

Vote: *3142* Amend (3142) & De. Pass 3/21 (p. 772)

Reprinted

MAR 24 1991

SENATE FILE 273

BY KIBBIE, WELSH, and TIEREN

Passed Senate, Date 5/3/91 ^(p. 1647) Passed House, Date 5/1/91 ^(p. 2006)
Vote: Ayes 34 Nays 13 Vote: Ayes 80 Nays 18
Approved May 28, 1991

A BILL FOR

2/42 1 An Act authorizing a class "B" wine permittee who also holds a
2 class "E" liquor control license to sell wine to liquor
3 control licensees and providing for interstate reciprocal wine
4 sales.

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

SENATE FILE 273

S-3142

1 Amend Senate File 273 as follows:

2 1. By striking page 3, line 30 through page 4,
3 line 20.

4 2. Title page, lines 3 and 4, by striking the
5 words "and providing for interstate reciprocal wine
6 sales".

By COMMITTEE ON STATE GOVERNMENT
JOHN KIBBIE, Chairperson

S-3142 FILED MARCH 21, 1991

Adopted 3/21 (p. 921)

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

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

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

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

34 A special class "C" liquor control license may be issued
35 and shall authorize the holder to purchase wine from class "A"

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

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

10 A class "A" wine permit allows the holder to manufacture
11 and sell, or sell at wholesale, in this state, wine as defined
12 in section 123.3, subsection 7. The holder of a class "A"
13 wine permit may manufacture in this state wine having an
14 alcoholic content greater than seventeen percent by weight for
15 shipment outside this state. All class "A" premises shall be
16 located within the state. A class "B" wine permit allows the
17 holder to sell wine at retail for consumption off the
18 premises. A class "B" wine permittee who also holds a class
19 "E" liquor control license may sell wine to class "A", class
20 "B", and class "C" liquor control licensees for resale for
21 consumption on the premises. A class "B" wine permittee who
22 also holds a class "E" liquor control license may sell wine to
23 class "A", class "B", and class "C" liquor control licensees
24 in quantities of less than one case of any wine brand but not
25 more than one such sale shall be made to the same liquor
26 control licensee in a twenty-four hour period. A class "B"
27 wine permittee shall not sell wine to other class "B" wine
28 permittees.

29 A class "A" wine permittee shall be required to deliver
30 wine to a class "B" wine permittee, and a class "B" wine
31 permittee shall be required to accept delivery of wine from a
32 class "A" wine permittee, only at the licensed premise
33 premises of the class "B" wine permittee. Except as
34 specifically permitted by the division upon good cause shown,
35 delivery or transfer of wine from an unlicensed premise

1 premises to a licensed "B" wine permittee's premise premises,
2 or from one licensed "B" wine permittee's premise premises to
3 another licensed "B" wine permittee's premise premises, even
4 were if there is common ownership of all of the premises by
5 one class "B" wine permittee, is prohibited. A class "B" wine
6 permittee who also holds a class "E" liquor control license
7 shall keep and maintain records for each sale of wine to
8 liquor control licensees showing the name of the establishment
9 to which wine was sold, the date of sale, and the brands and
10 number of bottles sold to the liquor control licensee.

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

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

30 NEW SECTION. 123.167 INTERSTATE RECIPROCAL WINE
31 SALES.

32 As used in this section:

33 a. "Adult" means an individual who is twenty-one years of
34 age or older.

35 b. "Broker" means a person engaged in the business of

1 buying and selling a commodity for a fee or commission.

2 c. "Case" means one or more containers which have a total
3 liquid capacity of nine liters or less.

4 2. Notwithstanding any contrary provision of this chapter
5 or chapter 455C, an adult resident or alcoholic beverage
6 licensee of a state which permits an alcoholic beverage
7 licensee or an adult resident of this state an equal
8 reciprocal shipping privilege, may ship, for personal use but
9 not for resale, not more than two cases of wine per year to
10 any adult resident of this state. The delivery of a shipment
11 of wine pursuant to this section does not constitute a sale in
12 this state.

