

SENATE FILE 1073

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DODERER

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Wirtz, Willits, Cochran, and Skinner)

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Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the private sale, control, and distribution
2 of wine containing not more than seventeen percent alcohol
3 by weight, declaring certain acts to be unlawful and pre-
4 scribing penalties therefor.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Chapter one hundred thirty-one (131), section
2 two (2), Acts of the Sixty-fourth General Assembly, First
3 Session, is amended to read as follows:

4 Sec. 2. GENERAL PROHIBITION. It shall be unlawful to
5 manufacture for sale, sell, offer or keep for sale, possess,
6 or transport alcoholic liquor, wine or beer except upon the
7 terms, conditions, limitations, and restrictions enumerated
8 in this Act chapter.

9 Sec. 2. Chapter one hundred thirty-one (131), section
10 three (3), subsections eight (8), ten (10), thirteen (13),
11 nineteen (19), twenty (20), twenty-five (25), twenty-six (26),
12 twenty-seven (27), and thirty-one (31), Acts of the Sixty-
13 fourth General Assembly, First Session, are amended to read
14 as follows:

15 8. "Alcoholic liquor", "intoxicating liquor" or "alco-
16 holic beverage" includes the three varieties of liquor de-
17 fined in subsections five (5), and six (6), ~~and seven (7)~~
18 of this section, except beer as defined in subsection nine
19 (9) of this section but including all beverages made as
20 described in such subsection which contain more than four
21 percent of alcohol by weight, and except wine which does not
22 contain more than seventeen percent alcohol by weight, and
23 every liquid or solid, patented or not, containing alcohol,
24 spirits, or wine, containing more than seventeen percent
25 alcohol by weight and susceptible of being consumed by a human
26 being, for beverage purposes.

27 10. "Person" means any individual, association, partner-
28 ship, corporation, club, hotel or motel, or municipal corpora-
29 tion owning or operating a bona fide airport, marina, park,
30 coliseum, auditorium, or recreational facility in or at which
31 the sale of alcoholic liquor, wine or beer is only an
32 incidental part of such ownership or operation.

33 13. "Permit" or "license" means an express written autho-
34 rization issued by the department for the manufacture or sale,
35 or both, of alcoholic liquor, wine or beer.

1 19. "Importer" means the person transporting or ordering,
2 authorizing, or arranging the transportation of alcoholic
3 liquor, wine or beer into this state whether such person is
4 a resident of this state or not.

5 20. "Import" means the transporting or ordering or arrang-
6 ing the transportation of alcoholic liquor, wine or beer into
7 this state whether by a resident of this state or not.

8 25. The prohibited "sale" of alcoholic liquor, wine or
9 beer under this ~~Act~~ chapter includes soliciting for sales,
10 taking orders for sales, keeping or exposing for sale, delivery
11 or other trafficking for a valuable consideration promised
12 or obtained, and procuring or allowing procurement for any
13 other person.

14 26. "~~Wholesale~~" "Wholesaler" means any person, other than
15 a brewer or bottler of beer or wine, who shall sell, barter,
16 exchange, offer for sale, have in possession with intent to
17 sell, deal or traffic in alcoholic liquor, wine or beer.
18 No wholesaler shall be permitted to sell for consumption upon
19 the premises.

20 27. "Retailer" means any person who shall sell, barter,
21 exchange, offer for sale, or have in possession with intent
22 to sell any alcoholic liquor for consumption on the premises
23 where sold, or wine or beer for consumption either on or off
24 the premises where sold.

25 31. "Licensed premises" or "premises" means all rooms
26 or enclosures where alcoholic beverages, wine or beer are
27 sold or consumed under authority of a liquor control license
28 or beer permit.

29 Sec. 3. Chapter one hundred thirty-one (131), section
30 nineteen (19), subsection one (1), Acts of the Sixty-fourth
31 General Assembly, First Session, is amended to read as fol-
32 lows:

33 Sec. 19. DISTILLER'S CERTIFICATE OF COMPLIANCE.

34 1. Any manufacturer, distiller, ~~vintner~~, or importer of
35 alcoholic beverages shipping, selling, or having alcoholic

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

24 Sec. 4. Chapter one hundred thirty-one (131), section
25 twenty (20), subsection seven (7), Acts of the Sixty-fourth
26 General Assembly, First Session, is amended to read as fol-
27 lows:

28 7. To license, inspect, and control the manufacture of
29 beer, wine and alcoholic liquors and regulate the entire beer,
30 wine and liquor industry in the state.

31 Sec. 5. Chapter one hundred thirty-one (131), section
32 twenty-one (21), subsections six (6) and ten (10), Acts of
33 the Sixty-fourth General Assembly, First Session, are amended
34 to read as follows:

35 6. Providing for the issuing and distributing of price

1 lists showing the price to be paid by purchasers for each
2 brand, class, or variety of alcoholic liquor and wine kept
3 for sale under this Act chapter. Provide for the filing or
4 posting of prices between class "A" beer permit holders and
5 retailers as provided in this Act chapter, and establish or
6 control such prices as may be based on minimum standards of
7 fill, quantity, or alcoholic content for each individual sale
8 of intoxicating liquor, wine or beer as deemed necessary for
9 retail or consumer protection.

10 10. Prescribing the time, manner, means, and method by
11 which distillers, ~~vintners~~, vendors, or others authorized
12 under this Act chapter may deliver or transport alcoholic
13 liquors and prescribing the time, manner, means, and methods
14 by which alcoholic liquor may be lawfully conveyed, carried,
15 or transported.

