirements of this chapter for each 500 population
226 or fractional part thereof up to 2,500 population and one addi-
227 tional license for each 750 population or fractional part thereof
228 over and above 2,500 population. However, in towns having a
229 population of 1,000 or less, at least two (2) licenses shall be
230 allowed if proper application is made therefor in accordance with
231 the requirements of the provisions of this chapter."

232 10. The number of licenses issued covering premises in
233 any county outside of incorporated cities and towns, exclusive
234 of class "A" and class "D" licenses, shall not exceed one (1)
235 license for each 2,000 population or major fraction thereof of
236 the entire county, to include cities and towns therein, according
237 to the last decennial federal census.

238 11. All liquor control licenses issued shall expire at the
239 end of one (1) year from the date of issuance and may be
240 renewed for a like period upon application being made therefor
241 to the proper authorities as in this chapter provided.

242 Any Class 'C' licensee or his executor, administrator or
243 any person duly appointed by the court to take charge of and
244 administer the property or assets of such licensee for the benefit
245 of his creditors, may voluntarily surrender any license if issued
246 under this chapter to the commission, and when so surrendered,
247 the commission shall refund to the person so surrendering the
248 license a proportionate amount of the license fee paid for such
249 license as follows; if surrendered during the first three (3)
250 months of the period for which said license was issued, the
251 refund shall be three-fourths of the amount of the license fee;
252 if surrendered more than three (3) months but not more than six
253 (6) months after issuance, the refund shall be one half of the
254 amount of the license fee; if surrendered more than six (6)
255 months but not more than nine (9) months after issuance, the
256 refund shall be one fourth of the amount of the license fee.
257 No refund shall be made, however, for any permit surrendered
258 more than nine (9) months after issuance. No refund shall be
259 made to any license holder upon the surrender of his license
260 if there is at the time of said surrender, a complaint filed
261 with the commission charging him with a violation of the
262 provisions of this Chapter. If upon hearing on any such
263 complaints so filed, his license be not revoked, then said
264 license holder shall be eligible upon surrender of his license
265 to receive a refund as herein provided. But in event his
266 license is revoked upon such hearing, then he shall not be
267 eligible for the refund of any portion of his license fee."

268 Sec. 11. Section one hundred twenty-three point twenty-
269 eight (123.28), Code 1958, is hereby amended by adding the
270 following paragraphs:

271 There shall be paid annually to the commission for each
272 liquor control license the sum of five hundred dollars
273 (\$500.00).

274 The commission shall credit all fees to the liquor control
275 act fund and shall remit to the respective city or town
276 council, or county board of supervisors, as the case may be,
277 a sum equal to fifty per cent (50%) of the fees collected for
278 each class "A", class "B", or class "C" license covering
279 premises located within their respective jurisdiction.

280 Sec. 12. Section one hundred twenty-three point twenty-nine
281 (123.29), Code 1958, is hereby amended by inserting after the
282 word "permit" in line one (1) the words "or liquor control
283 license"; also by striking the period (.) in line eight (8)
284 and inserting in lieu thereof the following: "or licensee";
285 also by adding the following paragraph:

286 "In the case of a class "A", class "B", or class "C" licensee,
287 the commission may in its discretion authorize a licensee to
288 remove the license from one location to another within the
289 same incorporated city or town, or within a county outside the
290 corporate limits of a city or town, provided that the premises
291 to which the transfer is to be made would have been eligible
292 for a license in the first instance and such transfer will not
293 result in any violation of any provision of law."

294 Sec. 13. Section one hundred twenty-three point thirty-two
295 (123.32), Code 1958, is hereby amended by adding the following
296 paragraph:

297 "Any liquor control license issued under this chapter may,
298 after notice in writing to the license holder and reasonable

299 opportunity for hearing, be suspended or canceled by the
300 commission for any of the following causes:

301 1. Misrepresentation of any material fact in the application
302 for such license, or

303 2. Violation of any of the provisions of the Iowa Liquor
304 Control Act or regulations of the commission, or

305 3. Any change in the ownership or interest in the business
306 operated under a class "A", class "B", or class "C" license,
307 which change was not previously reported to the commission and
308 approved by it, or

309 4. An event which would have resulted in disqualification
310 from receiving such license when originally issued, or

311 5. Any sale, hypothecation, or transfer of such license."

