

Ways and Means 2/10/77 Do Pass 4/27 (p.1259)

SENATE FILE 75 2/8

Ways and Means
Nolting, Chairperson
Shaff
Palmer

Referred Ways & Means 5/20 FILED FEB 1977

SENATE FILE 75

By SENATORS KELLY, PRIEBE,
NOLTING, CARR, TIEDEN,
COLEMAN, MILLER of Des
Moines, GALLAGHER, ROBINSON,
CULVER, DODERER, RUSH,
REDMOND, SCOTT, CALHOON,
SLATER, HULSE, BISENIUS,
READINGER and CRAFT

Failed to pass
Passed Senate, Date 5-4-77 (p.1348) Passed House, Date _____

Vote: Ayes 24 Nays 25 Vote: Ayes _____ Nays _____

Motion to reconsider 5-5 (1373) prevailed 5/20 (1796)
Approved _____

A BILL FOR

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

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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1 Section 1. Section one hundred twenty-three point one
2 (123.1), Code 1977, is amended to read as follows:

3 123.1 PUBLIC POLICY DECLARED. This chapter shall be cited
4 as the "Iowa Beer, Wine and Liquor Control Act", and shall
5 be deemed an exercise of the police power of the state, for
6 the protection of the welfare, health, peace, morals, and
7 safety of the people of the state, and all its provisions
8 shall be liberally construed for the accomplishment of that
9 purpose, ~~and it.~~ It is declared to be public policy that
10 the traffic in alcoholic liquors is so affected with a public
11 interest that it should be regulated to the extent of
12 prohibiting all traffic in them, except as provided in this
13 chapter.

14 Sec. 2. Section one hundred twenty-three point two (123.2),
15 Code 1977, is amended to read as follows:

16 123.2 GENERAL PROHIBITION. It shall be unlawful to manu-
17 facture for sale, sell, offer or keep for sale, possess, or
18 transport alcoholic liquor, wine or beer except upon the
19 terms, conditions, limitations, and restrictions enumerated
20 in this chapter.

21 Sec. 3. Section one hundred twenty-three point three
22 (123.3), subsections four (4), seven (7), eight (8), and ten
23 (10), Code 1977, are amended to read as follows:

24 4. "Local authority" means the city council of any
25 incorporated city in this state, or the county board of
26 supervisors of any county in this state, which is empowered
27 by this chapter to approve or deny applications for retail
28 beer or wine permits and liquor control licenses; empowered
29 to recommend that such permits or licenses be granted and
30 issued by the department; and empowered to take such other
31 actions as are reserved to them by this chapter.

32 7. "Wine" means any beverage containing alcohol obtained
33 by the fermentation of the natural sugar contents of fruits
34 or other agricultural products and containing not more than
35 seventeen percent alcohol by weight.

1 8. "Alcoholic liquor", "alcoholic beverage" or "intoxi-
2 cating liquor" includes the ~~three~~ two varieties of liquor
3 defined in subsections ~~5-6-7-and-7~~ five (5) and six (6),
4 except beer as defined in subsection 9 but including all
5 beverages made as described in such subsection which beverages
6 contain more than four percent of alcohol by weight, and every
7 liquid or solid, patented or not, containing alcohol, spirits,
8 or wine containing more than seventeen percent alcohol by
9 weight, and susceptible of being consumed by a human being,
10 for beverage purposes.

11 10. "Person" means any individual, association, partner-
12 ship, corporation, club, hotel or motel, or municipal corpo-
13 ration owning or operating a bona fide airport, marina, park,
14 coliseum, auditorium, or recreational facility in or at which
15 the sale of alcoholic liquor, wine or beer is only an inci-
16 dental part of such ownership or operation.

17 Sec. 4. Section one hundred twenty-three point three
18 (123.3), subsection eleven (11), paragraph c, Code 1977, is
19 amended to read as follows:

20 c. He or she is not prohibited by the provisions of section
21 123.40 from obtaining a liquor control license, or wine or
22 beer permit.

23 Sec. 5. Section one hundred twenty-three point three
24 (123.3), subsections thirteen (13), seventeen (17), nineteen
25 (19), twenty (20), twenty-five (25), twenty-six (26), twenty-
26 seven (27), and thirty-one (31), Code 1977, are amended to
27 read as follows:

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

31 17. "Distillery", "winery", and "brewery" means not only
32 the premises wherein alcohol or spirits ~~is~~ are distilled,
33 or rectified wine is fermented, or beer is brewed, but in
34 addition means a person owning, representing, or in charge
35 of such premises and the operations conducted thereon,

1 including the blending and bottling or other handling and
2 preparation of alcoholic liquor, wine or beer in any form.

3 19. "Importer" means the person ~~transporting-or-ordering,~~
4 ~~authorizing,-or-arranging~~ who transports or orders, autho-
5 rizes, or arranges the transportation of alcoholic liquor,
6 wine or beer into this state whether such person is a resident
7 of this state or not.

8 20. "Import" means the transporting or ordering or ar-
9 ranging the transportation of alcoholic liquor, wine or beer
10 into this state whether by a resident of this state or not.

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

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

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

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

32 Sec. 6. Section one hundred twenty-three point three
33 (123.3), Code 1977, is amended by adding the following new
34 subsection:

35 NEW SUBSECTION. "Retail wine permit" means a class "B"

1 or class "C" wine permit issued under the provisions of this
2 chapter.

3 Sec. 7. Section one hundred twenty-three point four
4 (123.4), Code 1977, is amended to read as follows:

5 123.4 DEPARTMENT CREATED--PLACE OF BUSINESS. There is
6 hereby created an Iowa beer and liquor control department
7 to administer and enforce the laws of this state concerning
8 beer, wine and alcoholic liquor. The principal place of
9 business of the department shall be in the city of Des Moines,
10 and suitable quarters or offices shall be provided the de-
11 partment in such city by the authority designated by law to
12 provide such quarters or offices to state departments or
13 agencies.

14 Sec. 8. Section one hundred twenty-three point fourteen
15 (123.14), subsections one (1) and three (3), Code 1977, are
16 amended to read as follows:

17 1. The division of beer and liquor law enforcement of
18 the department of public safety, created pursuant to section
19 80.25, shall be the primary beer, wine and liquor law en-
20 forcement authority for this state.

21 3. The division of beer and liquor law enforcement shall
22 ~~be-allowed~~ have full access to all records, reports, audits,
23 tax reports and all other documents and papers in the
24 department pertaining to liquor licensees, wine and beer
25 permittees and their business.

26 Sec. 9. Section one hundred twenty-three point fifteen
27 (123.15), Code 1977, is amended to read as follows:

28 123.15 HEARING BOARD ESTABLISHED. There is hereby created
29 a three-member hearing board for the purpose of conducting
30 departmental hearings relating to controversies concerning
31 the issuance, suspension, or revocation of special liquor
32 permits, liquor control licenses, and wine and beer permits
33 authorized under this chapter. One member shall be appointed
34 by the council from its membership, which member may be peri-
35 odically replaced by appointment of another council member;

1 one member shall be the attorney general or his or her
2 designee; and one member shall be the commissioner of public
3 safety or his or her designee. The hearing board shall
4 establish and adopt rules and procedures for conducting
5 departmental hearings under this chapter.

6 Sec. 10. Section one hundred twenty-three point sixteen
7 (123.16), subsection two (2), paragraph b, Code 1977, is
8 amended to read as follows:

9 b. The granting or refusing of liquor licenses and per-
10 mits, wine and beer permits, and the suspension or revoca-
11 tion of such licenses and permits.

12 Sec. 11. Section one hundred twenty-three point eighteen
13 (123.18), Code 1977, is amended to read as follows:

14 123.18 FAVORS FROM LICENSEE OR PERMITTEE. No person re-
15 sponsible for the administration or enforcement of this chap-
16 ter shall accept or solicit donations, gratuities, political
17 advertising, gifts, or other favors, directly or indirectly,
18 from any liquor control licensee, or wine or beer permittee.
19 A violation of this section shall subject the violator to
20 the general penalties provided by this chapter.

21 Sec. 12. Section one hundred twenty-three point nineteen
22 (123.19), subsection one (1), Code 1977, is amended to read
23 as follows:

24 1. Any manufacturer, distiller, ~~vintner~~, or importer of
25 alcoholic beverages shipping, selling, or having alcoholic
26 beverages brought into this state for resale by the state
27 shall, as a condition precedent to the privilege of so traf-
28 ficking in alcoholic liquors in this state, annually make
29 application for and shall hold a distiller's certificate of
30 compliance which shall be issued by the director for such
31 purpose. No brand of alcoholic liquor shall be sold by the
32 department in this state unless the manufacturer, distiller,
33 ~~vintner~~, importer, and all other persons participating in
34 the distribution of such brand in this state have obtained
35 such certificate. Such certificate of compliance shall ex-

1 pire at the end of one year from the date of issuance and
2 shall be renewed for a like period upon application to the
3 director unless otherwise suspended or revoked for cause.
4 Each application for a certificate of compliance or renewal
5 thereof shall be made in such manner and upon such forms as
6 shall be prescribed by the director and shall be accompanied
7 by a fee of fifty dollars payable to the department. How-
8 ever, the provisions of this subsection need not apply to
9 a manufacturer, distiller, ~~vintner~~, or importer who ships
10 or sells in this state no more than eleven gallons or its
11 case equivalent during any fiscal year as a result of "spe-
12 cial orders" which might be placed, as defined and allowed
13 by departmental rules adopted under this chapter.

14 Sec. 13. Section one hundred twenty-three point twenty-
15 one (123.21), subsections six (6) and ten (10), Code 1977,
16 are amended to read as follows:

17 6. Providing for the ~~issuing~~ issuance and ~~distributing~~
18 distribution of price lists ~~showing~~ which show the price to
19 be paid by purchasers for each brand, class, or variety of
20 liquor kept for sale under this chapter. Provide for the
21 filing or posting of prices charged in sales between class
22 "A" beer and wine permit holders and retailers as provided
23 in this chapter, and establish or control such prices as may
24 be based on minimum standards of fill, quantity, or alcoholic
25 content for each individual sale of intoxicating liquor, wine
26 or beer as deemed necessary for retail or consumer protection.

27 10. Prescribing the time, manner, means, and method by
28 which distillers, ~~vintners~~, vendors, or others authorized
29 under this chapter may deliver or transport alcoholic liquors
30 and prescribing the time, manner, means, and methods by which
31 alcoholic liquor may be lawfully conveyed, carried, or trans-
32 ported.

33 Sec. 14. Section one hundred twenty-three point twenty-
34 two (123.22), unnumbered paragraph one (1), Code 1977, is
35 amended to read as follows:

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

18 Sec. 15. Section one hundred twenty-three point twenty-
19 nine (123.29), subsection four (4), paragraph c, Code 1977,
20 is amended to read as follows:

21 c. That neither the applicant, if he or she is an
22 individual, nor any members of the firm or officers of the
23 corporation, if the applicant is not an individual, has been
24 convicted of any violation of the laws of this state with
25 reference to the sale of alcoholic liquors, wine or beer
26 within the three years preceding the date of the affidavit.

27 Sec. 16. Section one hundred twenty-three point thirty
28 (123.30), subsection three (3), paragraphs a, b, c, and d,
29 Code 1977, are amended to read as follows:

30 a. CLASS "A". A class "A" liquor control license may
31 be issued to a club and shall authorize the holder to pur-
32 chase alcoholic liquors from the department only, and to sell
33 such liquors, wine and beer, to bona fide members and their
34 guests by the individual drink for consumption on the premises
35 only.

1 b. CLASS "B". A class "B" liquor control license may
2 be issued to a hotel or motel and shall authorize the holder
3 to purchase alcoholic liquors from the department only, and
4 to sell such liquors, wine and beer, to patrons by the in-
5 dividual drink for consumption on the premises only, however,
6 wines and beer may also be sold for consumption off the
7 premises. Each such license shall be effective throughout
8 the premises described in the application.

9 c. CLASS "C". A class "C" liquor control license may
10 be issued to a commercial establishment but must be issued
11 in the name of the individual or individuals who actually
12 own the entire business and shall authorize the holder or
13 holders to purchase alcoholic liquors from the department
14 only, and to sell such liquors, wine and beer, to patrons
15 by the individual drink for consumption on the premises only,
16 however, wine and beer may also be sold for consumption off
17 the premises.

18 d. CLASS "D". A class "D" liquor control license may
19 be issued to a railway corporation, to an air common carrier,
20 and to passenger-carrying boats or ships for hire with a ca-
21 pacity of twenty-five persons or more operating in inland
22 or boundary waters, and shall authorize the holder to sell
23 or furnish alcoholic beverages, wine and beer to passengers
24 for consumption only on trains, watercraft as described here-
25 in, or aircraft, respectively. Each such license shall be
26 valid throughout the state as a state license. Only one such
27 license shall be required for all trains, watercraft, or air-
28 craft operated in the state by the licensee.

29 Sec. 17. Section one hundred twenty-three point thirty-
30 two (123.32), subsections one (1), two (2), and four (4),
31 Code 1977, are amended to read as follows:

32 1. FILING OF APPLICATION. An application for a class
33 "A", class "B", or class "C" liquor control license, and for
34 a retail beer permit as provided in sections 123.128 and
35 123.129, or for a retail wine permit as provided in this

1 chapter, accompanied by the required fee and bond, shall be
2 filed with the appropriate city council if the premises for
3 which the license or permit is sought are located within the
4 corporate limits of a city, or with the board of supervi-
5 sors if the premises for which the license or permit is sought
6 are located outside the corporate limits of a city. An
7 application for a class "D" liquor control license and for
8 a class "A" beer or wine permit, accompanied by the required
9 fee and bond, shall be filed with the department, which shall
10 proceed in the same manner as in the case of an application
11 approved by local authorities.

12 2. ACTION BY LOCAL AUTHORITIES. The local authority shall
13 either approve or disapprove the issuance of a liquor control
14 license or retail wine or beer permit, and shall endorse such
15 approval or disapproval on the application and shall for-
16 ward the same along with the required fee and bond to the
17 department. Upon the initial issuance of a liquor control
18 license or retail beer or wine permit, the fact that the local
19 authority determines that no liquor control license or retail
20 beer or wine permit shall be issued shall not be held to be
21 arbitrary, capricious, or without reasonable cause. There
22 shall be no limit upon the number of liquor control licenses
23 or retail beer or wine permits which may be approved for issu-
24 ance by local authorities.

25 4. APPEAL TO HEARING BOARD. Any applicant for a liquor
26 control license, or a wine or beer permit may appeal from
27 the director's disapproval of an application for a license
28 or permit to the department hearing board, established pursuant
29 to section 123.157-~~from the director's disapproval of an~~
30 ~~application for a license or permit~~. If, upon such appeal
31 the hearing board ~~shall~~ should determine that the local
32 authority acted arbitrarily, capriciously, or without
33 reasonable cause in disapproving the application, or that,
34 where the local authority approved the application, the
35 director's own disapproval should be reversed, it shall order

1 issuance of a license or permit. The same right of appeal
2 to the hearing board shall be afforded a liquor control
3 licensee, or a wine or beer permittee whose license or permit
4 has been suspended or revoked under this chapter, and the
5 hearing board shall reduce the period of suspension or order
6 reinstatement of such license or permit for good cause shown.

7 Sec. 18. Section one hundred twenty-three point thirty-
8 three (123.33), Code 1977, is amended to read as follows:

9 123.33 RECORDS. Every holder of a liquor control license
10 shall keep a daily record of the gross receipts of his or
11 her business. Each bottle emptied, except beer or wine
12 bottles, shall be broken immediately by the licensee or his
13 or her agent into a container provided for that purpose.
14 The records herein required and the premises of the licensee
15 shall be open to agents of the division of beer and liquor
16 law enforcement of the department of public safety, during
17 normal business hours of the licensee.

18 Sec. 19. Section one hundred twenty-three point thirty-
19 four (123.34), Code 1977, is amended to read as follows:

20 123.34 EXPIRATION--SEASONAL LICENSE OR PERMIT. All li-
21 quor control licenses, and wine and beer permits, unless
22 sooner suspended or revoked, shall expire one year from date
23 of issuance. The director shall cause sixty days' notice
24 of such expiration to be given to each licensee or permittee
25 in writing. However, the director may issue six-month or
26 eight-month seasonal licenses or class "B" beer or wine permits
27 for a proportionate part of the license or permit fee. No
28 refund shall be made for seasonal licenses or permits. No
29 seasonal license or permit shall be renewed except after a
30 period of two months.

31 Sec. 20. Section one hundred twenty-three point thirty-
32 five (123.35), Code 1977, is amended to read as follows:

33 123.35 SIMPLIFIED RENEWAL PROCEDURE. The director shall
34 prescribe simplified application forms for the renewal of
35 liquor control licenses, and wine and beer permits issued

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

10 Such application, accompanied by the required fee and bond,
11 shall be filed in the same manner as is provided for filing
12 the initial application.

13 Sec. 21. Section one hundred twenty-three point thirty-
14 six (123.36), subsection two (2), Code 1977, is amended to
15 read as follows:

16 2. Class "A" liquor control licenses, the sum of six hun-
17 dred dollars, except that for class "A" licenses in cities
18 of less than two thousand population, and for clubs of less
19 than two hundred fifty members, the license fee shall be four
20 hundred dollars; however, the fee shall be two hundred dol-
21 lars for any club which is a post, branch, or chapter of a
22 veterans organization chartered by the Congress of the United
23 States, if such club does not sell or permit the consumption
24 of alcoholic beverages or beer or wine on the premises more
25 than one day in any week, and if the application for a license
26 states that such club does not and will not sell or permit
27 the consumption of alcoholic beverages or beer or wine on
28 the premises more than one day in any week.

29 Sec. 22. Section one hundred twenty-three point thirty-
30 seven (123.37), Code 1977, is amended to read as follows:

31 123.37 POWER TO LICENSE AND LEVY TAXES. The power to
32 establish licenses and permits and levy taxes as imposed in
33 title VI of the Code is vested exclusively with the state.
34 Unless specifically provided, no local authority shall levy
35 a local tax on the sale of alcoholic beverages, wine or beer,

1 require the obtaining of a special license or permit for such
2 sale on any establishment, or require the obtaining of a li-
3 cense by any person as a condition precedent to his employ-
4 ment in the sale, serving, or handling of alcoholic beverages,
5 or wine or beer within an establishment operating under a
6 license or permit.

7 Sec. 23. Section one hundred twenty-three point thirty-
8 eight (123.38), unnumbered paragraphs one (1) and two (2),
9 Code 1977, are amended to read as follows:

10 A special liquor permit, liquor control license, or wine
11 or beer permit shall be a purely personal privilege and be
12 revocable for cause. It shall not constitute property nor
13 be subject to attachment and execution nor be alienable nor
14 assignable, and in any case it shall cease upon the death
15 of the permittee or licensee. However, the director may in
16 his or her discretion allow the executor or administrator
17 of a permittee or licensee to operate the business of the
18 decedent for a reasonable time not to exceed the expiration
19 date of the permit or license. Every permit or license shall
20 be issued in the name of the applicant and no person holding
21 a permit or license shall allow any other person to use the
22 same.

23 Any such licensee or permittee, or his or her executor,
24 administrator, or any person duly appointed by the court to
25 take charge of and administer the property or assets of the
26 licensee or permittee for the benefit of his or her creditors,
27 may voluntarily surrender such license or permit to the depart-
28 ment ~~and when.~~ When so surrendered the department shall
29 notify the local authority, and the department ~~and or~~ or such
30 local authority, ~~or the local authority by itself in the case~~
31 ~~of a retail beer permit,~~ or both. The department shall refund
32 to the person so surrendering the license or permit, a
33 proportionate amount of ~~the~~ any fee paid received by the
34 department or that local authority for such license or permit
35 as follows: If surrendered during the first three months of

1 the period for which said license or permit was issued, the
2 refund shall be three-fourths of the amount of the fee; if
3 surrendered more than three months but not more than six
4 months after issuance, the refund shall be one-half of the
5 amount of the fee; if surrendered more than six months but
6 not more than nine months after issuance, the refund shall
7 be one-fourth of the amount of the fee. No refund shall be
8 made, however, for any special liquor permit, nor for a liquor
9 control license, or wine or beer permit surrendered more than
10 nine months after issuance. For purposes of this paragraph,
11 any portion of license or permit fees deposited in the county
12 mental health and institutions fund shall not be deemed
13 received either by the department or by a local authority.
14 No refund shall be made to any licensee or permittee, upon
15 the surrender of his or her license or permit, if there is
16 at the time of said surrender a complaint filed with the
17 department or local authority, charging ~~him~~ the person with
18 a violation of the provisions of this chapter. If upon a
19 hearing on any such complaint the license or permit is not
20 revoked or suspended, then the licensee or permittee shall
21 be eligible, upon surrender of ~~his~~ the license or permit,
22 to receive a refund as herein provided. ~~---But;~~ but if ~~his~~ the
23 license or permit is revoked or suspended upon such hearing
24 ~~he~~ the licensee or permittee shall not be eligible for the
25 refund of any portion of ~~his~~ the license or permit fee.