16 Sec. 6. Chapter one hundred thirty-one (131), section
17 twenty-one (21), Acts of the Sixty-fourth General Assembly,
18 First Session, is amended by adding the following new sub-
19 sections:

20 1. "Prescribing what size packages of wine shall be al-
21 lowed for filling, importation and further resale by class
22 'A' permit holders within the state of Iowa. 'Package' or
23 'packages' as used herein means any individual container or
24 receptacle used for holding wine."

25 2. "Prescribing the supervision and requirements as deemed
26 necessary by persons of legal age in the stocking, display
27 and sale of wines on the premises of retail establishments."

28 Sec. 7. Chapter one hundred thirty-one (131), section
29 twenty-two (22), unnumbered paragraph one (1), Acts of the
30 Sixty-fourth General Assembly, First Session, is amended to
31 read as follows:

32 Sec. 22. STATE MONOPOLY. The department shall have the
33 sole and exclusive right of importation, into the state, of
34 all forms of alcoholic liquor, except as otherwise provided
35 in this Act chapter, and no person shall so import any such

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

14 Sec. 8. Chapter one hundred thirty-one (131), section
15 thirty (30), subsection three (3), Acts of the Sixty-fourth
16 General Assembly, First Session, is amended to read as fol-
17 lows:

18 3. Liquor control licenses issued under this ~~Act~~ chapter
19 shall be of the following classes:

20 a. CLASS "A". A class "A" liquor control license may
21 be issued to a club and shall authorize the holder to purchase
22 alcoholic liquors from the department only, and to sell such
23 liquors, wine and beer, to bona fide members and their guests
24 by the individual drink for consumption on the premises only.

25 b. CLASS "B". A class "B" liquor control license may
26 be issued to a hotel or motel and shall authorize the holder
27 to purchase alcoholic liquors from the department only, and
28 to sell such liquors, wine and beer, to patrons by the
29 individual drink for consumption on the premises only, however,
30 beer and wine may also be sold for consumption off the
31 premises. Each such license shall be effective throughout
32 the premises described in the application.

33 c. CLASS "C". A class "C" liquor control license may
34 be issued to a commercial establishment but must be issued
35 in the name of the individual or individuals who actually

1 own the entire business and shall authorize the holder or
2 holders to purchase alcoholic liquors from the department
3 only, and to sell such liquors, wine and beer, to patrons
4 by the individual drink for consumption on the premises only,
5 however, beer and wine may also be sold for consumption off
6 the premises.

7 d. CLASS "D". A class "D" liquor control license may
8 be issued to a railway corporation, to an air common carrier,
9 and to passenger-carrying boats or ships for hire with a
10 capacity of twenty-five persons or more operating in inland
11 or boundary waters, and shall authorize the holder to sell
12 or furnish alcoholic beverages, wine and beer to passengers
13 for consumption only on trains, watercraft as described herein,
14 or aircraft, respectively. Each such license shall be valid
15 throughout the state as a state license. Only one such license
16 shall be required for all trains, watercraft, or aircraft
17 operated in the state by the licensee.

18 Sec. 9. Chapter one hundred thirty-one (131), section
19 thirty-six (36), subsection five (5), paragraph "c", Acts
20 of the Sixty-fourth General Assembly, First Session, is amended
21 to read as follows:

22 c. For air common carriers, each company shall pay a base
23 annual fee of five hundred dollars and, in addition, shall
24 quarterly remit to the department an amount equal to seven
25 dollars for each gallon of alcoholic liquor sold, given away,
26 or dispensed in or over this state during the preceding
27 calendar quarter. The class "D" license fee for air common
28 carriers shall be in lieu of any other fee or tax collected
29 from such carriers in this state for the possession and sale
30 of alcoholic liquor, wine and beer.

31 Sec. 10. Chapter one hundred thirty-one (131), section
32 thirty-seven (37), Acts of the Sixty-fourth General Assembly,
33 First Session, is amended to read as follows:

34 Sec. 37. POWER TO LICENSE AND LEVY TAXES. The power to
35 establish licenses and permits and levy taxes as imposed in

1 Title VI of the Code is vested exclusively with the state.
2 Unless specifically provided, no local authority shall levy
3 a local tax on the sale of alcoholic beverages, wine or beer,
4 require the obtaining of a special license or permit for such
5 sale on any establishment, or require the obtaining of a
6 license by any person as a condition precedent to his
7 employment in the sale, serving, or handling of alcoholic
8 beverages, wine or beer within an establishment operating
9 under a license or permit.

10 Sec. 11. Chapter one hundred thirty-one (131), section
11 thirty-nine (39), unnumbered paragraph two (2), Acts of the
12 Sixty-fourth General Assembly, First Session, is amended to
13 read as follows:

14 Local authorities shall have the power to suspend any re-
15 tail beer permit or liquor control license for a violation
16 of any ordinance or regulation adopted by such local authority.
17 Local authorities are empowered to adopt ordinances or regula-
18 tions for the location of the premises of retail beer and
19 liquor control licensed establishments and are empowered to
20 adopt ordinances, not in conflict with the provisions of this
21 ~~Act~~ chapter and that do not diminish the hours during which
22 beer, wine or alcoholic beverages may be sold or consumed
23 at retail, governing any other activities or matters which
24 may affect the retail sale and consumption of beer, wine and
25 alcoholic liquor and the health, welfare and morals of the
26 community involved.