312 Sec. 14. Section one hundred twenty-three point forty (123.40),
313 Code 1958, is hereby amended by adding at the end thereof the
314 following:

315 "No person engaged in the business of manufacturing or
316 wholesaling alcoholic beverages shall have, through ownership,
317 loan, or otherwise, any interest, directly or indirectly, in
318 the business premises or furnishings thereof covered by a
319 liquor control license issued under this chapter."

320 Sec. 15. Section one hundred twenty-three point forty-two
321 (123.42), Code 1958, is hereby amended by inserting after the
322 comma (,) in line four (4) thereof the following: "except
323 premises covered by a liquor control license."

324 Sec. 16. Section one hundred twenty-three point forty-six
325 (123.46), Code 1958, is hereby amended by adding at the end
326 thereof the following:

327 4. No person holding a liquor control license under this
328 chapter, his agent or employees, shall:

329 a. Suffer or permit any gaming, solicitation for immoral
330 purposes, immoral or disorderly conduct on the licensed
331 premises, or

332 b. Sell or dispense any alcoholic beverage on the licensed
333 premises or permit the consumption thereon between the hours
334 of one (1) a.m. and seven (7) a.m. on any week day, and from
335 twelve (12) o'clock midnight on Saturday and seven (7) a.m. on
336 the following Monday, or on any general, special, or primary
337 election day during the hours that polls are open, or during
338 such other periods or days as may be designated by the
339 commission, or

340 c. Sell alcoholic beverages to any person on credit, except
341 that this provision shall not apply to sales by a club to its
342 members nor to sales by a hotel to bona fide registered guests,
343 or

344 d. Keep on the licensed premises any spirits or wine in
345 any container except the original package purchased from the
346 commission, except mixed drinks or cocktails mixed on the
347 premises for immediate consumption, provided that this shall
348 not apply to common carriers holding a class "D" liquor
349 control license, or

350 e. Reuse for the packaging of any spirits or wine any bottle
351 or other container which has been used for the packaging of
352 alcoholic beverages or possess any such bottle or container,
353 or in any manner alter or increase, by the addition thereto of
354 any substance, any portion of the original contents remaining
355 in such bottle or container in which any portion of the original
356 contents has been so altered or increased, or

357 f. Employ any person under the age of twenty-one (21) years
358 in the direct handling or selling of liquor on the premises
359 where such liquor is sold, or

360 g. Allow any person other than the license holder or his
361 employees to use or keep on the licensed premises any spirits
362 or wine in any bottle or other container which is designed for
363 the transporting of alcoholic beverages, provided that this
364 shall not apply to the lodging quarters of a class "B"
365 liquor control licensee, or to common carriers holding a
366 class "D" liquor control license.

367 5. No person under the age of twenty-one (21) years shall
368 misrepresent his or her age for the purpose of purchasing or
369 attempting to purchase any alcoholic beverage from any
370 licensee.

371 Whoever violates any of the provisions of this section
372 shall be subject to a fine of one thousand dollars (\$1,000.00)
373 or to imprisonment for not less than thirty (30) days nor
374 more than one (1) year in the county jail or to both such fine
375 and imprisonment.

376 The conviction of any liquor control license holder for the
377 violation of any of the provisions of this section shall be
378 grounds for the suspension or revocation of the license by
379 the commission.

380 Sec. 17. Section one hundred twenty-three point fifty-three
381 (123.53), Code 1958, is hereby amended by inserting after
382 subsection nine (9) the following:

383 10. The number of liquor control licenses issued, by
384 class, and the number in effect on the last day included in
385 the report.

386 11. Amount of fees paid to the commission from said liquor
387 control licenses, in gross, and the amount returned to local
388 subdivisions of government as provided under this chapter.

389 Sec. 18. Section one hundred twenty-three point fifty-
390 nine (123.59), Code 1958, is hereby amended by inserting after
391 the words, "by gift or otherwise", the words, "in violation
392 of law", and by striking the words, "in violation of this
393 chapter", and substituting therefor the words, "in violation
394 of law".

395 Sec. 19. Section one hundred twenty-three point sixty
396 (123.60), Code 1958, is hereby amended by striking the words,
397 "in violation of this chapter", and substituting therefor the
398 words, "in violation of law".