13 3. Each shipping container of wine sent into or out of
14 this state under this section shall be clearly labeled to
15 indicate that the container shall be delivered to an adult
16 only.

17 4. A broker shall not solicit consumers to engage in
18 interstate reciprocal wine shipments pursuant to this section.
19 A person shall not advertise interstate reciprocal wine
20 shipments in this state.

21 EXPLANATION

22 This bill authorizes a class "B" wine permittee who is also
23 a class "E" liquor control licensee to sell wine to class "A",
24 class "B", and class "C" liquor control licensees with certain
25 conditions. The sales are limited to less than one case of
26 any wine brand and not more than one sale shall be made to a
27 licensee in a 24-hour period. The licensed premises of the
28 liquor control licensee must be located in the territory
29 served by the class "A" wine permittee from which the class
30 "B" wine permittee originally purchased the wine. Reports and
31 records of the wine transactions are also required monthly by
32 the licensees.

33 This bill also authorizes interstate reciprocal wine
34 shipments in quantities of 18 liters or less by individuals or
35 alcoholic beverage licensees. Advertising and broker sales of

1 limited interstate reciprocal wine sales are prohibited.

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Law Article Govt. 4/1, Amend (3565) & Do Pass 4/10/91

SENATE FILE 273

BY KIBBIE, WELSH, and TIEDEN

(AS AMENDED AND PASSED BY THE SENATE MARCH 27, 1991)

as amended by House & Senate
* - Language Stricken by the Senate

RePassed Senate, Date 5/3/91 (p. 1647) Passed House, Date 5/2/91 (p. 2006)

Vote: Ayes 34 Nays 13 Vote: Ayes 80 Nays 18

Approved May 28, 1991

Repassed Senate 5/6/91 (p. 1680)
44-6

A BILL FOR

1 An Act authorizing a class "B" wine permittee who also holds a
2 class "E" liquor control license to sell wine to liquor
3 control licensees.

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

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S.F. 273

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

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

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

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

34 A special class "C" liquor control license may be issued
35 and shall authorize the holder to purchase wine from class "A"

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

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

10 A class "A" wine permit allows the holder to manufacture
11 and sell, or sell at wholesale, in this state, wine as defined
12 in section 123.3, subsection 7. The holder of a class "A"
13 wine permit may manufacture in this state wine having an
14 alcoholic content greater than seventeen percent by weight for
15 shipment outside this state. All class "A" premises shall be
16 located within the state. A class "B" wine permit allows the
17 holder to sell wine at retail for consumption off the
18 premises. A class "B" wine permittee who also holds a class
19 "E" liquor control license may sell wine to class "A", class
20 "B", and class "C" liquor control licensees for resale for
21 consumption on the premises. A class "B" wine permittee who
22 also holds a class "E" liquor control license may sell wine to
23 class "A", class "B", and class "C" liquor control licensees
24 in quantities of less than one case of any wine brand but not
25 more than one such sale shall be made to the same liquor
26 control licensee in a twenty-four hour period. A class "B"
27 wine permittee shall not sell wine to other class "B" wine
28 permittees.

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29 A class "A" wine permittee shall be required to deliver
30 wine to a class "B" wine permittee, and a class "B" wine
31 permittee shall be required to accept delivery of wine from a
32 class "A" wine permittee, only at the licensed premise
33 premises of the class "B" wine permittee. Except as
34 specifically permitted by the division upon good cause shown,
35 delivery or transfer of wine from an unlicensed premise

1 premises to a licensed "B" wine permittee's premise premises,
2 or from one licensed "B" wine permittee's premise premises to
3 another licensed "B" wine permittee's premise premises, even
4 where if there is common ownership of all of the premises by
5 one class "B" wine permittee, is prohibited. A class "B" wine
6 permittee who also holds a class "E" liquor control license
7 shall keep and maintain records for each sale of wine to
8 liquor control licensees showing the name of the establishment
9 to which wine was sold, the date of sale, and the brands and
10 number of bottles sold to the liquor control licensee.