27 Sec. 12. Chapter one hundred thirty-one (131), section
28 forty-four (44), Acts of the Sixty-fourth General Assembly,
29 First Session, is amended to read as follows:

30 Sec. 44. GIFT OF LIQUORS PROHIBITED. No manufacturer
31 or wholesaler shall give away any alcoholic liquor of any
32 kind or description at any time in connection with his business
33 except for testing or sampling purposes only. No manufacturer,
34 vintner, wholesaler, or importer, organized as a corporation
35 pursuant to the laws of this state or any other state, and

1 who deals in alcoholic liquor, wine or beer subject to this
2 ~~Act~~ chapter shall offer or give any thing of value to any
3 council member, official or employee of the department or
4 directly or indirectly contribute in any manner any money
5 or thing of value to any person seeking a public or appointive
6 office or any recognized political party or a group of per-
7 sons seeking to become a recognized political party.

8 Sec. 13. Chapter one hundred thirty-one (131), section
9 forty-five (45), Acts of the Sixty-fourth General Assembly,
10 First Session, is amended to read as follows:

11 Sec. 45. INTEREST IN LIQUOR BUSINESS. No council member
12 or department employee shall, directly or indirectly,
13 individually, or as a member of a partnership or shareholder
14 in a corporation, have any interest in dealing in or in the
15 manufacture of alcoholic liquor, wine or beer nor receive
16 any kind of profit nor have any interest in the purchase or
17 sale of alcoholic liquor, wine or beer by persons so authorized
18 under this ~~Act~~ chapter except that this provision shall not
19 prevent any such member or employee from lawfully purchasing
20 and keeping alcoholic liquor, wine or beer in his possession
21 for personal use.

22 No person engaged in the business of manufacturing,
23 bottling, or wholesaling alcoholic beverages, wine or beer,
24 nor any jobber or agent of such person, shall directly or
25 indirectly supply, furnish, give, or pay for any furnishings,
26 fixtures, or equipment used in the storage, handling, serving,
27 or dispensing of alcoholic beverages, wine, beer, or food
28 within the place of business of a licensee or permittee
29 authorized under the provisions of this ~~Act~~ chapter to sell
30 at retail; nor shall he directly or indirectly extend any
31 credit for alcoholic beverages, wine or beer or pay for any
32 such license or permit, nor directly or indirectly be
33 interested in the ownership, conduct, or operation of the
34 business of another licensee or permittee authorized under
35 the provisions of this ~~Act~~ chapter to sell at retail. Any

1 licensee or permittee who shall permit or assent or be a party
2 in any way to any such violation or infringement of the
3 provisions of this Act chapter shall be deemed guilty of a
4 violation of the provisions of this Act chapter.

5 Sec. 14. Chapter one hundred thirty-one (131), section
6 forty-six (46), Acts of the Sixty-fourth General Assembly,
7 First Session, is amended to read as follows:

8 Sec. 46. CONSUMPTION IN PUBLIC PLACES--INTOXICATION.
9 It is unlawful for any person to use or consume alcoholic
10 liquors, wine or beer upon the public streets or highways,
11 or alcoholic liquors in any public place, except premises
12 covered by a liquor control license, and no person shall be
13 intoxicated nor simulate intoxication in a public place.
14 Any person violating any provisions of this section shall
15 be fined not to exceed one hundred dollars or sentenced not
16 to exceed thirty days in the county jail.

17 Sec. 15. Chapter one hundred thirty-one (131), section
18 forty-seven (47), Acts of the Sixty-fourth General Assembly,
19 First Session, is amended to read as follows:

20 Sec. 47. PERSONS UNDER LEGAL AGE. After July 1, 1971,
21 no person shall sell, give, or otherwise supply alcoholic
22 liquor, wine or beer to any person knowing or having reasonable
23 cause to believe him to be under legal age, and no person
24 or persons under legal age shall individually or jointly have
25 alcoholic liquor, wine or beer in his or their possession
26 or control; except in the case of liquor, wine or beer given
27 or dispensed to a person under legal age within a private
28 home and with the knowledge and consent of the parent or
29 guardian for beverage or medicinal purposes or as administered
30 to him by either a physician or dentist for medicinal purposes
31 and except to the extent that a person under legal age may
32 handle alcoholic beverages, wine and beer during the regular
33 course of his or her employment by a liquor control licensee
34 or beer permittee under this Act chapter.

35 Sec. 16. Chapter one hundred thirty-one (131), section

1 forty-nine (49), Acts of the Sixty-fourth General Assembly,
2 First Session, is amended to read as follows:

3 Sec. 49. MISCELLANEOUS PROHIBITIONS.

4 1. No person shall sell, dispense, or give to any in-
5 toxicated person, or one simulating intoxication, any alco-
6 holic liquor, wine or beer.

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

10 a. Knowingly permit any gaming, gambling, solicitation
11 for immoral purposes, or immoral or disorderly conduct on
12 the premises covered by the license or permit.

13 b. Sell or dispense any alcoholic beverage, wine or beer
14 on the premises covered by the license or permit, or permit
15 the consumption thereon between the hours of two a.m. and
16 six a.m. on any weekday, and between the hours of one a.m.
17 on Sunday and six a.m. on the following Monday.