26 Sec. 24. Section one hundred twenty-three point thirty-
27 nine (123.39), Code 1977, is amended to read as follows:

28 123.39 SUSPENSION OR REVOCATION OF LIQUOR LICENSE, OR
29 WINE OR BEER PERMIT. Any liquor control license, or wine
30 or beer permit issued under this chapter may, after notice
31 in writing to the license or permit holder and reasonable
32 opportunity for hearing, and subject to section 123.50 where
33 applicable, be suspended for a period not to exceed one year
34 or revoked by the local authority or the director for any
35 of the following causes:

- 1 1. Misrepresentation of any material fact in the appli-
- 2 cation for such license or permit.
- 3 2. Violation of any of the provisions of this chapter.
- 4 3. Any change in the ownership or interest in the busi-
- 5 ness operated under a class "A", class "B", or class "C" li-
- 6 quor control license, or any wine or beer permit, which change
- 7 was not previously reported to and approved by the local
- 8 authority and the department.
- 9 4. An event which would have resulted in disqualification
- 10 from receiving such license or permit when originally issued.
- 11 5. Any sale, hypothecation, or transfer of such license
- 12 or permit.
- 13 6. The failure or refusal on the part of any licensee
- 14 or permittee to render any report or remit any taxes to the
- 15 department under this chapter when due.
- 16 Local authorities shall have the power to suspend any re-
- 17 tail wine or beer permit or liquor control license for a
- 18 violation of any ordinance or regulation adopted by such lo-
- 19 cal authority. Local authorities are empowered to adopt or-
- 20 dinances or regulations for the location of the premises of
- 21 retail wine or beer and liquor control licensed establish-
- 22 ments and local authorities are empowered to adopt ordinances,
- 23 not in conflict with the provisions of this chapter and that
- 24 do not diminish the hours during which beer, wine or alcoholic
- 25 beverages may be sold or consumed at retail, governing any
- 26 other activities or matters which may affect the retail sale
- 27 and consumption of beer, wine and alcoholic liquor and the
- 28 health, welfare and morals of the community involved.
- 29 Sec. 25. Section one hundred twenty-three point forty
- 30 (123.40), Code 1977, is amended to read as follows:
- 31 123.40 EFFECT OF REVOCATION. Any liquor control licensee,
- 32 or wine or beer permittee whose license or permit is revoked
- 33 under this chapter shall not thereafter be permitted to hold
- 34 a liquor control license, or wine or beer permit in the state
- 35 of Iowa for a period of two years from the date of such

1 revocation. The spouse and business associates holding ten
2 percent or more of the capital stock or ownership interest
3 in the business of a person whose license or permit has been
4 revoked shall not be issued a liquor control license, or wine
5 or beer permit, and no liquor control license, or wine or
6 beer permit shall be issued which covers any business in which
7 such person has a financial interest for a period of two years
8 from the date of such revocation. In the event a license
9 or permit is revoked, the premises which had been covered
10 by such license or permit shall not be relicensed for one
11 year.

12 Sec. 26. Section one hundred twenty-three point forty-
13 four (123.44), Code 1977, is amended to read as follows:

14 123.44 GIFT OF LIQUORS PROHIBITED. No manufacturer or
15 wholesaler shall give away any alcoholic liquor of any kind
16 or description at any time in connection with his business
17 except for testing or sampling purposes only. No manufac-
18 turer, vintner, wholesaler, or importer, organized as a cor-
19 poration pursuant to the laws of this state or any other
20 state, and who deals in alcoholic liquor, wine or beer subject
21 to this chapter shall offer or give anything of value to any
22 council member, official or employee of the department, or
23 directly or indirectly contribute in any manner any money
24 or thing of value to any person seeking a public or appoint-
25 ive office or any recognized political party or a group of
26 persons seeking to become a recognized political party.

27 Sec. 27. Section one hundred twenty-three point forty-
28 five (123.45), Code 1977, is amended to read as follows:

29 123.45 INTEREST IN ~~LIQUOR~~ REGULATED BUSINESS. ~~No~~ A council
30 member or department ~~employee~~ employees shall not, directly
31 or indirectly, individually, or as a member of a partnership
32 or as shareholder in a corporation, have any interest in
33 dealing in or in the manufacture of alcoholic liquor, wine
34 or beer ~~nor~~. Council members and department employees shall
35 not receive any kind of profit ~~nor~~ and shall not have any

1 interest in the purchase or sale of alcoholic liquor, wine
2 or beer by persons so authorized under this chapter except
3 that this provision shall not prevent any such member or
4 employee from lawfully purchasing and keeping alcoholic liquor,
5 wine or beer in his possession for personal use.

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

24 Sec. 28. Section one hundred twenty-three point forty-
25 six (123.46), Code 1977, is amended to read as follows:

26 123.46 CONSUMPTION IN PUBLIC PLACES--INTOXICATION. It
27 is unlawful for any person to use or consume alcoholic li-
28 quors, wine or beer upon the public streets or highways, or
29 alcoholic liquors in any public place, except premises cov-
30 ered by a liquor control license, or to possess or consume
31 alcoholic liquors, wine or beer on any public school prop-
32 erty or while attending any public or private school related
33 functions, and no person shall be intoxicated nor simulate
34 intoxication in a public place. As used in this section
35 "school" means a school or that portion thereof, which pro-

1 vides teaching for any grade from kindergarten through grade
2 twelve. Any person violating any provisions of this section
3 shall be guilty of a simple misdemeanor and shall be fined
4 not to exceed one hundred dollars or sentenced not to exceed
5 thirty days in the county jail.

6 Sec. 29. Section one hundred twenty-three point forty-
7 seven (123.47), Code 1977, is amended to read as follows:

8 123.47 PERSONS UNDER LEGAL AGE. No person shall sell,
9 give, or otherwise supply alcoholic liquor, wine or beer to
10 any person knowing or having reasonable cause to believe him
11 or her to be under legal age, and no person or persons under
12 legal age shall individually or jointly have alcoholic liquor,
13 wine or beer in his or her or their possession or control;
14 except in the case of liquor, wine or beer given or dispensed
15 to a person under legal age within a private home and with
16 the knowledge and consent of the parent or guardian for
17 beverage or medicinal purposes or as administered to him or
18 her by either a physician or dentist for medicinal purposes
19 and except to the extent that a person under legal age may
20 handle alcoholic beverages, wine and beer during the regular
21 course of his or her employment by a liquor control licensee,
22 or wine or beer permittee under this chapter.

23 Sec. 30. Section one hundred twenty-three point forty-
24 nine (123.49), subsections one (1), two (2), and three (3),
25 Code 1977, are amended to read as follows:

26 1. No person shall sell, dispense, or give to any intoxi-
27 cated person, or one simulating intoxication, any alcoholic
28 liquor, wine or beer.

29 2. No person or club holding a liquor control license
30 or retail wine or beer permit under this chapter, nor his
31 or her agents or employees, shall do any of the following:

32 a. Knowingly permit any gambling, except in accordance
33 with chapter 99B, or knowingly permit solicitation for immoral
34 purposes, or immoral or disorderly conduct on the premises
35 covered by the license or permit.

1 b. Sell or dispense any alcoholic beverage, wine or beer
2 on the premises covered by the license or permit, or permit
3 the consumption thereon between the hours of two a.m. and
4 six a.m. on any weekday, and between the hours of two a.m.
5 on Sunday and six a.m. on the following Monday, however, a
6 holder of a liquor control license or class "B" beer permit
7 granted the privilege of selling alcoholic liquor, wine or
8 beer on Sunday may sell or dispense such liquor, wine or beer
9 between the hours of noon and ten p.m. on Sunday.

10 c. Sell alcoholic beverages, wine or beer to any person
11 on credit, except with a bona fide credit card. This provi-
12 sion shall not apply to sales by a club to its members nor
13 to sales by a hotel or motel to bona fide registered guests.

14 d. Keep on any premises covered by a liquor control li-
15 cense any alcoholic liquor in any container except the orig-
16 inal package purchased from the department, except still wines
17 placed in dispensing or serving containers for temporary stor-
18 age, and except mixed drinks or cocktails mixed on the prem-
19 ises for immediate consumption. This prohibition shall not
20 apply to common carriers holding a class "D" liquor control
21 license.

22 e. Reuse for packaging alcoholic liquor any container
23 or receptacle used originally for packaging alcoholic liquor;
24 or adulterate, by the addition of any substance, the contents
25 or remaining contents of an original package of alcoholic
26 liquor; or knowingly possess any original package which has
27 been so reused or adulterated.

28 f. Any Employ any person under legal age ~~shall not be~~
29 employed in the sale or serving of alcoholic liquor, wine
30 or beer for consumption on the premises where sold.

31 g. Allow any person other than the licensee, permittee,
32 or employees of such licensee or permittee, to use or keep
33 on the licensed premises any alcoholic liquor in any bottle
34 or other container which is designed for the transporting
35 of such beverages, except as permitted in section 123.95.

1 This paragraph shall not apply to the lodging quarters of
2 a class "B" liquor control licensee or wine or beer permittee,
3 or to common carriers holding a class "D" liquor control
4 license.

5 h. Sell, give, or otherwise supply any alcoholic beverage,
6 wine or beer to any person, knowing or having reasonable cause
7 to believe ~~him~~ that person to be under legal age, or permit
8 any person knowing or having reasonable cause to believe ~~him~~
9 that person to be under legal age, to consume any alcoholic
10 beverage, wine or beer.

11 i. In the case of a retail beer or wine permittee, know-
12 ingly allow the mixing or adding of alcohol or any alcoholic
13 beverage to beer or wine or any other beverage in or about
14 his place of business.

15 3. No person under legal age shall misrepresent his or
16 her age for the purpose of purchasing or attempting to pur-
17 chase any alcoholic beverage, wine or beer from any licensee
18 or permittee. If any person under legal age shall misrepre-
19 sent his or her age, and the licensee or permittee establishes
20 that ~~he-made~~ a reasonable inquiry was made to determine whether
21 such prospective purchaser was over legal age, such licensee
22 or permittee shall not be guilty of selling alcoholic liquor,
23 wine or beer to minors.

24 Sec. 31. Section one hundred twenty-three point fifty
25 (123.50), subsections two (2) and three (3), Code 1977, are
26 amended to read as follows:

27 2. The conviction of any liquor control licensee, or wine
28 or beer permittee for a violation of any of the provisions
29 of section 123.49 shall, subject to subsection 3 of this sec-
30 tion, be grounds for the suspension or revocation of the li-
31 cense or permit by the department or the local authority.
32 However, if any liquor control licensee is convicted of any
33 violation of subsection 2, paragraphs "a", "d" or "e", of
34 such section, or any wine or beer permittee is convicted of
35 a violation of paragraph "a", the liquor control license,

1 or wine or beer permit shall be revoked and shall immediately
2 be surrendered by the holder, and the bond of the license
3 or permit holder shall be forfeited to the department.

4 3. If any licensee, wine or beer permittee, or employee
5 of such licensee or permittee ~~shall~~ should be convicted of
6 a violation of section 123.49, subsection 2, paragraph "h",
7 or if a retail wine or beer permittee ~~shall~~ should be convicted
8 of a violation of paragraph "i" of such subsection, the
9 director or local authority shall, in addition to the other
10 penalties fixed for such violations by this section, assess
11 a penalty as follows:

12 a. Upon a first conviction, the violator's liquor con-
13 trol license, or wine or beer permit shall be suspended for
14 a period of fourteen days.

15 b. Upon a second conviction within a period of two years,
16 the violator's liquor control license, or wine or beer permit
17 shall be suspended for a period of thirty days.

18 c. Upon a third conviction within a period of five years,
19 the violator's liquor control license, or wine or beer permit
20 shall be suspended for a period of sixty days.

21 d. Upon a fourth conviction within a period of five years,
22 the violator's liquor control license, or wine or beer permit
23 shall be revoked.

24 Sec. 32. Section one hundred twenty-three point fifty-
25 six (123.56), Code 1977, is amended by striking the section
26 and inserting in lieu thereof the following:

27 123.56 NATIVE WINES. Subject to rules and regulations
28 of the department, manufacturers of native wines from grapes,
29 cherries, other fruit juices, or honey holding a class "A"
30 wine permit as required by this chapter may sell, keep, or
31 offer for sale and deliver the same. Such sales may be made
32 at retail for off-premises consumption when sold on the prem-
33 ises of the manufacturer.

34 A manufacturer of native wines shall not sell such wines
35 otherwise than as permitted in this chapter or allow any wine

1 so sold to be consumed upon the premises of such manufacturer.
2 However, native wines may be sampled when no charge is made
3 therefor on the premises where made prior to sale. Any per-
4 son may manufacture native wine for consumption on his or
5 her own premises when such wine or any part thereof is not
6 manufactured for sale.

7 For the purposes of this section "manufacturer" includes
8 only those persons who process the fruit or honey by fer-
9 mentation into wines in Iowa.

10 Sec. 33. Section one hundred twenty-three point fifty-
11 nine (123.59), Code 1977, is amended to read as follows:

12 123.59 BOOTLEGGING. Any person who, by himself or herself,
13 or through another acting for him or her, shall keep or carry
14 on his person, or in a vehicle, or leave in a place for another
15 to secure, any alcoholic liquor, wine or beer with intent
16 to sell or dispense of such liquor, wine or beer by gift or
17 otherwise in violation of law, or who shall, within this
18 state, in any manner, directly or indirectly, solicit, take,
19 or accept any order for the purchase, sale, shipment, or
20 delivery of such alcoholic liquor, wine or beer in violation
21 of law, or aid in the delivery and distribution of any
22 alcoholic liquor, wine or beer so ordered or shipped, or who
23 shall in any manner procure for, sell, or give any alcoholic
24 liquor, wine or beer to any person under legal age, for any
25 purpose except as authorized and permitted in this chapter,
26 shall be a bootlegger and shall be subject to the general
27 penalties provided by this chapter.

28 Sec. 34. Section one hundred twenty-three point sixty
29 (123.60), Code 1977, is amended to read as follows:

30 123.60 NUISANCES. The premises where the unlawful manu-
31 facture or sale, or keeping with intent to sell, use or give
32 away, of alcoholic liquors, wine or beer is carried on, and
33 any vehicle or other means of conveyance used in transport-
34 ing such liquor, wine or beer in violation of law, and the
35 furniture, fixtures, vessels and contents, kept or used in

1 connection with such activities are nuisances and shall be
2 abated as provided in this chapter.

3 Sec. 35. Section one hundred twenty-three point seventy-
4 one (123.71), Code 1977, is amended to read as follows:

5 123.71 CONDITIONS. In no case shall a bootlegger injunc-
6 tion proceeding, as provided in this chapter, be maintained
7 unless it be shown to the court that efforts in good faith
8 have been made to discover the base of supplies or place where
9 the defendant charged as a bootlegger conducts his unlawful
10 business or receives or manufactures the alcoholic liquor,
11 wine or beer, of which he is charged with bootlegging.

12 Sec. 36. Section one hundred twenty-three point seventy-
13 two (123.72), Code 1977, is amended to read as follows:

14 123.72 ORDER OF ABATEMENT. If the existence of a nuisance
15 is established in a civil or criminal action, an order of
16 abatement shall be entered as a part of the judgment in the
17 case. Such order shall direct the confiscation of all alco-
18 holic liquor, wine or beer by the state; the removal from
19 the premises involved of all fixtures, furniture, vessels,
20 or movable property used in any way in conducting the unlaw-
21 ful business; the sale of all such removed property as well
22 as any vehicle or other means of conveyance which has been
23 abated, such sale to be conducted in the manner provided for
24 the sale of chattels under execution; and the effective clos-
25 ing of the premises against use for the purpose of manufac-
26 ture, sale, or consumption of alcoholic liquor, wine or beer
27 for a period of one year, unless sooner released by the court.

28 Sec. 37. Section one hundred twenty-three point eighty-
29 one (123.81), Code 1977, is amended to read as follows:

30 123.81 FORFEITURE OF BOND. If the owner of a property
31 who has filed an abatement bond as provided in this chapter
32 fails to abate the liquor, wine or beer nuisance on the prem-
33 ises covered by the bond, or fails to prevent the mainte-
34 nance of any liquor, wine or beer nuisance on said premises
35 at any time within a period of one year after entry of the

1 abatement order, the court shall, after a hearing in which
2 such fact is established, direct an entry of such violation
3 of the terms of the owner's bond, to be made on the record
4 and the undertaking of his or her bond thereupon forfeited.

5 Sec. 38. Section one hundred twenty-three point eighty-
6 four (123.84), Code 1977, is amended to read as follows:

7 123.84 JUDGMENT. If the court after a hearing finds a
8 liquor, wine or beer nuisance has been maintained on the prem-
9 ises covered by the abatement bond and that liquor, wine or
10 beer has been sold or kept for sale on the premises contrary
11 to law within one year from the date of the giving of such
12 bond, then the court shall order the forfeiture of the bond
13 and enter judgment for the full amount of such bond against
14 the principal and sureties thereof, and the lien on the real
15 estate created pursuant to section 123.79 shall be decreed
16 foreclosed and the court shall provide for a special and
17 general execution for the enforcement of such decree and
18 judgment.

19 Sec. 39. Section one hundred twenty-three point ninety-
20 two (123.92), Code 1977, is amended to read as follows:

21 123.92 CIVIL LIABILITY APPLICABLE TO SALE OR GIFT OF BEER,
22 WINE OR INTOXICANTS BY LICENSEES. Every husband, wife, child,
23 parent, guardian, employer or other person who shall be in-
24 jured in person or property or means of support by any in-
25 toxicated person or resulting from the intoxication of any
26 such person, shall have a right of action for all damages
27 actually sustained, severally or jointly against any licensee
28 or permittee who shall sell or give any beer, wine or
29 intoxicating liquor to any such person while he or she is
30 intoxicated, or serve any such person to a point where such
31 person is intoxicated ~~for-all-damages-actually-sustained~~.

32 Every liquor control licensee and class "B" beer or wine
33 permittee shall furnish proof of financial responsibility
34 either by the existence of a liability insurance policy or
35 by posting bond in such amount as determined by the depart-

1 ment.

2 Sec. 40. Section one hundred twenty-three point ninety-
3 five (123.95), Code 1977, is amended to read as follows:

4 123.95 PREMISES MUST BE LICENSED--EXCEPTION AS TO CONVEN-
5 TIONS AND SOCIAL GATHERINGS. It is unlawful for any person
6 to allow the dispensing or consumption of intoxicating li-
7 quor, except sacramental wines, and wine and beer, in any
8 establishment unless such establishment is licensed under
9 this chapter.

10 However, bona fide conventions or meetings may bring their
11 own legal liquor onto the licensed premises if the liquor
12 is served to delegates or guests without cost. All other
13 provisions of this chapter shall be applicable to such prem-
14 ises. The provisions of this section shall have no appli-
15 cation to private social gatherings of friends or relatives
16 in a private home or a private place which is not of a com-
17 mercial nature nor where goods or services may be purchased
18 or sold nor any charge or rent or other thing of value is
19 exchanged for the use of such premises for any purpose other
20 than for sleeping quarters.

21 Sec. 41. Section one hundred twenty-three point one hun-
22 dred twenty-one (123.121), Code 1977, is amended to read as
23 follows:

24 123.121 VENUE. In any prosecution under this chapter
25 for the unlawful sale of alcoholic liquor, wine or beer, or
26 for a sale of alcoholic liquor, wine or beer which requires
27 a shipment or delivery of such liquor, wine or beer, shall
28 be deemed to be made in the county in which such delivery
29 is made by the carrier to the consignee, his agent, or
30 employee.