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

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

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SENATE FILE 273

H-3940

- 1 Amend the Committee amendment, H-3565, to Senate
- 2 File 273, as amended, passed, and reprinted by the
- 3 Senate, as follows:
- 4 1. Page 1, by striking lines 3 through 6.
- 5 2. Page 1, lines 8 and 9, by striking the words
- 6 "a class "B" wine permittee" and inserting the
- 7 following: "a class "A", "B", or "C" liquor control
- 8 licensee".
- 9 3. Page 1, lines 11 and 12, by striking the words
- 10 "a class "B" wine permittee's" and inserting the
- 11 following: "a class "A", "B", or "C" liquor control
- 12 licensee's".
- 13 4. Page 1, lines 13 and 14, by striking the words
- 14 "class "B" wine permittee" and inserting the
- 15 following: "class "A", "B", or "C" liquor control
- 16 licensee".
- 17 5. By renumbering as required.

By RENAUD of Polk

H-3940 FILED APRIL 26, 1991

Adopted 4/27/91 (p. 1896)

SENATE FILE 273

H-3989

- 1 Amend Senate File 273, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 3, by inserting after line 29 the
- 4 following:
- 5 "Sec. ____ . Section 455D.19, subsection 6, para-
- 6 graph a, Code 1991, is amended to read as follows:
- 7 a. Packaging or packaging components with a code
- 8 indicating a date of manufacture prior to July 1,
- 9 1990, and packaging or packaging components used by
- 10 the wine industry prior to July 1, 1992."

By RENAUD of Polk

H-3989 FILED APRIL 30, 1991

Adopted 5/2 (p. 2005)

SENATE FILE 273

H-4001

- 1 Amend Senate File 273, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 3, by inserting after line 29, the
- 4 following:
- 5 "Sec. ____ . LICENSE FEES AND SURCHARGES STUDY. The
- 6 administrator of the alcoholic beverages division of
- 7 the department of commerce shall conduct a study of
- 8 the fees and surcharges collected by the division from
- 9 licensees and permittees for the privilege of selling
- 10 the various types of alcoholic beverages in this
- 11 state. The administrator shall review the entire fee
- 12 and surcharge structure and make recommendations for
- 13 changes to the general assembly.
- 14 The administrator shall complete the study and
- 15 submit any recommendations to the general assembly not
- 16 later than January 15, 1992."

By RENAUD of Polk

H-4001 FILED MAY 1, 1991

Adopted 5/2 (p. 2006)

SENATE FILE 273

H-3565

1 Amend Senate File 273, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 2, line 28, by inserting after the word
4 "permittees" the following: "except as otherwise
5 provided for the sale of wine by a class "E" liquor
6 control licensee to a class "B" wine permittee".
7 2. Page 2, line 33, by inserting after the word
8 "permittee." the following: "However, a class "B"
9 wine permittee may pick up a delivery of wine from the
10 premises of a class "A" wine permittee. If a class
11 "A" wine permittee's premises and a class "B" wine
12 permittee's premises are not located in the same
13 county or an adjacent county, the class "B" wine
14 permittee may purchase and pick up a wine delivery
15 from a class "E" liquor control licensee who also
16 holds a class "B" wine permit."

By COMMITTEE ON STATE GOVERNMENT
BLANSHAN of Greene, Chairperson

H-3565 FILED APRIL 10, 1991

Amended & lost 4/29/91 (p. 1896)

SENATE FILE 273

H-3847

1 Amend the Committee amendment, H-3565, to Senate
2 File 273, as amended, passed, and reprinted by the
3 Senate, as follows:
4 1. Page 1, lines 8 and 9, by striking the words
5 "a class "B" wine permittee" and inserting the
6 following: "a class "A", "B", or "C" liquor control
7 licensee".
8 2. Page 1, lines 11 and 12, by striking the words
9 "a class "B" wine permittee's" and inserting the
10 following: "a class "A", "B", or "C" liquor control
11 licensee's".
12 3. Page 1, lines 13 and 14, by striking the words
13 "class "B" wine permittee" and inserting the
14 following: "class "A", "B", or "C" liquor control
15 licensee".