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

22 d. Keep on any premises covered by a liquor control license
23 any alcoholic liquor in any container except the original
24 package purchased from the department, ~~except still-wines~~
25 ~~placed-in-dispensing-or-serving-containers-for-temporary~~
26 ~~storage~~; and except mixed drinks or cocktails mixed on the
27 premises for immediate consumption. This prohibition shall
28 not apply to common carriers holding a class "D" liquor con-
29 trol license.

30 e. Reuse for packaging alcoholic liquor or wine any
31 container or receptacle used originally for packaging alcoholic
32 liquor or wine; or adulterate, by the addition of any
33 substance, the contents or remaining contents of an original
34 package of alcoholic liquor or wine; or knowingly possess
35 any original package which has been so reused or adulterated.

1 f. After July 1, 1971, any person under legal age shall
2 not be employed in the sale or serving of alcoholic liquor,
3 wine or beer for consumption on the premises where sold unless
4 the person shall be at least eighteen years old and the busi-
5 ness of selling food or other services constitutes more than
6 fifty percent of the gross business transacted therein and
7 then only for the purpose of serving or clearing alcoholic
8 beverages, wine or beer as an incident to a meal. This
9 paragraph shall not apply to class "C" beer permit holders.

10 g. Allow any person other than the licensee, permittee,
11 or employees of such licensee or permittee, to use or keep
12 on the licensed premises any alcoholic liquor in any bottle
13 or other container which is designed for the transporting
14 of such beverages, except as permitted in section ninety-five
15 (95) of this Act chapter. This paragraph shall not apply
16 to the lodging quarters of a class "B" liquor control licensee
17 or beer permittee, or to common carriers holding a class "D"
18 liquor control license.

19 h. Sell, give, or otherwise supply any alcoholic bever-
20 age, wine or beer to any person knowing or having reasonable
21 cause to believe him to be under legal age, or permit any
22 person knowing or having reasonable cause to believe him to
23 be under legal age, to consume any alcoholic beverage, wine
24 or beer.

25 i. In the case of a retail beer permittee, knowingly allow
26 the mixing or adding of alcohol or any alcoholic beverage
27 to beer or wine or any other beverage in or about his place
28 of business.

29 3. No person under legal age shall misrepresent his or
30 her age for the purpose of purchasing or attempting to pur-
31 chase any alcoholic beverage, wine or beer from any licensee
32 or permittee. If any person under legal age shall misrepresent
33 his or her age, and the licensee or permittee establishes
34 that he made reasonable inquiry to determine whether such
35 prospective purchaser was over legal age, such licensee or

1 permittee shall not be guilty of selling alcoholic liquor,
2 wine or beer to minors.

3 Sec. 17. Chapter one hundred thirty-one (131), section
4 fifty-one (51), subsection three (3), Acts of the Sixty-fourth
5 General Assembly, First Session, is amended to read as fol-
6 lows:

7 3. No signs or other matter advertising any brand of beer
8 or wine shall be erected or placed upon the outside of any
9 premises occupied by a licensee or permittee authorized to
10 sell beer or wine at retail. All such signs shall be re-
11 moved by the owner of same by July 1, 1974.

12 Sec. 18. Chapter one hundred thirty-one (131), section
13 fifty-six (56), Acts of the Sixty-fourth General Assembly,
14 First Session, is amended by striking the section and insert-
15 ing in lieu thereof the following:

16 Sec. 56. NATIVE WINES. Subject to rules and regulations
17 of the department, manufacturers of native wines from grapes,
18 cherries, other fruit juices, or honey holding a class "A"
19 permit as required in section one hundred thirty (130) of
20 this chapter may sell, keep, or offer for sale and deliver
21 the same. Such sales may be made at retail for off-premises
22 consumption when sold on the premises of the manufacturer.

23 A manufacturer of native wines shall not sell such wines
24 otherwise than as permitted in this chapter or allow any wine
25 so sold to be consumed upon the premises of such manufacturer.
26 However, native wines may be sampled when no charge is made
27 therefor on the premises where made prior to sale. Any per-
28 son may manufacture native wine for consumption on his own
29 premises when such wine or any part thereof is not manufactured
30 for sale.

31 For the purposes of this section "manufacturer" includes
32 only those persons who process the fruit or honey by fermenta-
33 tion into wines in Iowa.

34 Sec. 19. Chapter one hundred thirty-one (131), section
35 fifty-nine (59), Acts of the Sixty-fourth General Assembly,

1 First Session, is amended to read as follows:

2 Sec. 59. BOOTLEGGING. Any person who, by himself, or
3 through another acting for him, shall keep or carry on his
4 person, or in a vehicle, or leave in a place for another to
5 secure, any alcoholic liquor, wine or beer with intent to
6 sell or dispense of such liquor, wine or beer by gift or
7 otherwise in violation of law, or who shall, within this
8 state, in any manner, directly or indirectly, solicit, take,
9 or accept any order for the purchase, sale, shipment, or
10 delivery of such alcoholic liquor, wine or beer in violation
11 of law, or aid in the delivery and distribution of any
12 alcoholic liquor, wine or beer so ordered or shipped, or who
13 shall in any manner procure for, sell, or give any alcoholic
14 liquor, wine or beer to any person under legal age, for any
15 purpose except as authorized and permitted in this Act chapter,
16 shall be a bootlegger and be subject to the general penalties
17 provided by this Act chapter.