399 Sec. 20. Section one hundred twenty-four point thirty-one
400 (124.31), Code 1958, is hereby amended by striking the period
401 (.) following the words "compounding purposes", and by
402 inserting therein the following: ", or to any club, hotel or
403 commercial establishment licensed to sell alcoholic beverages
404 for consumption on the premises where sold as provided in this
405 title."

406 Sec. 21. Section one hundred twenty-five point seven (125.7),
407 Code 1958, is hereby amended by inserting after the words "by
408 gift or otherwise" the words, "in violation of law".

409 Sec. 22. Section one hundred twenty-five point thirteen
410 (125.13), Code 1958, is hereby amended by adding thereto the
411 following: "Provided, however, that this section shall not
412 apply to the holder of a liquor control license authorizing
413 the sale of alcoholic liquors for consumption on the premises
414 where sold, his agents, servants or employees for the
415 performance on the licensed premises of the acts herein
416 prohibited."

417 Sec. 23. Section one hundred twenty-five point seventeen
418 (125.17), Code 1958, is hereby amended by inserting after the
419 words, "on any such car", the words, "in violation of law".

420 Sec. 24. Title sixteen (XVI), Code 1958, is hereby amended
421 by adding thereto the following:

422 1. There is hereby imposed on every individual, partnership,
423 corporation, association or club licensed to sell alcoholic
424 beverages for consumption on the premises where sold, an
425 occupational tax to be computed on all alcoholic beverages
426 sold, as follows:

427 An amount equivalent to ten per centum upon the gross
428 receipts of any licensee from all sales of alcoholic beverages
429 in the state of Iowa.

430 2. On or before the 15th day of each month every such
431 licensee shall render to the commission a report sworn to by
432 an officer or agent in the case of corporations, and by the
433 owner or agent in the case of an individual licensee, showing
434 the amount of receipts from sales of such alcoholic beverages
435 in the state of Iowa during the preceding calendar month and
436 such other information as the commission may require, such
437 reports to be on forms to be provided by the commission.

438 3. "Gross Receipts" as used in this section means the
439 amount received in money, credits, or property valued in
440 money in consideration of the sale of such alcoholic beverages
441 within this state, without any deduction on account of the
442 cost of the property sold, the costs of the materials used,
443 the cost of labor or services, purchases, amounts paid for
444 interest or discount, or any other expenses whatsoever. No
445 deductions shall be allowed for losses of any nature.

446 4. Every such licensee shall within thirty (30) days after
447 the filing date of such report as provided in this Act compute
448 and pay to the commission an amount equivalent to ten per
449 centum of his gross receipts during the calendar month covered
450 by such report and the commission shall forthwith issue a receipt
451 to the taxpayer for the amount of the tax so paid.

452 5. All revenues arising under the operation of the provisions
453 of this Act shall become part of the state general fund.

454 6. The failure or refusal on the part of any licensee to
455 render any report or remit any taxes to the commission under
456 this Act when due shall be reported to the Iowa liquor control
457 commission by the commission.

Filed - *Lost 5-25*
March 20, 1959.

DUFFY of Dubuque.

458 EXPLANATION TO AMENDMENT

459 This bill would provide for the further regulation, control
460 and distribution of alcoholic beverages within the state. It
461 would also provide much needed state revenue therefrom, and
462 eliminate certain existing illegal traffic in liquor. This
463 proposal would allow the city or town council or the board
464 of supervisors, respectively, to determine the licensing of
465 sale of alcoholic beverages to the general public within
466 their respective jurisdictions.

HOUSE FILE 89

1 Amendment to House File 89.

2 Amend Section 27 by striking all of the section after the
3 word "licensee" in line 7 and insert in lieu
4 thereof the following: "Five percent (5%) of all revenues arising
5 under the operation of the provisions of this Act shall be credited
6 to a commission on alcoholism and be used for the care, study,
7 and treatment of alcoholics. The commission shall be composed
8 of seven (7) members consisting of the state director of mental
9 health, the director of penal institutions or a representative
10 thereof, the commissioner of public health, and four members
11 to be appointed by the governor. The balance of such revenues
12 shall be credited to the general fund of the state."

Filed and adopted by committee of the whole
March 25, 1959.

HAGEDORN of Clay.
WILSON of Linn.