By RENAUD of Polk

H-3847 FILED APRIL 25, 1991

4/15 4/29

SENATE FILE 273

H-4022

1 Amend Senate File 273, as amended, passed and
2 reprinted by the Senate, as follows:
3 1. Title page, line 1, by inserting after the
4 word "Act" the following: "relating to the packaging
5 and sale of wine, by".
6 2. Title page, line 3, by inserting after the
7 word "licensees" the following: "and by providing for
8 a study of license fees and surcharges".

By RENAUD of Polk

H-4022 FILED MAY 2, 1991

ADOPTED BY UNANIMOUS CONSENT (p. 2006)

HOUSE AMENDMENT TO
SENATE FILE 273

S-3684

1 Amend Senate File 273, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 3, by inserting after line 29, the
4 following:

5 "Sec. ____ . LICENSE FEES AND SURCHARGES STUDY. The
6 administrator of the alcoholic beverages division of
7 the department of commerce shall conduct a study of
8 the fees and surcharges collected by the division from
9 licensees and permittees for the privilege of selling
10 the various types of alcoholic beverages in this
11 state. The administrator shall review the entire fee
12 and surcharge structure and make recommendations for
13 changes to the general assembly.

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

17 2. Page 3, by inserting after line 29 the
18 following:

19 "Sec. ____ . Section 455D.19, subsection 6, para-
20 graph a, Code 1991, is amended to read as follows:

21 a. Packaging or packaging components with a code
22 indicating a date of manufacture prior to July 1,
23 1990, and packaging or packaging components used by
24 the wine industry prior to July 1, 1992."

25 3. Title page, line 1, by inserting after the
26 word "Act" the following: "relating to the packaging
27 and sale of wine, by".

28 4. Title page, line 3, by inserting after the
29 word "licensees" the following: "and by providing for
30 a study of license fees and surcharges".

31 5. By renumbering, relettering, or redesignating
32 and correcting internal references as necessary.

RECEIVED FROM THE HOUSE

S-3684 FILED MAY 2, 1991

Senate amended & Concurred 5/3/91 (p 1647)

SENATE FILE 273

S-3704

1 Amend the House amendment, S-3684, to Senate File
2 273, as amended, passed, and reprinted by the Senate,
3 as follows:

4 1. Page 1, by inserting before line 1, the
5 following:

6 "____. Page 2, by inserting after line 7 the
7 following:

8 "Sec. ____ Section 123.30, Code 1991, is amended
9 by adding the following new subsection:

10 NEW SUBSECTION. 4. Notwithstanding subsection 3,
11 paragraphs "a", "b", and "c", the division may issue,
12 upon application and payment of a surcharge, an
13 amended class "A", class "B", or class "C" liquor
14 control license authorizing the licensee to sell
15 alcoholic liquor in original containers for
16 consumption off the premises. The application shall
17 be made in the same manner as for other liquor control
18 licenses. The application shall be accompanied by a
19 surcharge as provided in section 123.36, subsection
20 11. A holder of a special class "C" liquor control
21 license is not eligible for the privilege authorized
22 under this subsection. The division shall not issue a
23 license which includes the privilege authorized under
24 this subsection to holders of seasonal, fourteen-day,
25 or five-day liquor control licenses. A business which
26 derives more than forty percent of its gross annual
27 sales from the sale of food, pharmaceuticals,
28 sundries, gasoline or other merchandise for the
29 purchaser's consumption or use off the business
30 premises is not eligible for the privilege authorized
31 under this subsection. The term "business" as used in
32 this subsection includes the term "person" as defined
33 in section 123.3, subsection 11. Food,
34 pharmaceuticals, sundries, gasoline and other
35 merchandise as used in this subsection do not include
36 alcoholic beverages as defined in section 123.3,
37 subsection 9.

