

FILED MAR 16 1989

SENATE FILE 451
BY HUSAK

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to limitations on the number of class "C" liquor
2 control licenses.

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

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SF 451

1 Section 1. Section 123.30, subsection 3, paragraph c, Code
2 1989, is amended by adding the following new unnumbered
3 paragraph:

4 NEW UNNUMBERED PARAGRAPH. Only one class "C" liquor con-
5 trol license shall be issued for every one thousand people in
6 a county. There is no limit on the number of special class
7 "C" liquor control licenses which may be issued.

8 (1) Class "C" liquor control licensees, issued licenses at
9 least two years before the effective date of this Act, may
10 continue in operation, by paying a fee of two thousand five
11 hundred dollars to the division within ninety days of the
12 effective date of this Act to secure the right to sell and
13 dispense liquor. The licensee must pay an initial application
14 fee of fifty dollars. In addition, an existing class "C"
15 liquor control licensee must submit an application which
16 includes both of the following:

17 (a) Proof of a good credit rating with other businesses,
18 including suppliers and utility companies.

19 (b) Proof of payment of all applicable taxes.

20 The application must be approved by the division.

21 If the application does not meet the requirements of this
22 subparagraph, or the licensee does not pay the initial fee of
23 two thousand five hundred dollars, or the holder's license was
24 not issued at least two years before the effective date of
25 this Act, the licensee may continue in operation but the
26 licensee shall not sell or lease the establishment as having a
27 class "C" liquor control license.

28 (2) If a class "C" liquor control license holder ceases to
29 continue in business after two years following the purchase of
30 the license, the holder may retain the license if the annual
31 fee previously established by the division is paid. If the
32 annual fee is not paid, the license is forfeited to the
33 division which may issue the license to a person wishing to
34 operate as a licensee in the same county in accordance with
35 subparagraph (3). No part of any fees shall be refunded to

1 the person forfeiting the class "C" liquor control license.
 2 (3) A person desiring to apply for an available class "C"
 3 liquor control license must fill out an application and submit
 4 a fifty dollar nonrefundable application fee. If more than
 5 one application is submitted for an available class "C" liquor
 6 control license, the division shall hold a lottery drawing.
 7 The person selected from the drawing must be approved by the
 8 division within six months. The person must pay the former
 9 license holder a minimum of ten thousand dollars, if the
 10 holder did not forfeit the license for failure to comply with
 11 this section, or otherwise pay the division ten thousand
 12 dollars for the license and continue to pay the annual fee
 13 previously established by the division to the division.

14 (4) A class "C" liquor control license issued by the
 15 division must be in use within sixty days following the is-
 16 suance and must be used six months per year for a minimum of
 17 two years. The same annual fee must be paid regardless of the
 18 number of months the license is used.

19 A person holding a class "C" liquor control license may
 20 transfer the license from one location to another within the
 21 same county. However, the license shall be valid for only one
 22 location at a time.

23 (5) A holder of a class "C" liquor control license who is
 24 thirty days late in paying any applicable tax automatically
 25 forfeits the license to the division without a refund of any
 26 fees.

27 (6) A class "C" liquor control license may be passed by
 28 will or intestate succession to a family member.

EXPLANATION

29
 30 This bill limits the number of class "C" liquor control
 31 licenses issued based upon population. Existing class "C"
 32 licensees, who have held their licenses for at least two
 33 years, must submit an application which includes certain
 34 requirements, to the division of alcoholic beverages of the
 35 department of commerce, and must pay an initial fee of \$2,500

1 to the division in order to secure the license and pay the
2 annual fee already established by the division. Licensees who
3 have held their licenses less than two years or who do not pay
4 the initial fee of \$2,500 or who do not fulfill the
5 application requirements may continue in operation but shall
6 not sell or lease the operation as having a class "C" liquor
7 control license. A class "C" licensee shall forfeit the
8 license and any fees shall not be refunded for failure to pay
9 the annual fee previously established by the division or
10 failure to timely pay any applicable taxes. A person desiring
11 to apply for an available class "C" license must submit an
12 application to the division. If more than one application is
13 received, the division shall hold a lottery drawing. The
14 person selected must pay a minimum of \$10,000 for the class
15 "C" license to the former licensee or pay \$10,000 to the
16 division and pay the annual fee previously established by the
17 division. The bill provides for further restrictions relating
18 to transfer of the license and the length of time the license
19 is used.