31 In any prosecution under this chapter for the unlawful
32 transportation of intoxicating liquor, the offense shall be
33 held to have been committed in any county in which such li-
34 quor is received for transportation, through which it is
35 transported, or in which it is delivered.

1 Sec. 42. Section one hundred twenty-three point one hun-
2 dred twenty-two (123.122), Code 1977, is amended to read as
3 follows:

4 123.122 PERMIT OR LICENSE REQUIRED. ~~No person shall~~ It
5 shall be unlawful to manufacture for sale or sell beer or
6 wine at wholesale or retail unless a permit is first obtained
7 as provided in this division or, a liquor control license
8 authorizing the retail sale of beer or wine or both is first
9 obtained as provided in division I of this chapter. No liquor
10 control license holder shall be required to hold a separate
11 class "B" beer or wine permit or to post a separate bond.

12 Sec. 43. Section one hundred twenty-three point one hun-
13 dred twenty-three (123.123), Code 1977, is amended to read
14 as follows:

15 123.123 EFFECT ON LIQUOR CONTROL LICENSEES. All appli-
16 cable provisions of this division relating to class "B" beer
17 or wine permits shall apply to liquor control licensees in
18 the purchasing, storage, handling, serving, and sale of beer
19 or wine.

20 Sec. 44. Section one hundred twenty-three point one hun-
21 dred twenty-four (123.124), Code 1977, is amended by adding
22 the following new unnumbered paragraph:

23 NEW UNNUMBERED PARAGRAPH. Permits for the manufacture
24 and sale of wine, or sale of wine, shall also be divided into
25 three classes, and shall be known as either class "A", "B",
26 or "C" wine permits. Except as provided in section one hundred
27 twenty-three point fifty-six (123.56) of the Code, a class
28 "A" wine permit shall allow the holder to manufacture and
29 sell wine at wholesale. All applicants for a class "A" wine
30 permit shall be residents of the state of Iowa for a period
31 of at least two consecutive years immediately prior to making
32 application therefor. If such applicant is a corporation
33 or partnership, the two-year residency requirement shall apply
34 to each of the officers, directors, and partners of such
35 applicant. The holder of a class "A" wine permit may

1 manufacture wine of more than seventeen percent alcohol by
2 weight for shipment outside the state only or for sale to
3 the Iowa beer and liquor control department. A class "B"
4 wine permit shall allow the holder to sell wine at retail
5 for consumption on or off the premises. A class "C" wine
6 permit shall allow the holder to sell wine at retail for
7 consumption off the premises.

8 Sec. 45. Section one hundred twenty-three point one hun-
9 dred twenty-five (123.125), Code 1977, is amended to read
10 as follows:

11 123.125 ISSUANCE OF PERMITS. The director shall issue
12 class "A", "B", and "C" beer permits or wine permits and may
13 suspend or revoke such permits for cause as provided in this
14 chapter.

15 Sec. 46. Section one hundred twenty-three point one hun-
16 dred twenty-six (123.126), Code 1977, is amended to read as
17 follows:

18 123.126 PROHIBITED INTEREST. It shall be unlawful for
19 any person or persons to be either directly or indirectly
20 interested in more than one class of beer or one class of
21 wine permit.

22 Sec. 47. Section one hundred twenty-three point one hun-
23 dred twenty-nine (123.129), subsection five (5), Code 1977,
24 is amended to read as follows:

25 5. States the number of square feet of interior floor
26 space which comprises the retail sales area of the premises
27 for which the permit is sought except that this provision
28 shall not be necessary or applicable in obtaining a class
29 "C" wine permit.

30 Sec. 48. Section one hundred twenty-three point one hun-
31 dred thirty (123.130), Code 1977, is amended to read as fol-
32 lows:

33 123.130 AUTHORITY UNDER CLASS "A" PERMIT. Any person
34 holding a class "A" permit issued by the department shall
35 be authorized to manufacture and sell, or sell at wholesale,

1 beer or wine as the case may be for consumption off the prem-
2 ises, such sales within the state to be made only to per-
3 sons holding subsisting class "A", "B" or "C" permits, or
4 liquor control licenses issued in accordance with the provi-
5 sions of this chapter.

6 Sec. 49. Section one hundred twenty-three point one hun-
7 dred thirty-one (123.131), Code 1977, is amended to read as
8 follows:

9 123.131 AUTHORITY UNDER CLASS "B" PERMIT. Subject to
10 the provisions of this chapter, any person holding a class
11 "B" permit shall be authorized to sell beer or wine as the
12 case may be for consumption on or off the premises. However,
13 unless otherwise provided in this chapter, no sale of beer
14 or wine shall be made for consumption on the premises unless
15 the place where such service is made is equipped with tables
16 and seats sufficient to accommodate not less than twenty-five
17 persons at one time.

18 Sec. 50. Section one hundred twenty-three point one hun-
19 dred thirty-two (123.132), Code 1977, is amended to read as
20 follows:

21 123.132 AUTHORITY UNDER CLASS "C" PERMIT. Any person
22 holding a class "C" permit shall be allowed to sell beer or
23 wine as the case may be for consumption off the premises.
24 Such sales shall be in original containers only.

25 Sec. 51. Section one hundred twenty-three point one hun-
26 dred thirty-three (123.133), Code 1977, is amended to read
27 as follows:

28 123.133 SALE ON TRAINS--BOND. Subject to the provisions
29 of this chapter, any dining car company, sleeping car company,
30 railroad company, or railway company may make application
31 to the director for special class "B" permit, and the director
32 may issue a permit to any such company which shall authorize
33 the holder to keep for sale and sell beer or wine as the case
34 may be on any dining car, sleeping car, buffet car, or
35 observation car operated by such applicant in, through, or

1 across the state. The application for such permit shall be
2 in such form and contain such information as may be required
3 by the director. Each such permit shall be good throughout
4 the state as a state permit. Only one such permit shall be
5 required for all cars operated in this state by such applicant,
6 but a duplicate of such permit shall be posted in each car
7 in which such beverages are sold; and no further permit shall
8 be required or tax levied for the privilege of selling beer
9 and wine for consumption in such cars. As a condition
10 precedent to the ~~issuing~~ issuance of any such permit, the
11 applicant shall give bond to the department, with good and
12 sufficient sureties thereon to be approved by the director,
13 conditioned upon faithful compliance with the provisions of
14 this chapter in the penal sum of one thousand dollars.

15 Sec. 52. Section one hundred twenty-three point one hun-
16 dred thirty-four (123.134), subsections two (2) and three
17 (3), Code 1977, are amended to read as follows:

18 2. The annual permit fee for a class "B" permit except
19 for a class "B" wine permit shall be graduated according
20 to population as follows:

21 a. For premises located within the corporate limits of
22 cities with a population of ten thousand and over, three hun-
23 dred dollars.

24 b. For premises located within the corporate limits of
25 cities with a population of at least fifteen hundred but less
26 than ten thousand, two hundred dollars.

27 c. For premises located within the corporate limits of
28 cities with a population of under fifteen hundred, one hun-
29 dred dollars.

30 d. For premises located outside the corporate limits of
31 any city, a sum equal to that charged in the incorporated
32 city located nearest the premises to be operated under the
33 permit, and in case there is doubt as to which of two or more
34 differing corporate limits are the nearest, the permit fee
35 which is the largest shall prevail.

1 3. The annual permit fee for a class "C" permit except
2 for a class "C" wine permit shall be graduated on the basis
3 of the amount of interior floor space which comprises the
4 retail sales area of the premises covered by the permit, as
5 follows:

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

8 b. Over one thousand five hundred square feet and up to
9 two thousand square feet, the sum of one hundred dollars.

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

12 d. Over five thousand square feet, the sum of three hun-
13 dred dollars.

14 Sec. 53. Section one hundred twenty-three point one hun-
15 dred thirty-four (123.134), Code 1977, is amended by adding
16 the following new subsections:

17 NEW SUBSECTION. The annual permit fee for a class "A"
18 wine permit shall be two hundred fifty dollars.

19 NEW SUBSECTION. The annual permit fee for a class "B"
20 wine permit shall be two hundred dollars.

21 NEW SUBSECTION. The annual permit fee for a class "C"
22 wine permit holder whose food sales represent at least seventy-
23 five percent of his total dollar volume shall be graduated
24 on a basis of the amount of interior floor space which com-
25 prises the retail sales area of the premises covered by the
26 permit as follows:

27 a. Up to two thousand five hundred square feet, the sum
28 of seventy-five dollars.

29 b. Over two thousand five hundred square feet and up to
30 five thousand square feet, the sum of one hundred dollars.

31 c. Over five thousand square feet and up to ten thou-
32 sand square feet, the sum of one hundred fifty dollars.

33 d. Over ten thousand square feet and up to twenty thou-
34 sand square feet, the sum of two hundred dollars.

35 e. Over twenty thousand square feet, the sum of three

1 hundred dollars.

2 The annual permit fee for a class "C" wine permit holder
3 whose total food sales represent less than seventy-five per-
4 cent of his total dollar volume shall be three hundred dol-
5 lars.

6 Sec. 54. Section one hundred twenty-three point one hun-
7 dred thirty-five (123.135), Code 1977, is amended by adding
8 the following new subsection:

9 NEW SUBSECTION.

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

28 b. At the time of applying for a certificate of compli-
29 ance, each applicant shall file with the department a list
30 of all class "A" wine permittees with whom it intends to do
31 business and shall designate the geographic area in which
32 its products are to be distributed by such permittees. Cer-
33 tificate holders shall have the authority to appoint more
34 than one class "A" wine permittee to service the same geo-
35 graphic territory. The listing of class "A" permittees and

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1 geographic area as filed with the department may be amended
2 from time to time by the holder of a certificate of compliance.

3 c. All class "A" permit holders shall sell only those
4 brands of wine which are manufactured, bottled, fermented,
5 shipped, or imported by a person holding a current certifi-
6 cate of compliance. Any employee or agent working for or
7 representing the holder of a certificate of compliance within
8 this state shall register his name and address with the de-
9 partment. These names and addresses shall be filed with the
10 department's copy of the certificate of compliance issued
11 excepting that this provision shall not require the listing
12 of those persons who are employed on the premises of a bot-
13 tling plant, or winery where wine is manufactured, fermented
14 or bottled in Iowa or to the listing of those persons who
15 are thereafter engaged in the transporting of such wine.

16 d. It shall be unlawful for any holder of a certificate
17 of compliance or his or her agent, or any class "A" wine
18 permit holder or his or her agent, to grant to any retail
19 wine permit holder, or any retail liquor licensee, directly
20 or indirectly, any rebates, free goods, or discounts on wine.

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

30 Regardless of the terms, provisions or conditions of any
31 agreement for the sale and distribution of wine between the
32 holder of a certificate of compliance and a class "A" wine
33 permit holder, such agreement or contract shall not be for
34 a period of less than that period covered by the permit of
35 the designated class "A" wine permittee and such agreement

1 or contract shall not be amended or cancelled during such
2 period unless notification is given in writing by such
3 certificate holder to an affected class "A" wine permit holder
4 ninety days prior to such contemplated change in contract
5 or an amendment of assigned geographic territory.

6 f. Signs or other matter advertising any brand of wine
7 shall not be erected or placed upon the outside of any premises
8 which are occupied by a licensee or permittee authorized to
9 sell wine at retail.

10 g. Except as hereinafter provided, no retail permittee
11 authorized to sell wine shall sell such wine for off-premise
12 consumption for less than cost adjusted to the nearest cent.
13 For the purposes of this section, cost shall be determined
14 by the director with the approval of a majority of the mem-
15 bers of the Iowa beer and liquor control council and shall
16 be determined by establishing a minimum percentage markup
17 for sales of wine at retail whether in case lot or less.
18 To determine cost, a minimum percentage markup shall be applied
19 to the wholesale price of wine sold by class "A" wine
20 permittees to permittees authorized to sell wine at retail.

21 With prior approval and as prescribed by the director,
22 and upon application to and on forms provided by the depart-
23 ment, the director may authorize retail wine permittees and
24 liquor control licensees to sell wine for off-premise con-
25 sumption below cost for the following reasons:

- 26 (1) Discontinuance of business.
- 27 (2) Discontinuance of a brand or package size of wine
28 that has been in inventory on the retail premises for a pe-
29 riod of at least nine months. Any brand or package size of
30 wine discontinued shall not be repurchased at wholesale by
31 the discontinuing retailer for a period of twelve months.
- 32 (3) For such other reason of hardship as might be spec-
33 ified by the applicant and as allowed and approved by the
34 director.

35 h. Regardless of any other penalties provided by this

1 chapter, any holder of a certificate of compliance relating
2 to wine, class "A", "B" or "C" wine permittee or retail liquor
3 licensee who shall violate any of the provisions of this sec-
4 tion shall be subject to a fine not to exceed one thousand
5 dollars or be subject to suspension of the certificate of
6 compliance, license or permit for a period not to exceed one
7 year or be subject to both such fine and suspension.

8 Sec. 55. Chapter one hundred twenty-three (123), Code
9 1977, is amended by adding the following new section:

10 NEW SECTION. WINE GALLONAGE TAX. There shall be levied
11 and collected from all class "A" permittees selling wine on
12 all wine manufactured for sale or sold in this state at
13 wholesale and on all wine imported into this state for sale
14 at wholesale and sold in this state at wholesale, a tax of
15 forty cents for every wine gallon, and at the like rate for
16 any other quantity or for the fractional parts of a wine
17 gallon.

18 A tax shall not be levied or collected on wine shipped
19 outside this state by a class "A" permittee or sold by one
20 class "A" permittee to another class "A" permittee.

21 All revenue derived from the wine tax shall be deposited
22 in the beer and liquor control fund established by section
23 one hundred twenty-three point fifty-three (123.53) of this
24 chapter and shall be distributed as follows:

25 1. Two-thirds of the revenue derived from the wine tax
26 shall be distributed in accordance with subsections three
27 (3), four (4), five (5), and six (6) of section one hundred
28 twenty-three point fifty-three (123.53) of this chapter; pro-
29 vided, however, that the total amount so distributed shall
30 not exceed an amount equal to the funds distributed pursuant
31 to such subsections during the fiscal year ending June 30,
32 1972, as adjusted by the percent change in the gross sales
33 of the state liquor stores in each year thereafter.

34 2. One-third of the revenue derived from the wine tax
35 shall be distributed in accordance with subsection seven (7)

1 of section one hundred twenty-three point fifty-three (123.53)
2 of this chapter; provided, however, that the total amount
3 so distributed shall not exceed an amount equal to the funds
4 distributed pursuant to such subsection during the fiscal
5 year ending June 30, 1972, as adjusted by the percent change
6 in the gross sales of the state liquor stores in each year
7 thereafter.

8 3. The revenue derived from the wine tax remaining in
9 the beer and liquor control fund after the distributions pur-
10 suant to subsections one (1) and two (2) of this section shall
11 be transferred by the state comptroller to the general fund
12 of the state.

13 All of the provisions of this chapter relating to the
14 administration of the wine tax shall apply to this section.

15 Sec. 56. Section one hundred twenty-three point one hun-
16 dred thirty-seven (123.137), Code 1977, is amended to read
17 as follows:

18 123.137 REPORT OF BARREL AND GALLONAGE SALES--PENALTY.
19 Every person holding a class "A" permit shall on or before
20 the tenth day of each calendar month commencing on the tenth
21 day of the calendar month following the month in which such
22 person is issued a permit, make a report under oath to the
23 department upon forms to be furnished by the department for
24 such purpose showing the exact number of barrels of beer,
25 gallons of wine or fractional parts thereof, sold by such
26 permit holder during the preceding calendar month. Such re-
27 port shall also state such information as the director may
28 require, and such permit holders shall at the time of filing
29 said report pay to the department the amount of tax due at
30 the rate fixed in section 123.136.

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

34 Sec. 57. Section one hundred twenty-three point one hun-
35 dred thirty-eight (123.138), Code 1977, is amended to read

1 as follows:

2 123.138 BOOKS OF ACCOUNT REQUIRED. Each class "A" per-
3 mittee shall keep proper books of account and records show-
4 ing the amount of beer and wine sold by him or her, which
5 books of account shall be at all times open to inspection
6 by the director. Each class "B" and class "C" permittee and
7 retail liquor licensee shall keep proper books of account
8 and records showing each purchase of beer and wine made by
9 him or her, and the date and the amount of each purchase and
10 the name of the person from whom each purchase was made, which
11 books of account and records shall be open to inspection by
12 the director and agents of the division of beer and liquor
13 law enforcement of the department of public safety during
14 normal business hours of the permittee.

15 Sec. 58. Section one hundred twenty-three point one hun-
16 dred thirty-nine (123.139), Code 1977, is amended to read
17 as follows:

18 123.139 SEPARATE LOCATIONS--CLASS "A". Every class "A"
19 permittee having more than one place of business shall be
20 required to have a separate permit for each separate place
21 of business maintained by such permittee wherein such beer
22 or wine is stored, warehoused, or sold.

23 Sec. 59. Section one hundred twenty-three point one hun-
24 dred forty (123.140), Code 1977, is amended to read as fol-
25 lows:

26 123.140 SEPARATE LOCATIONS--CLASS "B" OR "C". Every per-
27 son holding a class "B" or class "C" permit having more than
28 one place of business where such beer or wine is sold shall
29 be required to have a separate license for each separate place
30 of business, except as otherwise provided by this chapter.

31 Sec. 60. Section one hundred twenty-three point one hun-
32 dred forty-one (123.141), Code 1977, is amended to read as
33 follows:

34 123.141 KEEPING LIQUOR WHERE BEER IS SOLD. No alcoholic
35 liquor for beverage purposes shall be used, or kept for any

1 purpose in the place of business of class "B" permittees,
2 or on the premises of such class "B" permittees, at any time.
3 A violation of any provision of this section shall be grounds
4 for suspension or revocation of the permit pursuant to sec-
5 tion 123.50, subsection 3. This section shall not apply in
6 any manner or in any way, to any railway car of any dining
7 car company, sleeping car company, railroad company or rail-
8 way company, having a special class "B" permit; to the prem-
9 ises of any hotel or motel for which a class "B" permit has
10 been issued, other than that part of such premises regularly
11 used by the hotel or motel for the principal purpose of sell-
12 ing beer, wine or food to the general public; or to drug
13 stores regularly and continuously employing a registered phar-
14 macist, from having alcohol in stock for medicinal and com-
15 pounding purposes.

16 Sec. 61. Section one hundred twenty-three point one hun-
17 dred forty-two (123.142), Code 1977, is amended to read as
18 follows:

19 123.142 PURCHASE FROM NONPERMIT HOLDER. It shall be un-
20 lawful for the holder of any class "B" or class "C" permit
21 issued under the provisions of this chapter to sell beer and
22 wine, except beer and wine purchased from a person holding
23 a subsisting class "A" permit issued in accordance with the
24 provisions of this chapter, and on which the tax provided
25 in section 123.136 has been paid. However, the provisions
26 of this section shall not apply to the holders of special
27 class "B" permits issued under section 123.133 for sales in
28 cars engaged in interstate commerce nor to class "D" liquor
29 control licensees as provided in this chapter.

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

33 Sec. 62. Section one hundred twenty-three point one hun-
34 dred forty-three (123.143), subsection two (2), Code 1977,
35 is amended to read as follows:

1 2. All permit fees including all retail class "B" and
2 class "C" wine permit fees, and taxes collected by the depart-
3 ment under this division shall accrue to the state general
4 fund, except as otherwise provided.

5 Sec. 63. Section one hundred twenty-three point one hun-
6 dred forty-five (123.145), Code 1977, is amended to read as
7 follows:

8 123.145 LABELS ON BOTTLES, BARRELS, ETC.--CONCLUSIVE
9 EVIDENCE. The label on any bottle, keg, barrel, or other
10 container in which beer or wine is offered for sale in this
11 state, representing the alcoholic content of such beer as
12 being in excess of four per centum by weight or in the case
13 of wine as representing the alcoholic content of such wine
14 as being in excess of seventeen per centum by weight shall
15 be conclusive evidence as to the alcoholic content of the
16 beer or wine contained therein.