18 Sec. 20. Chapter one hundred thirty-one (131), section
19 sixty (60), Acts of the Sixty-fourth General Assembly, First
20 Session, is amended to read as follows:

21 Sec. 60. NUISANCES. The premises where the unlawful
22 manufacture or sale, or keeping with intent to sell, use,
23 or give away, of alcoholic liquors, wine or beer is carried
24 on, and any vehicle or other means of conveyance used in
25 transporting such liquor, wine or beer in violation of law,
26 and the furniture, fixtures, vessels and contents, kept or
27 used in connection with such activities are nuisances and
28 shall be abated as provided in this Act chapter.

29 Sec. 21. Chapter one hundred thirty-one (131), section
30 seventy-one (71), Acts of the Sixty-fourth General Assembly,
31 First Session, is amended to read as follows:

32 Sec. 71. CONDITIONS. In no case shall a bootlegger
33 injunction proceeding, as provided in this Act chapter, be
34 maintained unless it be shown to the court that efforts in
35 good faith have been made to discover the base of supplies

1 or place where the defendant charged as a bootlegger conducts
2 his unlawful business or receives or manufactures the alcoholic
3 liquor, wine or beer, of which he is charged with bootlegging.

4 Sec. 22. Chapter one hundred thirty-one (131), section
5 seventy-two (72), Acts of the Sixty-fourth General Assembly,
6 First Session, is amended to read as follows:

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

21 Sec. 23. Chapter one hundred thirty-one (131), section
22 eighty-one (81), Acts of the Sixty-fourth General Assembly,
23 First Session, is amended to read as follows:

24 Sec. 81. FORFEITURE OF BOND. If the owner of a property
25 who has filed an abatement bond as provided in this Act chapter
26 fails to abate the liquor, wine or beer nuisance on the
27 premises covered by the bond, or fails to prevent the
28 maintenance of any liquor, wine or beer nuisance on said
29 premises at any time within a period of one year after entry
30 of the abatement order, the court shall, after a hearing in
31 which such fact is established, direct an entry of such
32 violation of the terms of the owner's bond, to be made on
33 the record and the undertaking of his bond thereupon forfeited.

34 Sec. 24. Chapter one hundred thirty-one (131), section
35 eighty-four (84), Acts of the Sixty-fourth General Assembly,

1 First Session, is amended to read as follows:

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

14 Sec. 25. Chapter one hundred thirty-one (131), section
15 ninety-one (91), subsections two (2) and three (3), Acts of
16 the Sixty-fourth General Assembly, First Session, are amended
17 to read as follows:

18 2. Any provision of the prior laws of this state relating
19 to intoxicating liquors, wine or beer which were in force
20 prior to the enactment of this ~~Act~~ chapter.

21 3. Any provision of the laws of the United States or of
22 any other state relating to intoxicating liquors, wine or
23 beer, and who is thereafter convicted of a subsequent criminal
24 offense against any provision of this ~~Act~~ chapter shall be
25 punished as follows:

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

30 b. For his third and each subsequent conviction, by a
31 fine of not less than one thousand dollars nor more than three
32 thousand dollars and imprisonment in the state penitentiary
33 for not more than three years.

34 Sec. 26. Chapter one hundred thirty-one (131), section
35 ninety-two (92), Acts of the Sixty-fourth General Assembly,

1 First Session, is amended to read as follows:

2 Sec. 92. CIVIL LIABILITY APPLICABLE TO SALE OR GIFT OF
3 BEER, WINE OR INTOXICANTS BY LICENSEES. Every husband, wife,
4 child, parent, guardian, employer or other person who shall
5 be injured in person or property or means of support by any
6 intoxicated person or resulting from the intoxication of any
7 such person, shall have a right of action, severally or jointly
8 against any licensee or permittee who shall sell or give any
9 beer, wine or intoxicating liquor to any such person while
10 he is intoxicated, or serve any such person to a point where
11 such person is intoxicated for all damages actually sustained.

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

16 Sec. 27. Chapter one hundred thirty-one (131), section
17 ninety-five (95), Acts of the Sixty-fourth General Assembly,
18 First Session, is amended to read as follows:

19 Sec. 95. PREMISES MUST BE LICENSED--EXCEPTION AS TO
20 CONVENTIONS AND SOCIAL GATHERINGS. It is unlawful for any
21 person to allow the dispensing or consumption of intoxicating
22 liquor, except ~~sacramental-wines~~ wine and beer, in any
23 establishment unless such establishment is licensed under
24 this Act chapter.

25 However, bona fide conventions or meetings may bring their
26 own legal liquor or wine onto the licensed premises if the
27 liquor or wine is served to delegates or guests without cost.
28 All other provisions of this Act chapter shall be applicable
29 to such premises. The provisions of this section shall have
30 no application to private social gatherings of friends or
31 relatives in a private home or a private place which is not
32 of a commercial nature nor where goods or services may be
33 purchased or sold nor any charge or rent or other thing of
34 value is exchanged for the use of such premises for any purpose
35 other than for sleeping quarters.

1 Sec. 28. Chapter one hundred thirty-one (131), section
2 one hundred twenty-two (122), Acts of the Sixty-fourth Gen-
3 eral Assembly, First Session, is amended to read as follows:

4 Sec. 122. PERMIT OR LICENSE REQUIRED. No person shall
5 manufacture for sale or sell beer or wine at wholesale or
6 retail unless a permit is first obtained as provided in this
7 division or, a liquor control license authorizing the retail
8 sale of beer and wine is first obtained as provided in division
9 I of this Act chapter. No liquor control license holder shall
10 be required to hold a separate class "B" beer permit or to
11 post a separate bond.