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SENATE FILE 452

S-3559

1 Amend Senate File 452 as follows:

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

4 "Section 1. Section 229.1, subsection 2, Code
5 1989, is amended to read as follows:

6 2. "Seriously mentally impaired" or "serious
7 mental impairment" describes the condition of a person
8 who is afflicted with mental illness and because of
9 that illness lacks sufficient judgment to make
10 responsible decisions with respect to the person's
11 hospitalization or treatment, and who because of that
12 illness meets any of the following criteria:

13 a. Is likely to physically injure the person's
14 self or others if allowed to remain at liberty without
15 treatment; or.

16 b. Is likely to inflict serious emotional injury
17 on members of the person's family or others who lack
18 reasonable opportunity to avoid contact with the
19 afflicted person if the afflicted person is allowed to
20 remain at liberty without treatment.

21 c. Is unable to satisfy the person's needs for
22 nourishment, clothing, essential medical care, or
23 shelter so that it is likely that the person will
24 suffer substantial physical injury, serious physical
25 debilitation, or death within the reasonably
26 foreseeable future.

27 Sec. 2. NEW SECTION. 229.1A LEGISLATIVE INTENT.

28 As mental illness is often a continuing condition
29 which is subject to wide and unpredictable changes in
30 condition and fluctuations in reoccurrence and
31 remission, this chapter shall be liberally construed
32 to give recognition to these medical facts.

33 Sec. 3. Section 229.11, Code 1989, is amended by
34 adding the following new unnumbered paragraph:

35 NEW UNNUMBERED PARAGRAPH. The clerk shall furnish
36 copies of any orders to the respondent and to the
37 applicant if the applicant files a written waiver
38 signed by the respondent.

39 Sec. 4. Section 229.12, Code 1989, is amended by
40 adding the following new subsection:

41 NEW SUBSECTION. 5. The clerk shall furnish copies
42 of any orders to the respondent and to the applicant
43 if the applicant files a written waiver signed by the
44 respondent.

45 Sec. 5. Section 229.16, Code 1989, is amended to
46 read as follows:

47 229.16 DISCHARGE AND TERMINATION OF PROCEEDING.

48 ~~When in the opinion of the chief medical officer~~
49 the condition of a patient who is hospitalized under
50 section 229.14, subsection 2, or is receiving

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1 treatment under section 229.14, unless prior to the
2 full-time care and custody under section 229.14.
3 subsection 4, of section 229.14 is such that in the
4 opinion of the chief medical officer the patient no
5 longer requires treatment or care for serious mental
6 impairment, the chief medical officer shall
7 tentatively discharge the patient and immediately
8 report that fact to the court which ordered the
9 patient's hospitalization or care and custody. The
10 court shall thereupon issue an order confirming the
11 patient's discharge from the hospital or from care and
12 custody, as the case may be, and shall terminate the
13 proceedings pursuant to which the order was issued.
14 Copies of the order shall be sent by certified mail to
15 the hospital, and the patient, and the applicant if
16 the applicant has filed a written waiver signed by the
17 patient.

18 Sec. 6. Section 229.25, subsection 3, unnumbered
19 paragraph 3, Code 1989, is amended to read as follows:

20 When the chief medical officer deems it to be in
21 the best interest of the patient and ~~the spouse~~ the
22 patient's next of kin to do so, the chief medical
23 officer may release appropriate information during a
24 consultation which the hospital or facility shall
25 arrange with the ~~spouse~~ next of kin of a voluntary or
26 involuntary patient, if requested by ~~a spouse~~ the
27 patient's next of kin."

28 2. Title page, line 2, by striking the words "and
29 substance abusers".

By AL STURGEON

S-3559 FILED APRIL 5, 1989

Adopted 4-6-89 (p.1233)