17 Sec. 64. This Act is effective January 1, 1978.

18 EXPLANATION

19 This bill would place wines containing not more than seven-
20 teen percent alcohol by weight under private distribution
21 and sale somewhat the same as beer is handled presently.

22 Wholesalers, and retailers dealing exclusively in wine,
23 would be required to obtain a separate and distinct wine
24 permit. A retail liquor licensee who presently has the
25 privilege of selling wine for on-premise consumption would
26 not need additional authority.

27 Wine containing more than 17% alcohol by weight would
28 continue to be subject to the present alcoholic beverage
29 provisions. Wine containing less than 17% would be imported,
30 wholesaled and retailed through private facilities. Importer's
31 and wholesaler's certificates and permits, respectively, would
32 be approved and issued by the department. Retail permits
33 for the sale of wine would require approval of the local
34 authority.

35 Prohibitions against licensees and beer permittees apply

1 equally to wine permittees, except that the department would
2 have no authority to regulate the transportation of wine.
3 Suspension and revocation procedures respecting a wine permit
4 would be the same as for a liquor license or beer permit.

5 Fees for the issuance of wine permits are of fixed rate
6 except for the class "C" fee which is based upon sales volume
7 and the size of the wine sales area of the outlet.

8 Importers may determine who wholesales wine in given
9 geographic areas, and may select one or more wholesalers for
10 a given area. An importer may not discriminate between
11 wholesalers with whom that importer does business.

12 The department establishes a minimum price for the retail
13 sale of wine by adding a percentage markup to the wholesale
14 price, and a one thousand dollar fine and a one-year license
15 suspension, or both, is attached for selling below the
16 established price. The department may authorize below minimum
17 prices in limited circumstances, such as discontinuance of
18 business.

19 In place of the current state revenue for wine sales, this
20 bill imposes an excise tax of forty cents per gallon on wine
21 sold for retail resale within this state, the tax being
22 collected and paid to the state by the wholesaler. Two-thirds
23 of the gallonage tax is distributed to the cities and one-
24 third to the military service tax fund, subject to the maximum
25 amount so distributable, as provided in section 55 of this
26 bill. A number of clarifying amendments are also included
27 in the bill.

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SENATE FILE 75

S-3448

- 1 Amend Senate File 75 as follows:
- 2 1. Page 7, line 5, by inserting after the word
- 3 "his" the words "or her".
- 4 2. Page 12, line 3, by inserting after the word
- 5 "his" the words "or her".
- 6 3. Page 16, line 5, by inserting after the word
- 7 "his" the words "or her".
- 8 4. Page 19, line 14, by inserting after the word
- 9 "his" the words "or her".
- 10 5. Page 21, line 14, by inserting after the word
- 11 "his" the words "or her".
- 12 6. Page 22, line 9, by inserting after the word
- 13 "his" the words "or her".
- 14 7. Page 22, line 11, by inserting after the word
- 15 "he" the words "or she".
- 16 8. Page 24, line 29, by inserting after the word
- 17 "his" the words "or her".
- 18 9. Page 29, line 23, by inserting after the word
- 19 "his" the words "or her".
- 20 10. Page 30, line 4, by inserting after the word
- 21 "his" the words "or her".
- 22 11. Page 31, line 8, by inserting after the word
- 23 "his" the words "or her".

S-3448 FILED - *Ruled out of order* BY FRED NOLTING
APRIL 27, 1977 *with adoption of*
3548 5/4 (9.13.78)

SENATE FILE 75

S-3440

- 1 Amend Senate File 75, page 33, line 15 by striking
- 2 the word "forty" and inserting in lieu thereof the
- 3 words "seventy-five".

S-3440 FILED - *Ruled out of* BY EUGENE M. HILL
APRIL 27, 1977 *order with*
adoption of 3548 ROGER J. SHAFF

SENATE FILE 75
FISCAL NOTE

Date Prepared: April 26, 1977
Requested by: Senator Kelly

Prepared in regard to Senate File 75, An Act relating to the private sale, control, distribution and taxation of wine containing not more than seventeen percent alcohol by weight, declaring certain acts relating to wine to be unlawful and prescribing penalties therefor.

Following is the fiscal effect in dollars of the legislative proposal as required by Joint Rule 16.

According to the Beer and Liquor Control Commission, the State of Iowa experienced the following results from the handling of wine during the year ended June 30, 1976:

Sales in gallons	<u>1,501,790</u>
Distribution of revenue from wine sales:	
Iowa General Fund	\$3,749,335
Cities and Towns	1,279,310
Counties (Military Tax)	639,655
	<u>\$5,668,300</u>

Under S.F. 75 using a \$.40 gallonage tax, in order to maintain the General Fund income, it would be necessary to increase wine consumption 3.50 times in Iowa by 1978. The experience of the four states which have gone from controlled sale of wine to sale in retail outlets is as follows:

	<u>Population</u>	<u>% Urban</u>	<u>Increase in Consumption First Two Years</u>	
Maine	1,039,000	51.0%	1970 - 1972	5.41 times
Alabama	3,546,000	58.4%	1972 - 1974	3.86 times
Idaho	776,000	54.1%	1970 - 1972	4.88 times
Washington	3,431,000	72.0%	1968 - 1970	2.13 times
Iowa	2,863,000	57.0%	-	-

FILED
APRIL 27, 1977

GERRY RANKIN
Legislative Fiscal Director

- 1 Amend Rodgers-Kelly amendment, S-3458, to Senate
2 File 75 as follows:
3 1. Page 7, line 8, by inserting after the word
4 "not" the words "be less than, nor shall it".
5 2. Page 7, line 10, by striking the figure
6 "1977," and inserting in lieu thereof the following:
7 "1978. Provided, however, that commencing with the
8 fiscal year ending June 30, 1980, the total amount of
9 funds so distributed shall not exceed an amount equal
10 to the funds distributed pursuant to those subsections
11 during the fiscal year ending June 30, 1979,".
12 3. Page 7, line 12, by striking the words "wine
13 in".
14 4. Page 7, line 19, by striking the figure "1977,"
15 and inserting in lieu thereof the following: "1978.
16 Provided, however, that commencing with the fiscal year
17 ending June 30, 1980, the total amount of funds so
18 distributed shall not exceed an amount equal to the
19 funds distributed pursuant to such subsection during the
20 fiscal year ending June 30, 1979,".
21 5. Page 7, line 22, by striking the words "wine
22 of".

S-3527 FILED
MAY 9, 1977

BY EARL M. WILLITS
E. KEVIN KELLY

SENATE FILE 75

S-3503

1 Amend the Rodgers-Kelly amendment, S-3458, to
2 Senate File 75 as follows:
3 1. Page 5, by inserting after line 27 the
4 following:
5 "The annual permit fee of any class "D" wine
6 permit holder whose total sales comprise fifty per cent
7 or more of religious goods and artifacts shall be
8 seventy-five dollars."

S-3503 FILED & WITHDRAWN
MAY 4, 1977

BY DALE L. TIEDEN
ROBERT M. CARR

SENATE FILE 75

S-3504

1 Amend the Rodgers-Kelly amendment, S-3458, to
2 Senate File 75 as follows:
3 1. Page 37, by striking lines 37 and 38 and
4 inserting in lieu thereof the following:
5 "Sec. ____ . This Act shall take effect on July 1,
6 1978."

S-3504 FILED & ADOPTED (1347) BY PHILIP B. HILL
MAY 4, 1977

SENATE FILE 75

S-3505

1 Amend the Rodgers-Kelly amendment, S-3458, to
2 Senate File 75 as follows:
3 1. Page 1, by inserting after line 31 the
4 following:
5 "Notwithstanding the provisions of this Act,
6 a retail establishment whose total sales of religious
7 goods and artifacts comprise more than 50 per cent
8 of its total sales may qualify for a class "C" wine
9 permit."

S-3505 FILED & WITHDRAWN
MAY 4, 1977

BY DALE L. TIEDEN
ROBERT M. CARR

SENATE FILE 75

S-3499

1 Amend the Rodgers-Kelly amendment, S-3458, to
2 Senate File 75 as follows:
3 1. Page 5, by inserting after line 27 the
4 following:
5 "The annual permit fee of any class "C" wine
6 permit holder whose total sales comprise fifty per cent
7 or more of religious goods and artifacts shall be
8 seventy-five dollars."

S-3499 FILED & W/D
MAY 4, 1977

BY DALE L. TIEDEN
ROBERT M. CARR

SENATE FILE 75

S-3500

1 Amend the Rodgers, Kelly amendment, S-3458, to
2 Senate File 75 as follows:
3 1. Page 6, by inserting after line 34 the (DIV. A)
4 following:
5 "Sec. ____ . NEW SECTION. COMPETITION PRESERVED.
6 It shall be unlawful for any holder of a certificate
7 of compliance or an agent, or any class "A" wine
8 permittee or an agent to attempt to establish, or
9 to establish, maintain, or use a monopoly of trade
10 or commerce in this state, or to fix or maintain
11 prices in this state, for the purpose of excluding
12 competition by the department of beer and liquor
13 control in the sale of wine. Notwithstanding any
14 other penalties provided by this chapter, any person
15 who violates this section shall be subject to a fine
16 not to exceed one thousand dollars, or be subject
17 to suspension of the certificate or permit for a
18 period not to exceed sixty days, or be subject to
19 both such fine and suspension. Sections five hundred
20 fifty-three point seven (553.7) through five hundred
21 fifty-three point twelve (553.12) of the Code shall
22 apply to conduct prohibited by this section."
23 2. Page 8, line 12, by inserting after the word (DIV.B)
24 "purchased" the words "from the beer and liquor control
25 department, or".
26 3. Page 12, line 19, by inserting after the word
27 "department" the words "to liquor control licensees,
28 wine permittees and other persons".
29 4. By renumbering sections of the bill and cor-
30 recting internal references as necessary.

S-3500 FILED
MAY 4, 1977
DIV. A - ADOPTED (p. 1344)
DIV. B - ADOPTED (p. 1345)

BY RICHARD F. DRAKE
WARREN E. CURTIS

- 1 Amend the Rodgers, Kelly amendment, S-3458, to (DIV. A)
2 Senate File 75 as follows:
- 3 1. Page 1, lines 17 and 18, by striking the words
4 "or class "C", permits" and inserting in lieu thereof
5 the words "class "C", or class "D" permits".
- 6 2. Page 1, by striking lines 25 through 31 and
7 inserting in lieu thereof the following: "only.
8 A class "B" permit shall allow the holder to sell
9 wine at retail for consumption on or off the premises.
10 A class "C" permit shall allow the holder to sell
11 wine at retail for consumption off the premises and
12 may be issued only to a grocery store. A class "D"
13 permit shall allow the holder to sell wine at retail
14 for consumption off the premises. The holder of a
15 class "D" permit shall be a wine store as defined in
16 this Act."
- 17 3. Page 1, line 33, by striking the words "and
18 "C" wine" and inserting in lieu thereof the words
19 ", "C" and "D" wine".
-
- 20 4. Page 3, line 4, by striking the words "one (DIV. B)
21 thousand" and inserting in lieu thereof the words
22 "five hundred".
-
- 23 5. Page 3, by striking lines 14 through 17 and (DIV. A)
24 inserting in lieu thereof the following:
25 "4. States that the premises for which the permit
26 is sought is and will continue to be equipped with
27 sufficient tables and seats to accommodate twenty-
28 five persons at one time, and in areas where such
29 business is permitted by any valid zoning ordinance
30 or will be so permitted on the effective date of the
31 permit."
- 32 6. Page 3, by inserting after line 50 the follow-
33 ing:
34 "Sec. ____ . NEW SECTION. CLASS "D" APPLICATION.
35 Except as otherwise provided in this chapter, a class
36 "D" permit shall be issued to any person who complies
37 with all of the following:
38 1. Submits a written application for a permit
39 which application shall state under oath all of the
40 following information:
41 a. The name and place of residence of the appli-
42 cant, and the length of time the applicant has lived
43 at such place of residence.
44 b. That the applicant is a citizen of the state
45 of Iowa.
46 c. The place of birth of the applicant, and if
47 the applicant is a naturalized citizen, the time and
48 place of naturalization.
49 d. The location of the place or building where
50 the applicant intends to operate.

- 1 e. The name of the owner of the building and if (DIV.A
2 that owner is not the applicant, that the applicant
3 is the actual lessee of the premises.
4 2. Establishes all of the following facts:
5 a. That the applicant is a person of good moral
6 character as provided in subsection eleven (11) of
7 section one hundred twenty-three point three (123.3)
8 of the Code.
9 b. That the place or building where the applicant
10 intends to operate conforms to all laws, health and
11 fire regulations applicable thereto, and is a safe
12 and proper place or building.
13 3. Submits a bond in the sum of one thousand
14 dollars, and in the form prescribed and furnished
15 by the department with good and sufficient sureties
16 to be approved by the department, which is conditioned
17 upon compliance with the provisions of this chapter.
18 The bond shall be further conditioned to the effect
19 that the permittee and each surety, as a part of the
20 permit granted, shall consent to forfeiture of the
21 principal sum of the bond in the event of suspension
22 or revocation of the permit pursuant to this chapter.
23 4. Declares that the principal business of the
24 establishment for which the applicant is making
25 application for a class "D" permit consists of the
26 sale of wine for consumption off the premises."
27 7. Page 4, line 7, by inserting after the words
28 "class "C"" the words "or class "D"".
29 8. Page 4, by striking lines 22 and 23 and inert-
30 ing in lieu thereof the following: "wine in its
31 container or by the individual drink for consumption
32 on the premises only, and may sell wine at retail
33 in its original container for consumption off the
34 premises."
35 9. Page 4, by inserting after line 34 the follow-
36 ing:
37 "Sec. ____ . NEW SECTION. AUTHORITY UNDER CLASS
38 "D" PERMIT.
39 1. A person holding a class "D" permit may sell
40 wine at retail for consumption off the premises.
41 Wine shall be sold in original containers only.
42 2. A class "D" permittee having more than one
43 place of business where wine is sold shall be required
44 to obtain a separate permit for each place of
45 business."
46 10. Page 5, line 3, by striking the word "five"
47 and inserting in lieu thereof the word "three".
48 11. Page 5, by inserting after line 27 the follow-
49 ing:
50 "5. The annual permit fee for a class "D" permit

- 1 shall be five hundred dollars." (DIV.A)
2 12. Page 6, line 28, by striking the words "or
3 class "C"" and inserting in lieu thereof the words
4 ", class "C" or class "D"".
5 13. Page 8, line 11, by inserting before the word
6 "permit" the words "or class "D"".
7 14. Page 10, line 24, by inserting after the word
8 "consumption" the words "on or".
9 15. Page 10, line 37, by inserting before the
10 word "wine" the words "or class "D"".
11 16. Page 10, line 42, by striking the letter "'C'"
12 and inserting in lieu thereof the letter "'D'".
13 17. Page 18, lines 2, 3 and 4, by striking the
14 words "retail wine permit as provided in sections
15 seven (7) and eight (8) of this Act," and inserting
16 in lieu thereof the words "class "B", class "C", or
17 class "D" retail wine permit,".
18 18. Page 20, line 25, by inserting after the word
19 "license" the words "or class "B" wine permit".
20 19. Page 20, line 33, by inserting after the word
21 "license" the words "or permit".
22 20. Page 20, line 37, by inserting after the word
23 "license" the words "or permit".
24 21. Page 20, line 42, by inserting after the word
25 "permits" the words "and wine permits".
26 22. Page 26, line 18, by inserting after the word
27 "license" the words "or class "B" wine permit".
28 23. Page 37, line 17, by inserting after the word
29 "wine" the words "unless sold under the authority
30 of a class "B" wine permit".

S-3498 FILED
MAY 4, 1977

BY NORMAN G. RODGERS
E. KEVIN KELLY

DIV. A - ADOPTED } *Page 1344*
DIV. B - ADOPTED }

S-3496

- 1 Amend the Rodgers, Kelly amendment, S-3458, to
 2 Senate File 75 as follows:
- 3 1. Page 12, line 15, by striking the word and
 4 figure "one (1)".
 - 5 2. Page 12, by striking lines 18 through 20.
 - 6 3. Page 12, lines 29 and 30, by striking the words
 7 "~~intoxicating-liquors~~ alcoholic beverages" and
 8 inserting in lieu thereof the words "~~intoxicating~~
 9 alcoholic liquors".
 - 10 4. Page 12, line 41, by striking the word and
 11 figure "eight (8)".
 - 12 5. Page 12, lines 45 and 46, by striking the words
 13 "~~liquor~~ alcoholic beverage" and inserting in lieu
 14 thereof the words "alcoholic liquor".
 - 15 6. Page 13, by striking lines 10 through 13.
 - 16 7. Page 14, line 40, by striking the words "~~liquor~~
 17 beverages" and inserting in lieu thereof the word
 18 "liquor".
 - 19 8. Page 14, lines 44 and 45, by striking the words
 20 "~~liquor~~ beverages" and inserting in lieu thereof the
 21 word "liquor".
 - 22 9. Page 15, line 6, by striking the words "~~alco-~~
 23 ~~holic-liquor~~ merchandise" and inserting in lieu thereof
 24 the words "alcoholic liquor".
 - 25 10. Page 15, by striking lines 17 through 30.
 - 26 11. Page 15, lines 42 and 43, by striking the
 27 words "~~liquors~~ beverages" and inserting in lieu thereof
 28 the word "liquors".
 - 29 12. Page 16, line 48, by striking the words "the
 30 department and from".
 - 31 13. Page 17, lines 8 and 9, by striking the words
 32 "the department and from".
 - 33 14. Page 17, line 24, by striking the words "the
 34 department and from".
 - 35 15. Page 37, by inserting after line 34 the follow-
 36 ing:
 37 "Sec. ____ . The beer and liquor control depart-
 38 ment shall not purchase any wine as defined in section
 39 twenty-two (22) of this Act after the effective date
 40 of this Act. The beer and liquor control department
 41 may continue to transport and sell wine after the
 42 effective date of this Act until wine inventories
 43 are eliminated, and liquor control licensees, wine
 44 permittees and individuals may purchase wine from
 45 state liquor stores and may possess, transport, sell
 46 and consume such wine."
 - 47 16. By renumbering sections of the bill and cor-
 48 recting internal references as necessary.

S-3496 FILED & WITHDRAWN BY E. KEVIN KELLY
 MAY 4, 1977

S-3492

1 Amend the Rodgers-Kelly amendment, S-3458, to
2 Senate File 75 as follows:

3 1. Page 24 by striking lines 31 and 32 and
4 inserting in lieu thereof the following:

5 "sell at retail; nor shall he or she directly
6 or indirectly extend any credit for wine for more
7 than thirty days from the date of delivery; nor
8 shall he or she directly or indirectly extend any
9 credit for alcoholic beverages liquor or beer,".

S-3492 FILED - *Adopted 5/4*
MAY 3, 1977 (*p. 1346*) BY NORMAN G. RODGERS

SENATE FILE 75

S-3495

1 Amend Senate amendment S-3458 to Senate File 75
2 as follows:

3 1. Page 6, line 42 by striking the word "sixty"
4 and inserting in lieu thereof the words "seventy-five".

S-3495 FILED & LOST (*p. 1341*) BY EUGENE M. HILL
MAY 4, 1977 ROGER J. SHAFF

SENATE FILE 75

S-3497

1 Amend the Rodgers-Kelly amendment, S-3458, to
2 Senate File 75 as follows:

3 1. Page 10, by inserting after line 32 the
4 following:

5 "Sec. ____ Section one hundred twenty-three
6 point three (123.3), subsection thirty-three (33),
7 Code 1977, is amended to read as follows:

8 33. "Legal age" means eighteen nineteen years
9 of age or more."

10 2. Page 37, by inserting after line 36 the
11 following:

12 "Sec. ____ The provisions of this Act shall
13 not apply to persons who were born on or before
14 June 30, 1959."

S-3497 FILED BY RAY TAYLOR
MAY 4, 1977
RULED OUT OF ORDER (*p. 1346*)

S-3453

SENATE FILE 75

1 Amend Senate File 75 by striking everything after
2 the enacting clause and inserting in lieu thereof
3 the following:

4 "Section 1. Chapter one hundred twenty-three
5 (123), Code 1977, is amended by adding sections two
6 (2) through twenty (20) of this Act as a new division.