12 Sec. 29. Chapter one hundred thirty-one (131), section
13 one hundred twenty-three (123), Acts of the Sixty-fourth Gen-
14 eral Assembly, First Session, is amended to read as follows:

15 Sec. 123. EFFECT ON LIQUOR CONTROL LICENSEES. All appli-
16 cable provisions of this division relating to class "B" beer
17 permits shall apply to liquor control licensees in the purchas-
18 ing, storage, handling, serving, and sale of beer and wine.

19 Sec. 30. Chapter one hundred thirty-one (131), section
20 one hundred twenty-four (124), Acts of the Sixty-fourth Gen-
21 eral Assembly, First Session, is amended to read as follows:

22 Sec. 124. PERMITS--CLASSES. Permits for the manufacture
23 and sale, or sale of beer and wine shall be divided into three
24 classes, and shall be known as either class "A", "B", or "C"
25 permits. A class "A" permit shall allow the holder to
26 manufacture and sell beer and wine at wholesale. The holder
27 of a class "A" permit may manufacture beer of more than four
28 percent of alcohol by weight and sell wine of more than
29 seventeen percent of alcohol by weight for shipment outside
30 this state only. A class "B" permit shall allow the holder
31 to sell beer and wine at retail for consumption on or off
32 the premises. A class "C" permit shall allow the holder to
33 sell beer and wine at retail for consumption off the premises.

34 Sec. 31. Chapter one hundred thirty-one (131), section
35 one hundred thirty (130), Acts of the Sixty-fourth General

1 Assembly, First Session, is amended to read as follows:

2 Sec. 130. AUTHORITY UNDER CLASS "A" PERMIT. Any person
3 holding a class "A" permit issued by the department shall
4 be authorized to manufacture and sell, or sell at wholesale,
5 beer and wine for consumption off the premises, such sales
6 within the state to be made only to persons holding subsist-
7 ing class "A", "B" or "C" permits, or liquor control licenses
8 issued in accordance with the provisions of this Act chapter
9 or as excepted by the provisions of this chapter relating
10 to "native wines". No class "A" permit holder shall allow
11 or grant any discount on wine based on quantity sales to
12 retailers authorized to sell wine.

13 Sec. 32. Chapter one hundred thirty-one (131), section
14 one hundred thirty-one (131), Acts of the Sixty-fourth Gen-
15 eral Assembly, First Session, is amended to read as follows:

16 Sec. 131. AUTHORITY UNDER CLASS "B" PERMIT. Subject to
17 the provisions of this Act chapter, any person holding a class
18 "B" permit shall be authorized to sell beer and wine for
19 consumption on or off the premises. However, unless otherwise
20 provided in this Act chapter, no sale of beer or wine shall
21 be made for consumption on the premises unless the place where
22 such service is made is equipped with tables and seats
23 sufficient to accommodate not less than twenty-five persons
24 at one time.

25 Sec. 33. Chapter one hundred thirty-one (131), section
26 one hundred thirty-two (132), Acts of the Sixty-fourth Gen-
27 eral Assembly, First Session, is amended to read as follows:

28 Sec. 132. AUTHORITY UNDER CLASS "C" PERMIT. Any person
29 holding a class "C" permit shall be allowed to sell beer and
30 wine for consumption off the premises. Such sales shall be
31 in original containers only. No retail permittee authorized
32 to sell wine shall sell such wine for off-premise consumption
33 for less than cost adjusted to the nearest cent. Cost, for
34 the purposes of this section, shall be computed by adding
35 a minimum markup of not less than twenty-two percent of the

1 wholesale invoice price for sales by the class "A" permit
2 holder to retail permittees and licensees for the same product,
3 package or brand in the original shipping carton or case.
4 Deposit charges for the original shipping carton or case,
5 bottles, and containers, shall not be included as part of
6 the cost or included in any computation for determining the
7 minimum retail selling price with respect to wine.

8 The minimum retail selling price of each individual sealed
9 container in an original shipping carton or case shall be
10 computed, to the nearest cent, by dividing the number of
11 sealed containers into the minimum retail selling price.

12 Sec. 34. Chapter one hundred thirty-one (131), section
13 one hundred thirty-three (133), Acts of the Sixty-fourth Gen-
14 eral Assembly, First Session, is amended to read as follows:

15 Sec. 133. SALE ON TRAINS--BOND. Subject to the provi-
16 sions of this Act chapter, any dining car company, sleeping
17 car company, railroad company, or railway company may make
18 application to the director for special class "B" permit,
19 and the director may issue a permit to any such company which
20 shall authorize the holder to keep for sale and sell beer
21 and wine on any dining car, sleeping car, buffet car, or
22 observation car operated by such applicant in, through, or
23 across the state. The application for such permit shall be
24 in such form and contain such information as may be required
25 by the director. Each such permit shall be good throughout
26 the state as a state permit. Only one such permit shall be
27 required for all cars operated in this state by such applicant,
28 but a duplicate of such permit shall be posted in each car
29 in which such beverages are sold; and no further permit shall
30 be required or tax levied for the privilege of selling beer
31 and wine for consumption in such cars. As a condition
32 precedent to the issuing of any such permit, the applicant
33 shall give bond to the department, with good and sufficient
34 sureties thereon to be approved by the director, conditioned
35 upon faithful compliance with the provisions of this Act

1 chapter in the penal sum of one thousand dollars.