7 Sec. 2. NEW SECTION. PERMIT OR LICENSE REQUIRED.
8 A person shall not cause the manufacture, importation,
9 or sale of wine in this state unless a certificate
10 or permit as provided in this division, or a liquor
11 control license as provided in division one (I) of
12 this chapter, is first obtained which authorizes that
13 manufacture, importation, or sale.

14 Sec. 3. NEW SECTION. PERMITS--CLASSES. Permits
15 exclusively for the manufacture and sale, or sale
16 of wine shall be divided into three classes, and shall
17 be known as either class "A", class "B", or class
18 "C" permits.

19 A class "A" permit shall allow the holder to
20 manufacture and sell or sell at wholesale in this
21 state, wine as defined in this Act. The holder of
22 a class "A" permit may manufacture in this state wine
23 having an alcoholic content greater than seventeen
24 percent by weight for shipment outside this state
25 only. A class "B" permit shall allow the holder to
26 sell wine at retail for consumption off the premises.
27 The holder of a class "B" permit shall be a wine store
28 as defined in this Act. A class "C" permit shall
29 allow the holder to sell wine at retail for consumption
30 off the premises and may be issued only to a grocery
31 store.

32 Sec. 4. ISSUANCE OF PERMITS. The director shall
33 issue class "A", "B" and "C" wine permits as provided
34 in this chapter, and may suspend or revoke a wine
35 permit for cause as provided in this chapter.

36 Sec. 5. NEW SECTION. PROHIBITED INTEREST. It
37 shall be unlawful for a person to be a holder of or
38 either directly or indirectly interested in more than
39 one class of permit, except that this prohibition
40 shall not apply to a wholesale supplier who is an
41 owner of one or more retail grocery stores.

42 Sec. 6. NEW SECTION. CLASS "A" APPLICATION.
43 Except as otherwise provided in this chapter, a class
44 "A" permit shall be issued to any person who complies
45 with all of the following:

46 1. Submits a written application for a permit,
47 which application shall state under oath:

48 a. The name and place of residence of the applicant
49 and the length of time the applicant has lived at
50 such place of residence.

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1 b. That the applicant is a citizen of the state
2 of Iowa.

3 c. The place of birth of the applicant, and if
4 the applicant is a naturalized citizen, the time and
5 place of naturalization.

6 d. The location of the place or building where
7 the applicant intends to operate.

8 e. The name of the owner of the building and if
9 that owner is not the applicant, that the applicant
10 is the actual lessee of the premises.

11 2. Establishes all of the following facts:

12 a. That the applicant meets the test of good moral
13 character as provided in subsection eleven (11) of
14 section one hundred twenty-three point three (123.3)
15 of the Code.

16 b. That the place or building where the applicant
17 intends to operate conforms to all laws, health and
18 fire regulations, applicable thereto, and is a safe
19 and proper place or building.

20 3. Submits a bond in the sum of five thousand
21 dollars, and in the form prescribed and furnished
22 by the department with good and sufficient sureties
23 to be approved by the department, which is conditioned
24 upon compliance with the provisions of this chapter.

25 Sec. 7. NEW SECTION. CLASS "B" APPLICATION.
26 Except as otherwise provided in this chapter, a class
27 "B" permit shall be issued to any person who complies
28 with all of the following:

29 1. Submits a written application for a permit
30 which application shall state under oath all of the
31 following information:

32 a. The name and place of residence of the
33 applicant, and the length of time the applicant has
34 lived at such place of residence.

35 b. That the applicant is a citizen of the state
36 of Iowa.

37 c. The place of birth of the applicant, and if
38 the applicant is a naturalized citizen, the time and
39 place of naturalization.

40 d. The location of the place or building where
41 the applicant intends to operate.

42 e. The name of the owner of the building and if
43 that owner is not the applicant, that the applicant
44 is the actual lessee of the premises.

45 2. Establishes all of the following facts:

46 a. That the applicant is a person of good moral
47 character as provided in subsection eleven (11) of
48 section one hundred twenty-three point three (123.3)
49 of the Code.

50 b. That the place or building where the applicant

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1 intends to operate conforms to all laws, health and
2 fire regulations applicable thereto, and is a safe
3 and proper place or building.

4 3. Submits a bond in the sum of one thousand
5 dollars, and in the form prescribed and furnished
6 by the department with good and sufficient sureties
7 to be approved by the department, which is conditioned
8 upon compliance with the provisions of this chapter.
9 The bond shall be further conditioned to the effect
10 that the permittee and each surety, as a part of the
11 permit granted, shall consent to forfeiture of the
12 principal sum of the bond in event of suspension or
13 revocation of the permit pursuant to this chapter.

14 4. Declares that the principal business of the
15 establishment for which the applicant is making
16 application for a class "B" permit consists of the
17 sale of wine for consumption off the premises.

18 Sec. 8. NEW SECTION. CLASS "C" APPLICATION.

19 Except as otherwise provided in this chapter, a class
20 "C" permit shall be issued to any person who:

21 1. Submits a written application for a permit,
22 which application shall state under oath all of the
23 following:

24 a. The name and place of residence of the applicant
25 and the length of time the applicant has lived at
26 such place of residence.

27 b. That the applicant is a citizen of the state
28 of Iowa.

29 c. The place of birth of the applicant and if
30 the applicant is a naturalized citizen, the time and
31 place of naturalization.

32 d. The location of the place or building where
33 the applicant intends to operate.

34 e. The name of the owner of the building and if
35 that owner is not the applicant that the applicant
36 is the actual lessee of the premises.

37 2. Establishes that the applicant is a person
38 of good moral character as provided in subsection
39 eleven (11) of section one hundred twenty-three point
40 three (123.3) of the Code.

41 3. Submits a bond in the sum of five hundred
42 dollars to the department in the form prescribed and
43 furnished by the department, with good and sufficient
44 sureties to be approved by the department, which is
45 conditioned upon compliance with the provisions of
46 this chapter.

47 4. Declares that the retail establishment for
48 which application is made is a grocery store whose
49 principal business consists of the sale of food or
50 food products for consumption off the premises.

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1 Sec. 9. NEW SECTION. AUTHORITY UNDER CLASS "A"
2 PERMIT.

3 1. A person holding a class "A" permit may
4 manufacture and sell, or sell at wholesale wine for
5 consumption off the premises. Sales within the state
6 may be made only to persons holding class "A", class
7 "B", or class "C" wine permits, and to the department,
8 and to persons holding a class "A", "B", "C", or "D"
9 liquor control license. A class "A" wine permittee
10 having more than one place of business shall be
11 required to obtain a separate permit for each place
12 of business where wine is to be stored, warehoused,
13 or sold.

14 2. A class "A" permit holder may purchase and
15 resell only those brands of wine which are
16 manufactured, fermented, bottled, shipped or imported
17 by a person holding a certificate of compliance issued
18 pursuant to section fourteen (14) of this Act.

19 Sec. 10. NEW SECTION. AUTHORITY UNDER CLASS "B"
20 PERMIT.

21 1. A person holding a class "B" permit may sell
22 wine at retail for consumption off the premises.
23 Wine shall be sold in original containers only.

24 2. A class "B" permittee having more than one
25 place of business where wine is sold shall be required
26 to obtain a separate permit for each place of business.

27 Sec. 11. NEW SECTION. AUTHORITY UNDER CLASS "C"
28 PERMIT.

29 1. A person holding a class "C" permit may sell
30 wine for consumption off the premises only. Wine
31 shall be sold in original containers only.

32 2. A class "C" permittee having more than one
33 place of business where wine is sold shall be required
34 to obtain a separate permit for each place of business.

35 Sec. 12. NEW SECTION. NATIVE WINES. Subject
36 to rules of the department, a person who manufactures
37 native wines either from fruits or agricultural
38 products and who holds a class "A" wine permit may
39 sell, keep, or offer for sale and deliver those wines.
40 Sales may be made at retail for off the premises
41 consumption when sold on the premises of the
42 manufacturer.

43 A manufacturer of native wines shall not sell those
44 wines otherwise than as permitted in this chapter
45 or allow any wine sold to be consumed upon the premises
46 of the manufacturer. Any person may manufacture
47 native wine for consumption on his or her own premises
48 when none of the wine is manufactured for sale.

49 Sec. 13. NEW SECTION. PERMIT FEES.

50 1. The annual permit fee for a class "A" permit

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- 1 shall be seven hundred fifty dollars.
- 2 2. The annual permit fee for a class "B" permit
3 shall be five hundred dollars.
- 4 3. The annual permit fee for a class "C" permit
5 issued to an applicant, seventy-five percent or more
6 of whose gross revenues are derived from the sale
7 of food, shall be on a graduated scale based on the
8 amount of interior floor space which comprises the
9 retail sales area of the premises covered by the
10 permit as follows:
- 11 a. Up to one thousand square feet, the sum of
12 seventy-five dollars.
- 13 b. Over one thousand square feet and up to two
14 thousand square feet, the sum of one hundred fifteen
15 dollars.
- 16 c. Over two thousand square feet and up to five
17 thousand square feet, the sum of one hundred fifty
18 dollars.
- 19 d. Over five thousand square feet and up to ten
20 thousand square feet, the sum of two hundred twenty-
21 five dollars.
- 22 e. Over ten thousand square feet, the sum of three
23 hundred dollars.
- 24 4. The annual permit fee for a class "C" permit
25 issued to an applicant, less than seventy-five percent
26 of whose gross revenues are derived from the sale
27 of food, shall be three hundred dollars.
- 28 Sec. 14. NEW SECTION. IMPORTERS CERTIFICATE OF
29 COMPLIANCE--PROHIBITED ACTS.
- 30 1. A manufacturer, bottler, or vendor of wine
31 or any agent desiring to cause the importation of
32 wine into this state for resale by a class "A"
33 permittee shall first make application for and be
34 issued a certificate of compliance by the director.
- 35 A certificate of compliance shall expire at the
36 end of one year from the date of issuance and shall
37 be renewed for a like period upon application to the
38 director unless otherwise revoked for cause.
- 39 Each application for a certificate of compliance
40 or a renewal shall be accompanied by a fee of one
41 hundred dollars payable to the department. Each
42 applicant and holder of a certificate of compliance
43 shall furnish to the department any information the
44 director may require.
- 45 A person who otherwise holds a class "A" wine
46 permit to sell wine at wholesale in this state shall
47 be exempt from the fee, but not from the terms and
48 conditions provided in this section.
- 49 2. Any person who within this state is an agent
50 or employee of the holder of a certificate of

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1 compliance shall register his or her name and address
2 with the department: However, registration shall
3 not be required of those persons who either are
4 employed on the premises of a bottling plant or winery
5 where wine is manufactured, fermented or bottled in
6 this state, or who thereafter are engaged in the
7 transportation of that wine.

8 3. It shall be unlawful for any holder of a
9 certificate of compliance or an agent, or any class
10 "A" wine permit holder or an agent, to grant to any
11 retail wine permit holder either directly or
12 indirectly; any rebates, free goods, special deals,
13 allowances, or discounts on wine, or directly or
14 indirectly to extend credit for more than thirty days
15 from delivery date.

16 4. It shall be unlawful for any holder of a
17 certificate of compliance or an agent to discriminate
18 in price, allowance, rebate, refund, commission,
19 discount, or service between class "A" wine permittees
20 authorized to sell wine at wholesale, or directly
21 or indirectly extend credit for more than thirty days
22 from delivery date. The term "discriminate" shall
23 mean the granting of more favorable prices, allowances,
24 rebates, refunds, commissions, discounts, or services
25 to one permit holder than to another.

26 5. Notwithstanding any other penalties provided
27 by this chapter, any holder of a certificate of
28 compliance or any class "A", class "B", or class "C"
29 wine permittee who violates any of the provisions
30 of this section shall be subject to a fine not to
31 exceed one thousand dollars or be subject to suspension
32 of the certificate of compliance or permit for a
33 period not to exceed sixty days or be subject to both
34 such fine and suspension.

35 Sec. 15. NEW SECTION. GALLONAGE TAX.

36 1. In addition to the annual permit fee to be
37 paid by each class "A" permittee, there shall be
38 levied and collected from each class "A" permittee
39 on all wine manufactured for sale and sold in this
40 state at wholesale and on all wine imported into this
41 state for sale at wholesale and sold in this state
42 at wholesale, a tax of sixty cents for every wine
43 gallon, and the like rate for any other quantity or
44 for the fractional parts of a wine gallon. A tax
45 shall not be levied or collected on wine shipped
46 outside this state by a class "A" permittee or on
47 wine sold by one class "A" permittee to another class
48 "A" permittee. All revenue derived from the wine
49 tax shall be deposited in the liquor control fund
50 established by section one hundred twenty-three point

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1 fifty-three (123.53) of the Code and shall be
2 distributed as follows:

3 a. Two-thirds of the revenue derived from the
4 wine tax shall be distributed in accordance with
5 subsections three (3), four (4), five (5) and six
6 (6) of section one hundred twenty-three point fifty-
7 three (123.53) of the Code; however, the total amount
8 so distributed shall not exceed an amount equal to
9 the funds distributed pursuant to those subsections
10 during the fiscal year ending June 30, 1977, as
11 adjusted by the percent change in the gross sales
12 of wine in the state liquor stores in each year
13 thereafter.

14 b. One-third of the revenue derived from the wine
15 tax shall be distributed in accordance with subsection
16 seven (7) of section one hundred twenty-three point
17 fifty-three (123.53) of the Code; however, the total
18 amount so distributed shall not exceed an amount equal
19 to the funds distributed pursuant to such subsection
20 during the fiscal year ending June 30, 1977, as
21 adjusted by the percent change in the gross sales
22 of wine of the state liquor stores in each year
23 thereafter.

24 c. The revenue derived from the wine tax remaining
25 in the fund after the distributions required by
26 paragraphs a and b of this subsection shall be
27 transferred by the state comptroller to the general
28 fund of the state.

29 Sec. 16. NEW SECTION. REPORT OF GALLONAGE SALES-
30 -PENALTY. Each class "A" permit holder shall, on
31 or before the tenth day of each calendar month
32 commencing on the tenth day of the calendar month
33 following the month in which the person is issued
34 a permit, make a report under oath to the department
35 upon forms to be furnished by the department showing
36 the exact number of gallons of wine and fractional
37 parts thereof, sold by that permit holder during the
38 preceding calendar month. The report also shall state
39 whatever additional information the director may
40 require. Each permit holder shall at the time of
41 filing said report pay to the department the amount
42 of tax due at the rate fixed in section fifteen (15)
43 of this Act. A penalty of ten percent of the amount
44 of the tax shall be assessed and collected if the
45 report is not filed and the tax paid within the time
46 required by this section.

47 Sec. 17. NEW SECTION. RECORDS REQUIRED. Each
48 class "A" permittee shall keep books of account and
49 records showing each sale of wine, which shall be
50 at all times open to inspection by the director and

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1 agents of the department. Each class "B" and class
2 "C" permittee shall keep proper books of account and
3 records showing each purchase of wine, and the date
4 and the amount of each purchase and the name of the
5 person from whom each purchase was made, which shall
6 be open to inspection by the director and agents of
7 the department during normal business hours of the
8 permittee.

9 Sec. 18. NEW SECTION. PURCHASE FROM A NONPERMIT
10 HOLDER. It shall be unlawful for the holder of any
11 class "B" or class "C" permit to sell wine, except
12 wine which is purchased from a person holding a class
13 "A" permit and on which the tax imposed by section
14 fifteen (15) of this Act has been paid.

15 Sec. 19. NEW SECTION. DISTRIBUTION OF FUNDS.
16 All permit fees and taxes collected by the department
17 pursuant to this division shall accrue to the general
18 fund of the state, except as otherwise provided.

19 Sec. 20. NEW SECTION. LABELS--CONCLUSIVE EVIDENCE.
20 The label on any bottle or other container in which
21 wine is offered for sale in this state which represents
22 the alcoholic content of that wine as being in excess
23 of seventeen per cent by weight shall be conclusive
24 evidence of the alcoholic content of that wine.

25 Sec. 21. Section one hundred twenty-three point
26 two (123.2), Code 1977, is amended to read as follows:

27 123.2 GENERAL PROHIBITION. It shall be unlawful
28 to manufacture for sale, sell, offer or keep for sale,
29 possess, or transport an alcoholic ~~liquor-or-beer~~
30 beverage except upon the terms, conditions,
31 limitations, and restrictions enumerated in this
32 chapter.

33 Sec. 22. Section one hundred twenty-three point
34 three (123.3), subsection seven (7), Code 1977, is
35 amended to read as follows:

36 7. "Wine" means any beverage containing alcohol
37 obtained by the fermentation of the natural sugar
38 contents of fruits or other agricultural products
39 and containing not more than seventeen percent alcohol
40 by weight.

41 Sec. 23. Section one hundred twenty-three point
42 three (123.3), subsection eight (8), Code 1977, is
43 amended to read as follows:

44 8. "~~Alcoholic liquor~~" ~~"alcoholic beverage"~~ or
45 "~~intoxicating liquor~~" means and includes the three
46 varieties of liquor defined in subsections 5, 6, and
47 7, except and beer as defined in subsection 9 but
48 including all beverages made as described in such
49 subsection which contain more than four percent of
50 alcohol by weight, and every other liquid or solid,

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1 patented or not, containing alcohol, spirits, or wine,
2 and susceptible of being consumed by a human being,
3 for beverage purposes. "Alcoholic liquor" or
4 "intoxicating liquor" means and includes every
5 alcoholic beverage, except beer containing four percent
6 or less of alcohol by weight, and except wine
7 containing seventeen percent or less of alcohol by
8 weight.

9 Sec. 24. Section one hundred twenty-three point
10 three (123.3), subsection ten (10), Code 1977, is
11 amended to read as follows:

12 10. "Person" means any individual, association,
13 partnership, corporation, club, hotel or motel, or
14 municipal corporation owning or operating a bona fide
15 airport, marina, park, coliseum, auditorium, or
16 recreational facility in or at which the sale of
17 alcoholic liquor-or-beer beverages is only an
18 incidental part of such ownership or operation.

19 Sec. 25. Section one hundred twenty-three point
20 three (123.3), subsection eleven (11), paragraph c,
21 Code 1977, is amended to read as follows:

22 c. He or she is not prohibited by the provisions
23 of section 123.40 from obtaining a ~~liquor-centered~~
24 license or beer permit.

25 Sec. 26. Section one hundred twenty-three point
26 three (123.3), subsection thirteen (13), Code 1977,
27 is amended to read as follows:

28 13. "Permit" or "license" means an express written
29 authorization issued by the department for the
30 manufacture or sale, or both, of alcoholic liquor,
31 wine, or beer.

32 Sec. 27. Section one hundred twenty-three point
33 three (123.3), subsection sixteen (16), Code 1977,
34 is amended by striking the subsection and inserting
35 in lieu thereof the following:

36 16. "Container" means and includes every vessel
37 or receptacle used for holding alcoholic liquor or
38 wine or beer.

39 Sec. 28. Section one hundred twenty-three point
40 three (123.3), subsections nineteen (19) and twenty
41 (20), Code 1977, are amended to read as follows:

42 19. "Importer" means the a person transporting
43 or ordering, authorizing, or arranging the
44 transportation of alcoholic liquor-or-beer beverages
45 into this state whether such or not the person is
46 a resident of this state or-not.

47 20. "Import" means the transporting or ordering
48 or arranging the transportation of alcoholic liquor
49 or-beer beverages into this state whether-by-a-resident
50 of-this-state-or-not.

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1 Sec. 29. Section one hundred twenty-three point
2 three (123.3), subsections twenty-five (25), twenty-
3 six (26), and twenty-seven (27), Code 1977, are amended
4 to read as follows:

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

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

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

26 Sec. 30. Section one hundred twenty-three point
27 three (123.3), subsection thirty-one (31), Code 1977,
28 is amended to read as follows:

29 31. "Licensed premises" or "premises" means all
30 rooms or enclosures where alcoholic beverages ~~or beer~~
31 are sold or consumed under authority of a ~~liquor~~
32 ~~control~~ license or ~~beer~~ permit.

33 Sec. 31. Section one hundred twenty-three point
34 three (123.3), Code 1977, is amended by adding the
35 following new subsections:

36 NEW SUBSECTION. "Retail wine permit" means a class
37 "B" or a class "C" wine permit issued under the
38 provisions of this Act.

39 NEW SUBSECTION. "Wine store" means and includes
40 any retail establishment, the principal business of
41 which is the sale of wine under the authority of a
42 class "B" wine permit.

43 Sec. 32. Section one hundred twenty-three point
44 four (123.4), Code 1977, is amended to read as follows:

45 123.4 DEPARTMENT CREATED--PLACE OF BUSINESS.
46 There is hereby created an Iowa beer and liquor control
47 department to administer and enforce the laws of this
48 state concerning ~~beer-and-alcoholic-liquor~~ alcoholic
49 beverages. The principal place of business of the
50 department shall be in the city of Des Moines, and

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1 suitable quarters or offices shall be provided the
2 department in such city by the authority designated
3 by law to provide such quarters or offices to state
4 departments or agencies.

5 Sec. 33. Section one hundred twenty-three point
6 fourteen (123.14), subsections one (1) and three (3),
7 Code 1977, are amended to read as follows:

8 1. The division of beer and liquor law enforcement
9 of the department of public safety, created pursuant
10 to section 80.25, shall be the primary beer-and-liquor
11 law-enforcement authority for of this state for the
12 enforcement of laws relating to alcoholic beverages.

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

18 Sec. 34. Section one hundred twenty-three point
19 fifteen (123.15), Code 1977, is amended to read as
20 follows:

21 123.15 HEARING BOARD ESTABLISHED. There is hereby
22 created a three-member hearing board for the purpose
23 of conducting departmental hearings relating to
24 controversies concerning the issuance, suspension,
25 or revocation of special-liquor-permits, liquor-control
26 licenses, and beer permits authorized under this
27 chapter. One member shall be appointed by the council
28 from its membership, which member may be periodically
29 replaced by appointment of another council member;
30 one member shall be the attorney general or his
31 designee; and one member shall be the commissioner
32 of public safety or his designee. The hearing board
33 shall establish and adopt rules and procedures for
34 conducting departmental hearings under this chapter.

35 Sec. 35. Section one hundred twenty-three point
36 sixteen (123.16), subsection two (2), paragraphs b
37 and c, Code 1977, are amended to read as follows:

38 b. The granting or refusing of liquor licenses
39 and permits, and-beer-permits, and the suspension
40 or revocation of such licenses and permits.

41 c. The establishment of retail prices of alcoholic
42 liquor and wine sold at state liquor stores.

43 Sec. 36. Section one hundred twenty-three point
44 eighteen (123.18), Code 1977, is amended to read as
45 follows:

46 123.18 FAVORS FROM LICENSEE OR PERMITTEE. No
47 person responsible for the administration or
48 enforcement of this chapter shall accept or solicit
49 donations, gratuities, political advertising, gifts,
50 or other favors, directly or indirectly, from any

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1 ~~liquor-control~~ licensee or beer permittee. A violation
2 of this section shall subject the violator to the
3 general penalties provided by this chapter.

4 Sec. 37. Section one hundred twenty-three point
5 nineteen (123.19), Code 1977, is amended by adding
6 the following new subsection:

7 NEW SUBSECTION. A manufacturer, bottler, vendor
8 or importer, whether or not holding a certificate
9 issued pursuant to this section, shall not cause the
10 importing of wine into this state for sale directly
11 to a licensee or permittee as permitted by this Act,
12 unless the person has been issued a certificate
13 pursuant to section fourteen (14) of this Act.

14 Sec. 38. Section one hundred twenty-three point
15 twenty (123.20), subsections one (1), six (6), seven
16 (7) and eight (8), Code 1977, are amended to read
17 as follows:

18 1. To purchase alcoholic liquors and wines for
19 resale by the department in the manner set forth in
20 this chapter.

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

25 7. To license, inspect, and control the manufacture
26 of ~~beer-and~~ alcoholic liquors beverages and regulate
27 the entire ~~beer-and-liquor~~ alcoholic beverage industry
28 in the state.

29 8. To accept ~~intoxicating-liquors~~ alcoholic
30 beverages ordered delivered to the ~~Iowa-beer-and~~
31 ~~liquor-control~~ department pursuant to section 751.31,
32 subsections 1 and 2, and offer such ~~intoxicating~~
33 ~~liquors~~ for sale through the state liquor stores,
34 ~~unless-the-director-determines-that-such-intoxicating~~
35 ~~liquors-may-be-adulterated-or-contaminated.~~ If,
36 however, the director determines that such intoxicating
37 liquors may be adulterated or contaminated he or she
38 shall order their destruction.

39 Sec. 39. Section one hundred twenty-three point
40 twenty-one (123.21), subsections six (6), seven (7),
41 eight (8), nine (9), and ten (10), Code 1977, are
42 amended to read as follows:

43 6. Providing for the issuing and distributing
44 of price lists showing the price to be paid by
45 purchasers for each brand, class, or variety of ~~liquor~~
46 alcoholic beverage kept for sale by the department
47 under this chapter. Provide for the filing or posting
48 of prices between class "A" beer permit holders and
49 ~~retailers as-provided-in-this-chapter~~ and between
50 class "A" wine permit holders and retailers, and

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1 establish or control such prices as may be based on
2 minimum standards of fill, quantity, or alcoholic
3 content for each individual sale of intoxicating
4 liquor or beer as deemed necessary for retail or
5 consumer protection.

6 7. Prescribing the official seals, labels, or
7 other markings which shall be attached to or stamped
8 on packages of alcoholic ~~liquor~~ beverages sold under
9 this chapter.

10 8. Prescribing, subject to this chapter, the days
11 and hours during which state liquor stores shall be
12 kept open for the purpose of the sale of alcoholic
13 ~~liquors~~ beverages.

14 9. Prescribing the place and the manner in which
15 alcoholic ~~liquor~~ beverages may be lawfully kept or
16 stored by the licensed manufacturer under this chapter.

17 10. Prescribing the time, manner, means, and
18 method by which distillers, vintners, vendors, or
19 others authorized under this chapter may deliver or
20 transport alcoholic ~~liquors~~ beverages and prescribing
21 the time, manner, means, and methods by which alcoholic
22 ~~liquor~~ beverages may be lawfully conveyed, carried,
23 or transported.

24 Sec. 40. Section one hundred twenty-three point
25 twenty-two (123.22), Code 1977, is amended to read
26 as follows:

27 123.22 STATE MONOPOLY. The department shall have
28 the sole and exclusive right of importation, into
29 the state, of all forms of alcoholic ~~liquor~~ beverage,
30 except as otherwise provided in this chapter, and
31 no person shall so import any such alcoholic ~~liquor~~
32 beverage, except that an individual of legal age may
33 import and have in his or her possession an ~~amount~~
34 of alcoholic ~~liquor~~ beverages not exceeding a total
35 amount of one quart or, in the case of alcoholic
36 liquor beverages personally obtained outside the
37 United States, one gallon for personal consumption
38 only in a private home or other private accommodation.
39 No distillery, winery or brewery shall sell any
40 alcoholic ~~liquor~~ beverage within the state to any
41 person but only to the department, except as otherwise
42 provided in this chapter. It is the intent of this
43 section to vest in the department exclusive control
44 within the state both as purchaser and vendor of all
45 alcoholic ~~liquor~~ beverages sold by ~~distilleries~~
46 the state or imported therein, ~~except beer, and~~ except
47 as otherwise provided in this chapter.

48 No person, ~~by himself~~ either personally or through
49 another acting for him or her shall directly or
50 indirectly, or upon any pretense, or by any device,

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1 manufacture, sell, exchange, barter, dispense, give
2 in consideration of the purchase of any property or
3 of any services or in evasion of this chapter, or
4 keep for sale, or have possession of any ~~intoxicating~~
5 ~~liquor~~ alcoholic beverage, except as provided in this
6 chapter; or own, keep, or be in any way concerned,
7 engaged, or employed in owning or keeping, any
8 ~~intoxicating-liquor~~ alcoholic beverage with intent
9 to violate any provision of this chapter, or authorize
10 or permit the same to be done; or manufacture, own,
11 sell, or have possession of any manufactured or
12 compounded article, mixture or substance, not in a
13 liquid form, and containing alcohol which may be
14 converted into a beverage by a process of pressing
15 or straining the alcohol therefrom, or any instrument
16 intended for use and capable of being used in the
17 manufacture of ~~intoxicating-liquor~~ an alcoholic
18 beverage; or own or have possession of any material
19 used exclusively in the manufacture of ~~intoxicating~~
20 ~~liquor~~ an alcoholic beverage; or use or have possession
21 of any material with intent to use it in the
22 manufacture of ~~intoxicating-liquors~~ an alcoholic
23 beverage; however, alcohol may be manufactured for
24 industrial and non-beverage purposes by persons who
25 have qualified for that purpose as provided by the
26 laws of the United States and the laws of this state.
27 Such alcohol, so manufactured, may be denatured,
28 transported, used, possessed, sold, and bartered and
29 dispensed, subject to the limitations, prohibitions
30 and restrictions imposed by the laws of the United
31 States and this state. Any person may manufacture,
32 sell, or transport ingredients and devices other than
33 alcohol for the making of home-made wine.

34 Sec. 41. Section one hundred twenty-three point
35 twenty-three (123.23), Code 1977, is amended to read
36 as follows:

37 123.23 STATE LIQUOR STORES. The department shall
38 establish and maintain in any city which the director
39 may deem advisable, a state liquor store or stores
40 for the storage and sale of alcoholic ~~liquor~~ beverages
41 in accordance with the provisions of this chapter.
42 The department may, from time to time, as determined
43 by the director, fix the prices of the different
44 classes, varieties, or brands of alcoholic ~~liquor~~
45 beverage to be sold.

46 Sec. 42. Section one hundred twenty-three point
47 twenty-four (123.24), Code 1977, is amended to read
48 as follows:

49 123.24 VENDORS--CASH SALES. In the conduct and
50 management of state liquor stores the director is

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1 empowered to employ a person who shall be known as
2 a "vendor" who shall, subject to the directions of
3 the director, observe all provisions of this chapter
4 and the rules and ~~regulations~~ policies of the
5 department. No vendor of any state liquor store shall
6 sell ~~alcoholic-liquor~~ merchandise to any person except
7 for cash.

8 Sec. 43. Section one hundred twenty-three point
9 twenty-five (123.25), Code 1977, is amended to read
10 as follows:

11 123.25 CONSUMPTION ON PREMISES. No vendor,
12 officer, clerk, agent, or employee of the department
13 employed in any state liquor store or state-owned
14 warehouse shall allow any alcoholic ~~liquor~~ beverage
15 to be consumed on such premises, nor shall any person
16 consume any ~~liquor~~ alcoholic beverage on such premises.

17 Sec. 44. Section one hundred twenty-three point
18 twenty-six (123.26), Code 1977, is amended to read
19 as follows:

20 123.26 RESTRICTIONS ON SALES--SEALS--LABELING.
21 No alcoholic ~~liquor~~ beverage shall be sold by the
22 department to any purchaser except in a sealed
23 container with such identifying markers as shall be
24 prescribed by the director and affixed on the premises
25 of a state warehouse or store and no such container
26 shall be opened upon the premises of any state
27 warehouse or store. Possession of alcoholic ~~liquors~~
28 beverages which do not carry the prescribed identifying
29 markers shall be a violation of this chapter except
30 as provided in section 123.22.

31 Sec. 45. Section one hundred twenty-three point
32 twenty-seven (123.27), unnumbered paragraph one (1),
33 Code 1977, is amended to read as follows:

34 It shall be unlawful to transact the sale or
35 delivery of any ~~liquor~~ alcoholic beverage in, on,
36 or from the premises of any state liquor store or
37 warehouse:

38 Sec. 46. Section one hundred twenty-three point
39 twenty-eight (123.28), Code 1977, is amended to read
40 as follows:

41 123.28 TRANSPORTATION PERMITTED. It shall be
42 lawful to transport, carry, or convey alcoholic ~~liquors~~
43 beverages from the place of purchase by the department
44 to any state warehouse, store, or depot established
45 by the department or from one such place to another
46 and, when so permitted by this chapter, it shall be
47 lawful for any common carrier or other person to
48 transport, carry, or convey alcoholic ~~liquor~~ beverages
49 sold by a vendor from a state warehouse, store, depot
50 or point of purchase by the state to any place to

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1 which such ~~liquor~~ may be lawfully delivered under
2 this chapter. No common carrier or other person shall
3 break or open or allow to be broken or opened any
4 container or package containing an alcoholic liquor
5 beverage or use or drink or allow to be used or drunk
6 any alcoholic ~~liquor~~ beverage while it is being
7 transported or conveyed, but this section shall not
8 prohibit a ~~private~~ person from transporting individual
9 bottles or containers of alcoholic ~~liquor~~ beverages
10 exempted pursuant to section 123.22 and individual
11 bottles or containers bearing the identifying mark
12 prescribed in section 123.26 which have been opened
13 previous to the commencement of such transportation.
14 Nothing in this section shall affect the right of
15 any ~~special~~ permit or ~~liquor-control~~ license holder
16 to purchase, possess, or transport alcoholic liquors
17 subject to the provisions of this chapter.

18 Sec. 47. Section one hundred twenty-three point
19 twenty-nine (123.29), unnumbered paragraph one (1),
20 and subsection four (4), paragraph c, Code 1977, are
21 amended to read as follows:

22 A special permit for the purchase, possession,
23 or transportation of alcoholic ~~liquors~~ beverages for
24 the purposes specified in those permits may be issued
25 by the director upon application being made to the
26 department in the form and manner prescribed by the
27 director, accompanied by payment of the prescribed
28 fee, and upon the director being satisfied that the
29 applicant has complied with departmental rules
30 established for the issuance of such permit. Such
31 special permits may be issued to the following persons
32 and for the following purposes:

33 c. That neither the applicant, if he is an
34 individual, nor any members of the firm or officers
35 of the corporation, if the applicant is not an
36 individual, has been convicted of any violation of
37 the laws of this state with reference to the sale
38 of alcoholic ~~liquors-or-beer~~ beverages within the
39 three years preceding the date of the affidavit.

40 Sec. 48. Section one hundred twenty-three point
41 thirty (123.30), subsection three (3), Code 1977,
42 is amended to read as follows:

43 3. Liquor control licenses issued under this
44 chapter shall be of the following classes:

45 a. Class "A". A class "A" liquor control license
46 may be issued to a club and shall authorize the holder
47 to purchase alcoholic liquors from the department
48 only, to purchase wine from the department and from
49 class "A" wine permittees, and to purchase beer from
50 class "A" beer permittees, and to sell such liquors,

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1 ~~and-beer~~ to bona fide members and their guests by
2 the individual drink for consumption on the premises
3 only: However, beer and wine also may be sold in
4 their containers for consumption on the premises only.

5 b. Class "B". A class "B" liquor control license
6 may be issued to a hotel or motel and shall authorize
7 the holder to purchase alcoholic liquors from the
8 department only, to purchase wine from the department
9 and from class "A" wine permittees, and to purchase
10 beer from class "A" beer permittees, and to sell such
11 ~~liquors and-beer~~ to patrons by the individual drink
12 for consumption on the premises only, ~~however~~:
13 However, beer and wine also may be sold in their
14 containers for consumption on the premises only, and
15 beer may also be sold for consumption off the premises.
16 Each such license shall be effective throughout the
17 premises described in the application.

18 c. Class "C". A class "C" liquor control license
19 may be issued to a commercial establishment but must
20 be issued in the name of the individual or individuals
21 who actually own the entire business and shall
22 authorize the holder or holders to purchase alcoholic
23 liquors from the department only, and to purchase
24 wine from the department and from class "A" wine
25 permittees, and to purchase beer from class "A" beer
26 permittees, and to sell such ~~liquors and-beer~~ to
27 patrons by the individual drink for consumption on
28 the premises only, ~~however~~: However, beer and wine
29 also may be sold in their containers for consumption
30 on the premises only, and beer may also be sold for
31 consumption off the premises.

32 d. Class "D". A class "D" liquor control license
33 may be issued to a railway corporation, to an air
34 common carrier, and to passenger-carrying boats or
35 ships for hire with a capacity of twenty-five persons
36 or more operating in inland or boundary waters, and
37 shall authorize the holder to sell or furnish alcoholic
38 beverages ~~and-beer~~ to passengers for consumption only
39 on trains, watercraft as described herein, or aircraft,
40 respectively. Each such license shall be valid
41 throughout the state as a state license. Only one
42 such license shall be required for all trains,
43 watercraft, or aircraft operated in the state by the
44 licensee.

45 Sec. 49. Section one hundred twenty-three point
46 thirty-two (123.32), subsections one (1), two (2),
47 three (3) and four (4), Code 1977, are amended to
48 read as follows:

49 1. FILING OF APPLICATION. An application for
50 a class "A", class "B", or class "C" liquor control

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1 license, and or for a retail beer permit as provided
2 in sections 123.128 and 123.129, or for a retail wine
3 permit as provided in sections seven (7) and eight
4 (8) of this Act, accompanied by the required fee and
5 bond, shall be filed with the appropriate city council
6 if the premises for which the license or permit is
7 sought are located within the corporate limits of
8 a city, or with the board of supervisors if the
9 premises for which the license or permit is sought
10 are located outside the corporate limits of a city.
11 An application for a class "D" liquor control license
12 and, or for a class "A" beer permit, or for a class
13 "A" wine permit, accompanied by the required fee and
14 bond, shall be filed with the department, ~~which shall~~
15 ~~proceed in the same manner as in the case of an~~
16 ~~application approved by local authorities.~~

17 2. ACTION BY LOCAL AUTHORITIES. The local
18 authority shall either approve or disapprove the
19 issuance of a liquor control license or retail beer
20 permit or retail wine permit, and shall endorse such
21 approval or disapproval on the application and forward
22 same along with the required fee and bond to the
23 department. Upon the initial issuance of a liquor
24 ~~control~~ license or ~~retail-beer~~ permit, the fact that
25 the local authority determines that no ~~liquor-control~~
26 license or ~~retail-beer~~ permit shall be issued shall
27 not be held to be arbitrary, capricious, or without
28 reasonable cause. There shall be no limit upon the
29 number of ~~liquor-control~~ licenses or ~~retail-beer~~
30 permits which may be approved for issuance by local
31 authorities.

32 3. ACTION BY DIRECTOR. Upon receipt of an
33 application having been disapproved by the local
34 authority, the director shall disapprove the
35 application, so notify the applicant by registered
36 mail, and return the fee and bond to the applicant.
37 Upon receipt of an application having been approved
38 by the local authority, or upon receipt of an
39 application for a class "D" liquor control license,
40 or a class "A" beer permit, or a class "A" wine permit,
41 the director shall make such investigation as he deems
42 necessary and may require the applicant to appear
43 before him and be examined under oath regarding any
44 matters pertinent to the application, in which case
45 a record shall be made of all testimony or evidence
46 and the same shall become a part of the application.
47 If the application is approved by the director, the
48 license or permit applied for shall be issued. If
49 the application is disapproved by the director, the
50 applicant and in the case of a retail license or

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1 permit the appropriate local authority shall be so
2 notified by restricted certified mail, and the fee
3 and bond returned to the applicant.

4 4. APPEAL TO HEARING BOARD. Any applicant for
5 a ~~liquor-centred~~ license or beer permit may appeal
6 to the department hearing board, established pursuant
7 to section 123.15, from the director's disapproval
8 of an application for a license or permit. If, upon
9 such appeal the hearing board shall determine that
10 the a local authority acted arbitrarily, capriciously,
11 or without reasonable cause in disapproving the an
12 application, or that, where the local authority
13 approved the application, the director's own
14 disapproval should be reversed, it shall order issuance
15 of a license or permit. The same right of appeal
16 to the hearing board shall be afforded a ~~liquor-centred~~
17 licensee or beer permittee whose license or permit
18 has been suspended or revoked under this chapter,
19 and the hearing board shall reduce the period of
20 suspension or order reinstatement of such license
21 or permit for good cause shown.