2 Sec. 35. Chapter one hundred thirty-one (131), section
3 one hundred thirty-five (135), Acts of the Sixty-fourth Gen-
4 eral Assembly, First Session, is amended by striking the sec-
5 tion and inserting in lieu thereof the following:

6 Sec. 135. BREWERS CERTIFICATE OF COMPLIANCE.

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

25 2. At the time of applying for a certificate of compliance,
26 each applicant shall file with the department a list of all
27 class "A" permittees with whom it intends to do business and
28 shall designate the geographic area in which its products
29 are to be distributed by such permittee. The listing of class
30 "A" permittees and geographic area as filed with the department
31 may be amended from time to time by the holder of a certificate
32 of compliance.

33 3. All class "A" permit holders shall sell only those
34 brands of beer or wine which are manufactured, brewed, bottled,
35 fermented, shipped, or imported by a person holding a current

1 certificate of compliance. Any employee or agent working
2 for or representing the holder of a certificate of compliance
3 within this state shall register his name and address with
4 the department, which names and addresses shall be filed with
5 the department's copy of the certificate of compliance issued
6 excepting that this provision shall not require the listing
7 of those persons who are employed on the premises of a bottling
8 plant, brewery, or winery where beer or wine is manufactured,
9 fermented or bottled in Iowa or to the listing of those persons
10 who are thereafter engaged in the transporting of such beer
11 or wine.

12 4. It shall be unlawful for any holder of a certificate
13 of compliance or his agent, or any class "A" permit holder
14 or his agent, to grant to any retail beer permit holder,
15 directly or indirectly, any rebates, free goods, or quantity
16 discounts on beer or wine which are not uniformly offered
17 to all retail permittees.

18 5. It shall be unlawful for any holder of a certificate
19 of compliance or his agent who is engaged in the business
20 of selling wine to class "A" permittees to discriminate in
21 price, allowance, rebate, refund, commission, discount or
22 service between such class "A" permittees authorized to sell
23 wine at wholesale. The term "discriminate" shall mean the
24 granting of more favorable prices, allowances, rebates,
25 refunds, commissions, discounts or services to one class "A"
26 permit holder than to another.

27 Notwithstanding the terms, provisions or conditions of
28 any agreement between the holder of a certificate of compliance
29 and a class "A" permit holder for the sale and distribution
30 of wine, such agreement or contract shall be for a period
31 of no less than that period covered by the permit of the
32 designated class "A" permittee and such agreement or contract
33 shall not be amended or cancelled during such period without
34 the approval of the director upon good cause shown. In the
35 event that the certificate holder or class "A" beer permittee

1 determines not to renew the contract at the expiration of
2 its term, or that the certificate holder wishes to diminish
3 the geographic territory assigned to a class "A" permit holder,
4 ninety days written notice of such determination shall be
5 given to the other party and a copy thereof remitted to the
6 director. Failure to give such notice shall effect an auto-
7 matic renewal of the contract.

8 The following shall not constitute "good cause" as in this
9 section provided for the termination of a class "A" permit
10 holder or the diminution of his assigned territory by the
11 holder of a certificate of compliance:

12 a. The sole fact that certificate holder desires further
13 sales penetration of the market of its brand or brands.

14 b. The fact that the class "A" permittee is selling other
15 products or other brands of wine.

16 c. The change of executive management of the permit holder
17 unless the certificate holder, having the burden of proof,
18 proves that such change of executive management will be
19 substantially detrimental to the distribution of the
20 certificate holder's brand or brands in such class "A" per-
21 mittee's sales territory.

22 6. Notwithstanding any other penalties provided by this
23 chapter, any holder of a certificate of compliance or any
24 class "A" permit holder who shall violate any of the provisions
25 of this section shall be subject to a fine not to exceed one
26 thousand dollars or be subject to suspension of his certificate
27 or permit for a period not to exceed sixty days or be subject
28 to both such fine and suspension.

29 Sec. 36. Chapter one hundred thirty-one (131), section
30 one hundred thirty-six (136), Acts of the Sixty-fourth Gen-
31 eral Assembly, First Session, as amended by chapter one hundred
32 thirty-two (132), section two (2), Acts of the Sixty-fourth
33 General Assembly, First Session, is amended to read as follows:

34 Sec. 136. BARREL TAX AND WINE TAX.

35 1. In addition to the annual permit fee to be paid by

1 all class "A" permittees under the provisions of this Act
2 chapter there shall be levied and collected from such
3 permittees on all beer manufactured for sale or sold in this
4 state at wholesale and on all beer imported into this state
5 for sale at wholesale and sold in this state at wholesale,
6 a tax of four and thirty-four hundredths dollars for every
7 barrel containing thirty-one gallons, and at a like rate for
8 any other quantity or for the fractional part of a barrel.
9 ~~However, no tax shall be levied or collected on beer shipped~~
10 ~~outside this state by a class "A" permittee or sold by one~~
11 ~~class "A" permittee to another class "A" permittee.~~

12 2. There shall be levied and collected from all class
13 "A" permittees selling wine on all wine manufactured for sale
14 or sold in this state at wholesale and on all wine imported
15 into this state for sale at wholesale and sold in this state
16 at wholesale, and on all native wines sold at retail, a tax
17 of twenty-five cents for every wine gallon, and at the like
18 rate for any other quantity or for the fractional parts of
19 a wine gallon.

20 3. No tax shall be levied or collected on beer or wine
21 shipped outside this state by a class "A" permittee or sold
22 by one class "A" permittee to another class "A" permittee.