22 Sec. 50. Section one hundred twenty-three point
23 thirty-four (123.34), Code 1977, is amended to read
24 as follows:

25 123.34 EXPIRATION--SEASONAL LICENSE OR PERMIT.
26 All ~~liquor-centred~~ licenses and beer permits, unless
27 sooner suspended or revoked, shall expire one year
28 from date of issuance. The director shall cause sixty
29 days' notice of such expiration to be given to each
30 licensee or permittee in writing. However, the
31 director may issue six-month or eight-month seasonal
32 licenses or class "B" beer permits or class "B" wine
33 permits for a proportionate part of the license or
34 permit fee. No refund shall be made for seasonal
35 licenses or permits. No seasonal license or permit
36 shall be renewed except after a period of two months.

37 Sec. 51. Section one hundred twenty-three point
38 thirty-five (123.35), unnumbered paragraph one (1),
39 Code 1977, is amended to read as follows:

40 The director shall prescribe simplified application
41 forms for the renewal of ~~liquor-centred~~ licenses and
42 beer permits issued under the provisions of this
43 chapter, which may be filed by licensees and permittees
44 in lieu of a detailed renewal application form when
45 qualifications and qualification information have
46 not changed since the original issuance of the license
47 or permit. Such simplified form shall require the
48 licensee or permittee to verify under oath that the
49 information contained in the original application
50 remains current, and that no reason exists for the

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1 department's refusal to renew the license or permit
2 as originally issued.

3 Sec. 52. Section one hundred twenty-three point
4 thirty-six (123.36), subsection two (2), Code 1977,
5 is amended to read as follows:

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

21 Sec. 53. Section one hundred twenty-three point
22 thirty-six (123.36), subsections six (6) and seven
23 (7), Code 1977, are amended to read as follows:

24 6. Any club, hotel, motel, or commercial
25 establishment holding a liquor control license for
26 whom the sale of goods and services other than
27 alcoholic ~~liquor-or-beer~~ beverages constitutes fifty
28 percent or more of the gross receipts from the licensed
29 premises, subject to the provisions of section 123.49,
30 subsection 2, paragraph "b", may sell and dispense
31 alcoholic ~~liquor-and-beer~~ beverages to patrons on
32 Sunday for consumption on the premises only. For
33 this privilege the ~~liquor-control~~ license fee of the
34 applicant shall be increased by twenty percent of
35 the regular fee prescribed for the license pursuant
36 to this section, and the privilege shall be noted
37 on the ~~liquor-control~~ license. The department shall
38 prescribe the nature and the character of the evidence
39 which shall be required of the applicant under this
40 subsection.

41 7. Holders of liquor control licenses and beer
42 permits may sell alcoholic beverages ~~or-beer~~ on Sunday
43 pursuant to this section, section 123.134 and section
44 123.49, except subsection 4, only if the governing
45 body of the city in which the premises covered by
46 the license or permit are located, or the board of
47 supervisors if the permises so covered are not located
48 in a city, specifically approves authority to sell
49 on Sunday in the area subject to its jurisdiction.

50 Sec. 54. Section one hundred twenty-three point

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1 thirty-seven (123.37), Code 1977, is amended to read
2 as follows:

3 123.37 POWER TO LICENSE AND LEVY TAXES. The power
4 to establish licenses and permits and levy taxes as
5 imposed in title VI of the Code is vested exclusively
6 with the state. Unless specifically provided, no
7 local authority shall levy a local tax on the sale
8 of alcoholic beverages ~~or beer~~, or require the
9 obtaining of a ~~special~~ local license or permit for
10 such sale ~~on any establishment~~, or require the
11 obtaining of a license by any person as a condition
12 precedent to his or her employment in the sale,
13 serving, or handling of alcoholic beverages ~~or beer~~
14 within an establishment operating under a license
15 or permit.

16 Sec. 55. Section one hundred twenty-three point
17 thirty-eight (123.38), unnumbered paragraphs one (1)
18 and two (2), Code 1977, are amended to read as follows:

19 A special liquor permit, liquor control license,
20 ~~or beer permit or wine permit~~ shall be a purely
21 personal privilege and shall be revocable for cause.
22 It shall not constitute property nor be subject to
23 attachment and execution nor be alienable nor
24 assignable, and in any case it shall cease upon the
25 death of the permittee or licensee. However, the
26 director may in his or her discretion allow the
27 executor or administrator of a permittee or licensee
28 to operate the business of the decedent for a
29 reasonable time not to exceed the expiration date
30 of the permit or license. Every permit or license
31 shall be issued in the name of the applicant and no
32 person holding a permit or license shall allow any
33 other person to use same.

34 Any such licensee or permittee, or ~~his~~ an executor,
35 administrator, or any person duly appointed by the
36 court to take charge of and administer the property
37 or assets of the licensee or permittee for the benefit
38 of ~~his~~ creditors, may voluntarily surrender ~~such~~ the
39 license or permit to the department and when so
40 surrendered the department shall notify the local
41 authority, and the department and ~~such~~ the local
42 authority, or the local authority by itself in the
43 case of a retail beer permit, shall refund to the
44 person so surrendering the license or permit a
45 proportionate amount of the fee paid for ~~such~~ the
46 license or permit as follows: If surrendered during
47 the first three months of the period for which ~~said~~
48 ~~license or permit was~~ issued the refund shall be
49 three-fourths of the amount of the fee; if surrendered
50 more than three months but not more than six months

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1 after issuance the refund shall be one-half of the
2 amount of the fee; if surrendered more than six months
3 but not more than nine months after issuance the
4 refund shall be one-fourth of the amount of the fee.
5 No refund shall be made, however, for any special
6 liquor permit, nor for a ~~liquor control~~ any other
7 license or ~~beer~~ permit surrendered more than nine
8 months after issuance. No refund shall be made to
9 any licensee or permittee, upon the surrender of ~~his~~
10 a license or permit, if there is at the time of ~~said~~
11 surrender a complaint filed with the department or
12 local authority, charging ~~him~~ the person with a
13 violation of the provisions of this chapter. If upon
14 hearing on ~~any such~~ the complaint the license or
15 permit is not revoked or suspended, then the licensee
16 or permittee shall be eligible, upon surrender of
17 ~~his~~ the license or permit, to receive a refund as
18 herein provided: But if ~~his~~ the license or permit
19 is revoked or suspended upon ~~such~~ hearing ~~he~~ the
20 person shall not be eligible for the refund of any
21 portion of ~~his~~ the license or permit fee.

22 Sec. 56. Section one hundred twenty-three point
23 thirty-nine (123.39), Code 1977, is amended to read
24 as follows:

25 123.39 SUSPENSION OR REVOCATION OF LIQUOR LICENSE
26 OR BEER PERMIT. Any ~~liquor control~~ certificate,
27 license or ~~beer~~ permit issued under this chapter may,
28 after notice in writing to the ~~licensee~~ licensee or
29 permit holder and reasonable opportunity for hearing,
30 and subject to section 123.50 where applicable, be
31 suspended for a period not to exceed one year or
32 revoked by the local authority having jurisdiction
33 or the director for any of the following causes:

34 1. Misrepresentation of any material fact in the
35 application for such license or permit.

36 2. Violation of any of the provisions of this
37 chapter.

38 3. Any change in the ownership or interest in
39 the business operated under a class "A", class "B",
40 or class "C" liquor control license, or any wine or
41 beer permit which change was not previously reported
42 to and approved by the local authority and the
43 department.

44 4. An event which would have resulted in
45 disqualification from receiving such license or permit
46 when originally issued.

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

49 6. The failure or refusal on the part of any
50 licensee or permittee to render any report or remit

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1 any taxes to the department under this chapter when
2 due.

3 Local authorities shall have the power to suspend
4 any retail wine permit or retail beer permit or liquor
5 control license for a violation of any ordinance or
6 regulation adopted by such local authority. Local
7 authorities are empowered to adopt ordinances or
8 regulations for the location of the premises of retail
9 beer, retail wine and liquor control licensed
10 establishments and are empowered to adopt ordinances,
11 not in conflict with the provisions of this chapter
12 and that do not diminish the hours during which ~~beer~~
13 or alcoholic beverages may be sold or consumed at
14 retail, governing any other activities or matters
15 which may affect the retail sale and consumption of
16 ~~beer and~~ alcoholic liquor beverages and the health,
17 welfare and morals of the community involved.

18 Sec. 57. Section one hundred twenty-three point
19 forty (123.40), Code 1977, is amended to read as
20 follows:

21 123.40 EFFECT OF REVOCATION. Any ~~liquor-control~~
22 licensee or ~~beer~~ permittee whose license or permit
23 is revoked under this chapter shall not thereafter
24 be permitted to hold a ~~liquor-control~~ license or ~~beer~~
25 permit in the state of Iowa for a period of two years
26 from the date of such revocation. The spouse and
27 business associates holding ten percent or more of
28 the capital stock or ownership interest in the business
29 of a person whose license or permit has been revoked
30 shall not be issued a ~~liquor-control~~ license or ~~beer~~
31 permit, and no ~~liquor-control~~ license or ~~beer~~ permit
32 shall be issued which covers any business in which
33 such person has a financial interest for a period
34 of two years from the date of such revocation. In
35 the event a license or permit is revoked the premises
36 which had been covered by such license or permit shall
37 not be relicensed for one year.

38 Sec. 58. Section one hundred twenty-three point
39 forty-four (123.44), Code 1977, is amended to read
40 as follows:

41 123.44 GIFT OF LIQUORS PROHIBITED. No manufacturer
42 or wholesaler shall give away any alcoholic liquor
43 of any kind or description at any time in connection
44 with his business except for testing or sampling
45 purposes only. No manufacturer, vintner, wholesaler,
46 or importer, who is organized as a corporation pursuant
47 to the laws of this state or any other state, and
48 who deals in alcoholic ~~liquor or beer~~ beverages subject
49 to this chapter shall offer or give any thing of value
50 to any council member, official or employee of the

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1 department or directly or indirectly contribute in
2 any manner any money or thing of value to any person
3 seeking a public or appointive office or any recognized
4 political party or a group of persons seeking to
5 become a recognized political party.

6 Sec. 59. Section one hundred twenty-three point
7 forty-five (123.45), Code 1977, is amended to read
8 as follows:

9 123.45 INTEREST IN LIQUOR BUSINESS.

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

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

42 3. Subsection two (2) of this section shall not
43 apply to the business organization of, or the business
44 arrangements and transactions between a wholesale
45 supplier which holds class "A" wine permit and grocery
46 stores which hold class "C" wine permits and which
47 are owned in whole or in part by the class "A"
48 permittee.

49 Sec. 60. Section one hundred twenty-three point
50 forty-six (123.46), Code 1977, is amended to read

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1 as follows:

2 123.46 CONSUMPTION IN PUBLIC PLACES--INTOXICATION.

3 It is unlawful for any person to use or consume
4 alcoholic ~~liquors-or-beer~~ beverages upon the public
5 streets or highways, or alcoholic liquors in any
6 public place, except premises covered by a liquor
7 control license, or to possess or consume alcoholic
8 ~~liquors-or-beer~~ beverages on any public school property
9 or while attending any public or private school related
10 functions, and no person shall be intoxicated nor
11 simulate intoxication in a public place. As used
12 in this section "school" means a school or that portion
13 thereof, which provides teaching for any grade from
14 kindergarten through grade twelve. Any person
15 violating any provisions of this section shall be
16 fined not to exceed one hundred dollars or sentenced
17 not to exceed thirty days in the county jail.

18 Sec. 61. Section one hundred twenty-three point
19 forty-seven (123.47), Code 1977, is amended to read
20 as follows:

21 123.47 PERSONS UNDER LEGAL AGE. No person shall
22 sell, give, or otherwise supply alcoholic ~~liquor-or~~
23 ~~beer~~ beverages to any person knowing or having
24 reasonable cause to believe ~~him~~ the person to be under
25 legal age, and no person or persons under legal age
26 shall individually or jointly have alcoholic ~~liquor~~
27 ~~or-beer~~ beverages in ~~his-or-their~~ possession or
28 control, except in the case of ~~liquor-or-beer~~ an
29 alcoholic beverage given or dispensed to a person
30 under legal age within a private home and with the
31 knowledge and consent of the parent or guardian for
32 beverage or medicinal purposes or as administered
33 to him by either a physician or dentist for medicinal
34 purposes, and except to the extent that a person under
35 legal age may handle alcoholic beverages ~~and-beer~~
36 during the regular course of his or her employment
37 by a ~~liquor-control~~ licensee or ~~beer~~ permittee under
38 ~~this-chapter~~.

39 Sec. 62. Section one hundred twenty-three point
40 forty-eight (123.48), subsection one (1), Code 1977,
41 is amended to read as follows:

42 1. Upon attempt to purchase alcoholic ~~liquor~~
43 beverages in any state liquor store by any person
44 who appears to the vendor to be under legal age, such
45 vendor shall demand and the prospective purchaser
46 upon such demand shall display satisfactory evidence
47 that he is of legal age.

48 Sec. 63. Section one hundred twenty-three point
49 forty-nine, (123.49), subsection one (1), Code 1977,
50 is amended to read as follows:

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

4 Sec. 64. Section one hundred twenty-three point
5 forty-nine (123.49), subsection two (2), unnumbered
6 paragraph one (1), and paragraphs b, c, d, e, g, and
7 h, Code 1977, are amended to read as follows:

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

12 b. Sell or dispense any alcoholic beverage ~~or~~
13 ~~beer~~ on the premises covered by the license or permit,
14 or permit the consumption thereon between the hours
15 of two a.m. and six a.m. on any weekday, and between
16 the hours of two a.m. on Sunday and six a.m. on the
17 following Monday, however, a holder of a liquor control
18 license or class "B" beer permit granted the privilege
19 of selling alcoholic ~~liquor~~ beverages or beer on
20 Sunday may sell or dispense ~~such-liquor~~ alcoholic
21 beverages or beer between the hours of noon and ten
22 p.m. on Sunday.

23 c. Sell alcoholic beverages ~~or-beer~~ to any person
24 on credit, except with a bona fide credit card. This
25 provision shall not apply to sales by a club to its
26 members nor to sales by a hotel or motel to bona fide
27 registered guests.

28 d. Keep on any premises covered by a liquor control
29 license any alcoholic ~~liquor~~ beverage in any container
30 except other than the original package-purchased-from
31 the-department container in which purchased, except
32 still-wines-placed-in-dispensing-or-serving-containers
33 for-temporary-storage wine and beer served on the
34 premises for immediate consumption, and except mixed
35 drinks or cocktails mixed on the premises for
36 immediate consumption. This prohibition shall not
37 apply to common carriers holding a class "D" liquor
38 control license.

39 e. Reuse for packaging alcoholic ~~liquor~~ beverages
40 any container or receptacle used originally for
41 packaging alcoholic ~~liquor~~ beverages; or adulterate,
42 by the addition of any substance, the contents or
43 remaining contents of an original package container
44 of an alcoholic liquor beverage; or knowingly possess
45 any original package container which has been so
46 reused or adulterated.

47 g. Allow any person other than the licensee,
48 permittee, or employees of such licensee or permittee,
49 to use or keep on the licensed premises any alcoholic
50 liquor beverage in any bottle or other container which

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1 is designed for the transporting of such beverages,
2 except as permitted in section 123.95. This paragraph
3 shall not apply to the lodging quarters of a class
4 "B" liquor control licensee or beer permittee, or
5 to common carriers holding a class "D" liquor control
6 license.

7 h. Sell, give, or otherwise supply any alcoholic
8 beverage ~~or-beer~~ to any person knowing or having
9 reasonable cause to believe ~~him~~ the person to be under
10 legal age, or permit any person knowing or having
11 reasonable cause to believe ~~him~~ the person to be under
12 legal age, to consume any alcoholic beverage ~~or-beer~~.

13 Sec. 65. Section one hundred twenty-three point
14 forty-nine (123.49), subsection two (2), paragraph
15 f, Code 1977, is amended to read as follows:

16 f. ~~Any~~ A person under legal age shall not be
17 employed in the sale or serving of alcoholic ~~liquor~~
18 ~~or-beer~~ beverages for consumption on the premises
19 where sold.

20 Sec. 66. Section one hundred twenty-three point
21 forty-nine (123.49), subsections three (3) and four
22 (4), Code 1977, are amended to read as follows:

23 3. No person under legal age shall misrepresent
24 his or her age for the purpose of purchasing or
25 attempting to purchase any alcoholic beverage ~~or-beer~~
26 from any licensee or permittee. If any person under
27 legal age shall misrepresent his or her age, and the
28 licensee or permittee establishes that he made
29 reasonable inquiry to determine whether such
30 prospective purchaser was over legal age, such licensee
31 or permittee shall not be found guilty of selling
32 alcoholic ~~liquor-or-beer~~ beverages to minors.

33 4. No privilege of selling alcoholic ~~liquor-or~~
34 ~~beer~~ beverages on Sunday as provided in sections
35 123.36, subsection 6, and 123.134, subsection 5, shall
36 be granted to a club or other organization which
37 places restrictions on admission or membership in
38 the club or organization on the basis of sex, race,
39 religion, or national origin. However, the privilege
40 may be granted to a club or organization which places
41 restrictions on membership on the basis of sex, if
42 the club or organization has an auxiliary organization
43 open to persons of the other sex.

44 Sec. 67. Section one hundred twenty-three point
45 fifty (123.50), subsection two (2), Code 1977, is
46 amended to read as follows:

47 2. The conviction of any ~~liquor-control~~ licensee
48 or ~~beer~~ permittee ~~for~~ of a violation of any of the
49 provisions of section 123.49 shall, subject to
50 subsection 3 of this section, be grounds for the

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1 suspension or revocation of the license or permit
2 by the department or the local authority. However,
3 if any liquor control licensee is convicted of any
4 violation of subsection 2, paragraphs "a", "d" or
5 "e", of such section, or any wine permittee or beer
6 permittee is convicted of a violation of paragraph
7 "a", the ~~liquor-control~~ license or ~~beer~~ permit shall
8 be revoked and shall immediately be surrendered by
9 the holder, and the bond of the license or permit
10 holder shall be forfeited to the department.

11 Sec. 68. Section one hundred twenty-three point
12 fifty (123.50), subsection three (3), Code 1977, is
13 amended to read as follows:

14 3. If any licensee, ~~beer~~ or permittee, or any
15 employee of such licensee or permittee ~~shall be~~ is
16 convicted of a a violation of section 123.49,
17 subsection 2, paragraph "h", or if a retail beer
18 permittee ~~shall be~~ is convicted of a violation of
19 paragraph "i" of such subsection, the director or
20 local authority shall, in addition to the other
21 penalties fixed for such violations by this section,
22 assess a penalty as follows:

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

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

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

34 d. Upon a fourth conviction within a period of
35 five years, the violator's ~~liquor-control~~ license
36 or ~~beer~~ permit shall be revoked.

37 Sec. 69. Section one hundred twenty-three point
38 fifty-two (123.52), Code 1977, is amended to read
39 as follows:

40 123.52 PROHIBITED SALE. ~~No~~ A person not expressly
41 authorized by this chapter to deal in alcoholic ~~liquors~~
42 ~~shall within the state~~ beverages shall not keep for
43 sale or offer for sale anything which is capable of
44 being mistaken for a package containing an alcoholic
45 liquor beverage and which is either labeled or branded
46 with the name of any kind of alcoholic liquor beverage,
47 whether the same contains any alcoholic liquor beverage
48 or not.

49 Sec. 70. Section one hundred twenty-three point
50 fifty-five (123.55), subsections eight (8) and nine

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1 (9), Code 1977, are amended to read as follows:

2 8. The number of ~~liquor-control~~ licenses and ~~beer~~
3 permits issued, by class, the number in effect on
4 the last day included in the report, and the number
5 which have been suspended or revoked during the period
6 covered by the report.

7 9. Amount of fees paid to the department from
8 ~~liquor-control~~ licenses and ~~beer~~ permits, in gross,
9 and the amount of ~~liquor-control-license~~ fees returned
10 to local subdivisions of government as provided under
11 this chapter.

12 Sec. 71. Section one hundred twenty-three point
13 fifty-nine (123.59), Code 1977, is amended to read
14 as follows:

15 123.59 BOOTLEGGING. Any person who, by himself,
16 or through another acting for him, shall keep or carry
17 on his person, or in a vehicle, or leave in a place
18 for another to secure, any alcoholic ~~liquor-or-beer~~
19 beverage with intent to sell or dispense of such
20 ~~liquor-or-beer~~ by gift or otherwise in violation of
21 law, or who shall, within this state, in any manner,
22 directly or indirectly, solicit, take, or accept any
23 order for the purchase, sale, shipment, or delivery
24 of ~~such-alcoholic-liquor-or-beer~~ alcoholic beverages
25 in violation of law, or aid in the delivery and
26 distribution of any alcoholic ~~liquor-or-beer~~ beverages
27 so ordered or shipped, or who shall in any manner
28 procure for, sell, or give any alcoholic ~~liquor-or~~
29 beer beverage to any person under legal age, for any
30 purpose except as authorized and permitted in this
31 chapter, shall be a bootlegger and shall be subject
32 to the general penalties provided by this chapter.