23 4. All revenue derived from the barrel and wine tax shall
24 accrue to the state general fund.

25 5. All of the provisions of this Act chapter relating
26 to the administration of the wine tax and the barrel tax on
27 beer shall apply to this section.

28 Sec. 37. Chapter one hundred thirty-one (131), section
29 one hundred thirty-seven (137), Acts of the Sixty-fourth Gen-
30 eral Assembly, First Session, is amended to read as follows:

31 Sec. 137. REPORT OF BARREL SALES--PENALTY. Every person
32 holding a class "A" permit shall on or before the tenth day
33 of each calendar month commencing on the tenth day of the
34 calendar month following the month in which such person is
35 issued a permit, make a report under oath to the department

1 upon forms to be furnished by the department for such purpose
2 showing the exact number of barrels of beer and gallons of
3 wine, or fractional parts thereof, sold by such permit holder
4 during the preceding calendar month. Such report shall also
5 state such information as the director may require, and such
6 permit holders shall at the time of filing said report pay
7 to the department the amount of tax due at the rate fixed
8 in section one hundred thirty-six (136) of this Act chapter.

9 A penalty of ten percent of the amount of the tax shall
10 be added thereto if the report is not filed and the tax paid
11 within the time required by this section.

12 Sec. 38. Chapter one hundred thirty-one (131), section
13 one hundred thirty-nine (139), Acts of the Sixty-fourth Gen-
14 eral Assembly, First Session, is amended to read as follows:

15 Sec. 139. SEPARATE LOCATIONS--CLASS "A". Every class
16 "A" permittee having more than one place of business shall
17 be required to have a separate permit for each separate place
18 of business maintained by such permittee wherein such beer
19 or wine is stored, warehoused, or sold.

20 Sec. 39. Chapter one hundred thirty-one (131), section
21 one hundred forty (140), Acts of the Sixty-fourth General
22 Assembly, First Session, is amended to read as follows:

23 Sec. 140. SEPARATE LOCATIONS--CLASS "B" OR "C". Every
24 person holding a class "B" or class "C" permit having more
25 than one place of business where such beer or wine is sold
26 shall be required to have a separate license for each separate
27 place of business, except as otherwise provided by this Act
28 chapter.

29 Sec. 40. Chapter one hundred thirty-one (131), section
30 one hundred forty-one (141), Acts of the Sixty-fourth Gen-
31 eral Assembly, First Session, is amended to read as follows:

32 Sec. 141. KEEPING LIQUOR WHERE BEER IS SOLD. No alcoholic
33 liquor for beverage purposes shall be used, or kept for any
34 purpose in the place of business of class "B" permittees,
35 or on the premises of such class "B" permittees, at any time.

1 A violation of any provision of this section shall be grounds
2 for suspension or revocation of the permit pursuant to section
3 fifty (50), subsection three (3), of this Act chapter. This
4 section shall not apply in any manner or in any way, to any
5 railway car of any dining car company, sleeping car company,
6 railroad company or railway company, having a special class
7 "B" permit; to the premises of any hotel or motel for which
8 a class "B" permit has been issued, other than that part of
9 such premises regularly used by the hotel or motel for the
10 principal purpose of selling beer, wine or food to the general
11 public; or to drug stores regularly and continuously employing
12 a registered pharmacist, from having alcohol in stock for
13 medicinal and compounding purposes.

14 Sec. 41. Chapter one hundred thirty-one (131), section
15 one hundred forty-two (142), Acts of the Sixty-fourth General
16 Assembly, First Session, is amended to read as follows:

17 Sec. 142. PURCHASE FROM NONPERMIT HOLDER. It shall be
18 unlawful for the holder of any class "B" or class "C" permit
19 issued under the provisions of this Act chapter to sell beer
20 or wine, except beer purchased from a person holding a
21 subsisting class "A" permit issued in accordance with the
22 provisions of this Act chapter, and/or on which the tax
23 provided in section one hundred thirty-six (136) of this Act
24 chapter, and the wine tax as provided in this chapter has
25 been paid. However, the provisions of this section shall
26 not apply to the holders of special class "B" permits issued
27 under section one hundred thirty-three (133) of this Act
28 chapter, for sales in cars engaged in interstate commerce
29 nor to class "D" liquor control licensees as provided in this
30 Act chapter.

31 It shall be unlawful for any person not holding a class
32 "A" permit to import beer or wine into this state for the
33 purpose of sale or resale.

34 Sec. 42. Chapter one hundred thirty-one (131), section
35 one hundred forty-four (144), Acts of the Sixty-fourth Gen-

1 eral Assembly, First Session, is amended to read as follows:
2 Sec. 144. BOTTLING BEER OR WINE. No person shall bottle
3 beer or wine within the state of Iowa for purposes other than
4 for individual consumption in a private home, except class
5 "A" permittees who have complete equipment for bottling beer
6 or wine and who have received the approval of the local board
7 of health as to sanitation, and it shall be the duty of local
8 boards of health to inspect the premises and equipment of
9 class "A" permittees who desire to bottle beer or wine.

10 EXPLANATION

11 This bill provides that wines containing not more than
12 seventeen percent of alcohol by weight be treated as beer
13 sales are presently. It recognizes the difficulties involved
14 in reconciling a state wine sales monopoly with the unique
15 handling and storage requirements of wine, the large variety
16 of types available, and an increasing demand for wine by the
17 public.

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