33 Sec. 72. Section one hundred twenty-three point
34 fifty-one (123.51), Code 1977, is amended by adding
35 the following new subsection:

36 NEW SUBSECTION. No signs or other matter
37 advertising any brand of wine shall be erected or
38 placed upon the outside of any premises occupied by
39 a licensee or permittee authorized to sell wine at
40 retail. This subsection shall not prohibit the use
41 of signs or other matter inside a fence or similar
42 enclosure which wholly or partially surrounds the
43 premises.

44 Sec. 73. Section one hundred twenty-three point
45 sixty (123.60), Code 1977, is amended to read as
46 follows:

47 123.60 NUISANCES. The premises where the unlawful
48 manufacture or sale, or keeping with intent to sell,
49 use or give away, of alcoholic ~~liquors-or-beer~~
50 beverages is carried on, and any vehicle or other

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1 means of conveyance used in transporting ~~such-liquor~~
2 ~~or-beer~~ alcoholic beverages in violation of law, and
3 the furniture, fixtures, vessels and contents, kept
4 or used in connection with such activities are
5 nuisances and shall be abated as provided in this
6 chapter.

7 Sec. 74. Section one hundred twenty-three point
8 seventy-one (123.71), Code 1977, is amended to read
9 as follows:

10 123.71 CONDITIONS. In no case shall a bootlegger
11 injunction proceeding, as provided in this chapter,
12 be maintained unless it be shown to the court that
13 efforts in good faith have been made to discover the
14 base of supplies or place where the defendant charged
15 as a bootlegger conducts ~~his~~ the unlawful business
16 or receives or manufactures the alcoholic ~~liquor-or~~
17 ~~beer~~ beverage of which ~~he~~ the defendant is charged
18 with bootlegging.

19 Sec. 75. Section one hundred twenty-three point
20 seventy-two (123.72), Code 1977, is amended to read
21 as follows:

22 123.72 ORDER OF ABATEMENT. If the existence of
23 a nuisance is established in a civil or criminal
24 action, an order of abatement shall be entered as
25 a part of the judgment in the case. Such order shall
26 direct the confiscation of all alcoholic ~~liquor-or~~
27 ~~beer~~ beverages by the state; the removal from the
28 premises involved of all fixtures, furniture, vessels,
29 or movable property used in any way in conducting
30 the unlawful business; the sale of all such removed
31 property as well as any vehicle or other means of
32 conveyance which has been abated, such sale to be
33 conducted in the manner provided for the sale of
34 chattels under execution; and the effective closing
35 of the premises against use for the purpose of
36 manufacture, sale, or consumption of alcoholic ~~liquor~~
37 ~~or-beer~~ beverages for a period of one year, unless
38 sooner released by the court.

39 Sec. 76. Section one hundred twenty-three point
40 eighty-one (123.81), Code 1977, is amended to read
41 as follows:

42 123.81 FORFEITURE OF BOND. If the owner of a
43 property who has filed an abatement bond as provided
44 in this chapter fails to abate the ~~liquor-or-beer~~
45 nuisance on the premises covered by the bond, or fails
46 to prevent the maintenance of ~~any-liquor-or-beer~~ the
47 nuisance on said premises at any time within a period
48 of one year after entry of the abatement order, the
49 court shall, after a hearing in which such fact is
50 established, direct an entry of such violation of

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1 the terms of the owner's bond, to be made on the
2 record and the undertaking of his bond thereupon
3 forfeited.

4 Sec. 77. Section one hundred twenty-three point
5 eighty-four (123.84), Code 1977, is amended to read
6 as follows:

7 123.84 JUDGMENT. If the court after hearing finds
8 a ~~liquor-or-beer~~ nuisance has been maintained on the
9 premises covered by the abatement bond and that ~~liquor~~
10 ~~or-beer~~ has alcoholic beverages have been sold or
11 kept for sale on the premises contrary to law within
12 one year from the date of the giving of such bond,
13 then the court shall order the forfeiture of the bond
14 and enter judgment for the full amount of such bond
15 against the principal and sureties thereof, and the
16 lien on the real estate created pursuant to section
17 123.79 shall be decreed foreclosed and the court shall
18 provide for a special and general execution for the
19 enforcement of such decree and judgment.

20 Sec. 78. Section one hundred twenty-three point
21 ninety-one (123.91), subsection two (2) and subsection
22 three (3), unnumbered paragraph one (1), Code 1977,
23 are amended to read as follows:

24 2. Any provision of the prior laws of this state
25 relating to ~~intoxicating-liquors-or-beer~~ alcoholic
26 beverages which were in force prior to the enactment
27 of this chapter.

28 3. Any provision of the laws of the United States
29 or of any other state relating to ~~intoxicating-liquors~~
30 ~~or-beer~~ alcoholic beverages, and who is thereafter
31 convicted of a subsequent criminal offense against
32 any provision of this chapter shall be punished as
33 follows:

34 Sec. 79. Section one hundred twenty-three point
35 ninety-two (123.92), Code 1977, is amended to read
36 as follows:

37 123.92 CIVIL LIABILITY APPLICABLE TO SALE OR GIFT
38 OF BEER OR INTOXICANTS BY LICENSEES. Every husband,
39 wife, child, parent, guardian, employer or other
40 person who shall be injured in person or property
41 or means of support by any intoxicated person or
42 resulting from the intoxication of any such person,
43 shall have a right of action, severally or jointly
44 against any licensee or permittee who shall sell or
45 give any ~~beer-or-intoxicating-liquor~~ alcoholic beverage
46 to any such person while he or she is intoxicated,
47 or serve any such person to a point where such person
48 is intoxicated for all damages actually sustained.

49 Every liquor control licensee and class "B" beer
50 permittee shall furnish proof of financial

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1 responsibility either by the existence of a liability
2 insurance policy or by posting bond in such amount
3 as determined by the department.

4 Sec. 80. Section one hundred twenty-three point
5 ninety-five (123.95), Code 1977, is amended to read
6 as follows:

7 123.95 PREMISES MUST BE LICENSED--EXCEPTION AS
8 TO CONVENTIONS AND SOCIAL GATHERINGS. It is unlawful
9 for any person to allow the dispensing or consumption
10 of ~~intoxicating-liquor~~ alcoholic beverages, except
11 sacramental wines ~~and-beer~~, in any establishment
12 unless such establishment ~~is-licensed~~ has been issued
13 a retail license or permit under this chapter.

14 However, bona fide conventions or meetings may
15 bring their own legal ~~liquor~~ alcoholic beverages onto
16 the licensed premises if ~~the-liquor~~ it is served to
17 delegates or guests without cost. All other provisions
18 of this chapter shall be applicable to such premises.
19 The provisions of this section shall have no
20 application to private social gatherings of friends
21 or relatives in a private home or a private place
22 which is not of a commercial nature nor where goods
23 or services may be purchased or sold nor any charge
24 or rent or other thing of value is exchanged for the
25 use of such premises for any purpose other than for
26 sleeping quarters.

27 Sec. 81. Section one hundred twenty-three point
28 ninety-six (123.96), subsection one (1), Code 1977,
29 is amended to read as follows:

30 1. There is imposed on every person licensed to
31 sell alcoholic ~~beverages~~ liquor for consumption on
32 the premises where sold, a special tax equivalent
33 to fifteen percent of the price established by the
34 department on all alcoholic ~~beverages~~ liquor for
35 general sale to the public. Such tax shall be paid
36 by all licensees at the point of purchase from the
37 state on all alcoholic ~~beverages~~ liquor intended or
38 used for resale for consumption on the premises of
39 retail establishments. Such tax shall be in lieu
40 of any other sales tax applied at the state store
41 and shall be shown as a separate item on special sales
42 slips provided by the department for purchases by
43 licensees.

44 Sec. 82. Section one hundred twenty-three point
45 ninety-eight (123.98), Code 1977, is amended to read
46 as follows:

47 123.98 LABELING SHIPMENTS. It shall be unlawful
48 for any common carrier or for any person to transport
49 or convey by any means, whether for compensation or
50 not, within this state, any ~~intoxicating-liquors~~

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1 alcoholic beverages, unless the vessel or other package
2 ~~containing such-liquors-shall-be~~ those beverages is
3 plainly and correctly identified, showing the quantity
4 and kind of liquors beverages contained therein, the
5 name of the party to whom they are to be delivered,
6 and the name of the shipper, or unless such information
7 is shown on a bill of lading or other document
8 accompanying the shipment. No person shall be
9 authorized to receive or keep ~~such-liquors~~ alcoholic
10 beverages unless the same be marked or labeled as
11 required by this section. The violation of any
12 provision of this section by any common carrier, or
13 any agent or employee of any carrier, or by any person,
14 shall be punished under the provisions of this chapter.

15 Liquors Alcoholic beverages conveyed, carried,
16 transported, or delivered in violation of this section,
17 whether in the hands of the carrier or someone to
18 whom they shall have been delivered, shall be subject
19 to seizure and condemnation, as ~~liquors~~ alcoholic
20 beverages kept for illegal sale.

21 Sec. 83. Section one hundred twenty-three point
22 ninety-nine (123.99), Code 1977, is amended to read
23 as follows:

24 123.99 FALSE STATEMENTS. If any person, for the
25 purpose of procuring the shipment, transportation,
26 or conveyance of any ~~intoxicating-liquors~~ alcoholic
27 beverages within this state, shall make to any person,
28 company, corporation, or common carrier, or to any
29 agent thereof, any false statements as to the character
30 or contents of any box, barrel, or other vessel or
31 package containing ~~such-liquors~~ alcoholic beverages;
32 or shall refuse to give correct and truthful
33 information as to the contents of any such box, barrel
34 or other vessel or package so sought to be transported
35 or conveyed; or shall falsely mark, brand, or label
36 such box, barrel, or other vessel or package in order
37 to conceal the fact that the same contains ~~intoxicating~~
38 liquors alcoholic beverages; or shall by any device
39 or concealment procure or attempt to procure the
40 unlawful conveyance or transportation of such-liquors
41 as-herein-prohibited,--the alcoholic beverages, the
42 person shall be fined for each offense one hundred
43 dollars and costs of prosecution, and shall be
44 committed to the county jail until such fine and costs
45 are paid.

46 Sec. 84. Section one hundred twenty-three point
47 one hundred (123.100), Code 1977, is amended to read
48 as follows:

49 123.100 PACKAGES IN TRANSIT. Any peace officer
50 of the county under process or warrant ~~to-him-directed~~

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1 shall have the right to open any box, barrel, or other
2 vessel or package for examination, if he has reasonable
3 ground for believing that it contains ~~intoxicating~~
4 liquors alcoholic beverages, either before or while
5 the same is being so transported or conveyed.

6 Sec. 85. Section one hundred twenty-three point
7 one hundred one (123.101), Code 1977, is amended to
8 read as follows:

9 123.101 RECORD OF SHIPMENTS. It shall be the
10 duty of all common carriers, or corporations, or
11 persons who ~~shall~~ for hire carry any ~~intoxicating~~
12 liquors alcoholic beverages into the state, or from
13 one point to another within the state, for the purpose
14 of delivery, and who shall deliver such ~~intoxicating~~
15 liquor alcoholic beverages to any person, company,
16 or corporation, to keep, at each station or office
17 where it employs an agent or other person to make
18 delivery of freight and keep records relative thereto,
19 a record book, wherein such carrier shall, promptly
20 upon receipt and prior to delivery, enter in ink,
21 in legible writing, in full, the name of the consignor
22 of each shipment of ~~intoxicating-liquor~~ alcoholic
23 beverages to be delivered from or through such station,
24 from where shipped, the date of arrival, the quantity
25 and kind of liquor alcoholic beverage, so far as
26 disclosed by lettering on the package or by the
27 carrier's records, and to whom and where consigned,
28 and the date delivered.

29 Sec. 86. Section one hundred twenty-three point
30 one hundred three (123.103), Code 1977, is amended
31 to read as follows:

32 123.103 RECORD RECEIPT UPON DELIVERY. No shipment
33 billed in whole or in part as ~~intoxicating-liquor~~
34 alcoholic beverages shall be delivered to the consignee
35 until such consignee upon such record book enters
36 in ink, in legible writing, his or her full name and
37 residence or place of business, giving the name of
38 the city, and the street name and number if any, and
39 certifies that ~~such-liquor~~ the alcoholic beverage
40 is for his or her own lawful purposes.

41 Sec. 87. Section one hundred twenty-three point
42 one hundred four (123.104), Code 1977, is amended
43 to read as follows:

44 123.104 UNLAWFUL DELIVERY. It shall be a
45 misdemeanor for any corporation, common carrier,
46 person, or any agent or employee thereof:

- 47 1. To deliver any ~~intoxicating-liquors~~ alcoholic
48 beverage to any person other than to the consignee.
- 49 2. To deliver any ~~intoxicating-liquors~~ alcoholic
50 beverage without having the same receipted for as

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1 provided in section 123.103.

2 3. To deliver any ~~intoxicating-liquors~~ alcoholic
3 beverage where there is reasonable ground to believe
4 that such liquor is intended for unlawful use.

5 Sec. 88. Section one hundred twenty-three point
6 one hundred six (123.106), Code 1977, is amended to
7 read as follows:

8 123.106 FEDERAL STATUTES. The requirements of
9 this chapter relative to the shipment and delivery
10 of ~~intoxicating-liquors~~ alcoholic beverages and the
11 records to be kept thereof shall be construed in
12 harmony with federal statutes relating to interstate
13 commerce in such ~~liquors~~ beverages.

14 Sec. 89. Section one hundred twenty-three point
15 one hundred seven (123.107), subsection one (1), Code
16 1977, is amended to read as follows:

17 1. To set out exactly the kind or quantity of
18 ~~intoxicating-liquors~~ alcoholic beverages manufactured,
19 sold, given in evasion of the statute, or kept for
20 sale.

21 Sec. 90. Section one hundred twenty-three point
22 one hundred eleven (123.111), Code 1977, is amended
23 to read as follows:

24 123.111 PURCHASER AS WITNESS. The person
25 purchasing any ~~intoxicating-liquor~~ alcoholic beverage
26 sold in violation of this chapter shall in all cases
27 be a competent witness to prove such sale.

28 Sec. 91. Section one hundred twenty-three point
29 one hundred fifteen (123.115), Code 1977, is amended
30 to read as follows:

31 123.115 DEFENSE. In any prosecution under this
32 chapter for the unlawful transportation of ~~intoxicating~~
33 ~~liquors~~ alcoholic beverages it shall be a defense
34 that the character and contents of the shipment or
35 thing transported were not known to the accused or
36 to his or her agent or employee.

37 Sec. 92. Section one hundred twenty-three point
38 one hundred sixteen (123.116), Code 1977, is amended
39 to read as follows:

40 123.116 RIGHT TO RECEIVE LIQUORS. The consignee
41 of ~~intoxicating-liquors~~ alcoholic beverages shall,
42 on demand of the carrier transporting such ~~liquors~~,
43 furnish the carrier, at the place of delivery, with
44 legal proof of the consignee's legal right to receive
45 ~~such-liquors~~ the alcoholic beverages at the time of
46 delivery, and until such proof is furnished the carrier
47 shall be under no legal obligation to make delivery
48 nor be liable for failure to deliver.

49 Sec. 93. Section one hundred twenty-three point
50 one hundred seventeen (123.117), Code 1977, is amended

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1 to read as follows:

2 123.117 DELIVERY TO SHERIFF. If such proof is
3 not furnished the carrier within ten days after demand,
4 the carrier may deliver such ~~liquors~~ alcoholic
5 beverages to the sheriff of the county embracing the
6 place of delivery, and such delivery shall absolve
7 the carrier from all liability pertaining to such
8 ~~liquors~~ beverages.

9 Sec. 94. Section one hundred twenty-three point
10 one hundred eighteen (123.118), Code 1977, is amended
11 to read as follows:

12 123.118 DESTRUCTION. The sheriff shall, on receipt
13 of such ~~liquors~~ alcoholic beverages from the carrier,
14 report the receipt to the district court of his county,
15 and the court shall proceed to summarily enter an
16 order for the destruction or forfeiture to the state
17 of such ~~liquors~~ beverages.

18 Sec. 95. Section one hundred twenty-three point
19 one hundred nineteen (123.119), Code 1977, is amended
20 to read as follows:

21 123.119 EVIDENCE. In all actions, civil or
22 criminal, under the provisions of this chapter, the
23 finding of ~~intoxicating-liquors~~ alcoholic beverages
24 or of instruments or utensils used in the manufacture
25 of ~~intoxicating-liquors~~ alcoholic beverages, or
26 materials which are being used, or are intended to
27 be used in the manufacture of ~~intoxicating-liquors~~
28 alcoholic beverages, in the possession of or under
29 the control of any person, under and by authority
30 of a search warrant or other process of law, and which
31 shall have been finally adjudicated and declared
32 forfeited by the court, shall be competent evidence
33 of maintaining a nuisance or bootlegging, or of illegal
34 transportation of ~~intoxicating-liquors~~ alcoholic
35 beverages, as the case may be, by such person.

36 Sec. 96. Section one hundred twenty-three point
37 one hundred twenty (123.120), Code 1977, is amended
38 to read as follows:

39 123.120 ATTEMPT TO DESTROY. The destruction of
40 or attempt to destroy any liquid by any person while
41 in the presence of peace officers or while a property
42 is being searched by a peace officer, shall be
43 competent evidence that such liquid is ~~intoxicating~~
44 liquor an alcoholic beverage and intended for unlawful
45 purposes.

46 Sec. 97. Section one hundred twenty-three point
47 one hundred twenty-one (123.121), Code 1977, is amended
48 to read as follows:

49 123.121 VENUE. In any prosecution under this
50 chapter for the unlawful sale of alcoholic ~~liquor~~

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1 ~~or-beer~~ beverages, a sale ~~of-alcoholic-liquor-or-beer~~
2 which requires a shipment or delivery of ~~such-liquor~~
3 ~~or-beer~~ the alcoholic beverage shall be deemed to
4 be made in the county in which such delivery is made
5 by the carrier to the consignee, or to his or her
6 agent, or employee.

7 In any prosecution under this chapter for the
8 unlawful transportation of ~~intoxicating-liquor~~
9 alcoholic beverages, the offense shall be held to
10 have been committed in any county in which ~~such-liquor~~
11 it is received for transportation, through which it
12 is transported, or in which it is delivered.

13 Sec. 98. Section one hundred twenty-three point
14 one hundred forty-one (123.141), Code 1977, is amended
15 to read as follows:

16 123.141 KEEPING LIQUOR WHERE BEER IS SOLD. No
17 alcoholic liquor for beverage purposes and no wine
18 shall be used, or kept for any purpose in the place
19 of business of class "B" permittees, or on the premises
20 of such class "B" permittees, at any time. A violation
21 of any provision of this section shall be grounds
22 for suspension or revocation of the permit pursuant
23 to section 123.50, subsection 3. This section shall
24 not apply in any manner or in any way, to any railway
25 car of any dining car company, sleeping car company,
26 railroad company or railway company, having a special
27 class "B" permit; to the premises of any hotel or
28 motel for which a class "B" permit has been issued,
29 other than that part of such premises regularly used
30 by the hotel or motel for the principal purpose of
31 selling beer or food to the general public; or to
32 drug stores regularly and continuously employing a
33 registered pharmacist, from having alcohol in stock
34 for medicinal and compounding purposes.

35 Sec. 99. Section one hundred twenty-three point
36 fifty-six (123.56), Code 1977, is repealed.

37 Sec. 100. This Act shall take effect on January
38 1, 1978."

S-3458 FILED - *Adopted 5/4* BY NORMAN G. RODGERS
APRIL 28, 1977 *as amended* E. KEVIN KELLY
by 3492, 3498, 3500 & 3504 (p. 1347)