38 Sec. 2. Section 123.36, Code 1991, is amended by
39 adding the following new subsection:

40 NEW SUBSECTION. 11. For the privilege of selling
41 alcoholic liquor in original containers for
42 consumption off the premises, a class "A", class "B",
43 or class "C" liquor control licensee shall pay a
44 surcharge equal to ten percent of the regular license
45 fees only, excluding any other surcharges or Sunday
46 sale license or permit fees otherwise imposed pursuant
47 to this section. The surcharges paid under this
48 subsection shall be collected and deposited as
49 provided in subsection 10.

50 Sec. ____ Section 455C.2, subsection 1, Code 1991,

S-3704

Page 2

1 is amended to read as follows:

2 1. ~~Except purchases of alcoholic beverages covered~~
3 ~~in section 123.37, subsection 6, by holders of what~~
4 ~~"A", "B", and "C" liquor control licenses, a refund~~
5 value of not less than five cents shall be paid by the
6 consumer on each beverage container sold in this state
7 by a dealer for consumption off the premises. Upon
8 return of the empty beverage container upon which a
9 refund value has been paid to the dealer or person
10 operating a redemption center and acceptance of the
11 empty beverage container by the dealer or person
12 operating a redemption center, the dealer or person
13 operating a redemption center shall return the amount
14 of the refund value to the consumer."

15 2. Page 1, by striking lines 25 through 27 and
16 inserting the following:

17 "_____. Title page, line 1, by inserting after the
18 word "Act" the following: "relating to the sale of
19 alcoholic beverages and"."

20 4. By renumbering as necessary.

By JACK P. KIBBIE

S-3704 FILED MAY 3, 1991

ADOPTED (p. 1647)

SENATE FILE 273

S-3697

1 Amend the House amendment, S-3684, to Senate File
2 273, as amended, passed and reprinted by the Senate as
3 follows:

4 1. Page 1, line 24, by striking the word "wine"
5 and inserting the following: "alcoholic beverage".

By JACK P. KIBBIE

S-3697 FILED MAY 3, 1991

ADOPTED (p. 1645)

SENATE AMENDMENT TO HOUSE AMENDMENT TO SENATE FILE 273
H-4048

1 Amend the House amendment, S-3684, to Senate File
2 273, as amended, passed, and reprinted by the Senate,
3 as follows:

4 1. Page 1, by inserting before line 3, the
5 following:

6 "____. Page 2, by inserting after line 7 the
7 following:

8 "Sec. ____ Section 123.30, Code 1991, is amended
9 by adding the following new subsection:
10 NEW SUBSECTION. 4. Notwithstanding subsection 3,
11 paragraphs "a", "b", and "c", the division may issue,
12 upon application and payment of a surcharge, an
13 amended class "A", class "B", or class "C" liquor
14 control license authorizing the licensee to sell
15 alcoholic liquor in original containers for
16 consumption off the premises. The application shall
17 be made in the same manner as for other liquor control
18 licenses. The application shall be accompanied by a
19 surcharge as provided in section 123.36, subsection
20 11. A holder of a special class "C" liquor control
21 license is not eligible for the privilege authorized
22 under this subsection. The division shall not issue a
23 license which includes the privilege authorized under
24 this subsection to holders of seasonal, fourteen-day,
25 or five-day liquor control licenses. A business which
26 derives more than forty percent of its gross annual
27 sales from the sale of food, pharmaceuticals,
28 sundries, gasoline or other merchandise for the
29 purchaser's consumption or use off the business
30 premises is not eligible for the privilege authorized
31 under this subsection. The term "business" as used in
32 this subsection includes the term "person" as defined
33 in section 123.3, subsection 11. Food,
34 pharmaceuticals, sundries, gasoline and other
35 merchandise as used in this subsection do not include
36 alcoholic beverages as defined in section 123.3,
37 subsection 9.

38 Sec. 2. Section 123.36, Code 1991, is amended by
39 adding the following new subsection:

40 NEW SUBSECTION. 11. For the privilege of selling
41 alcoholic liquor in original containers for
42 consumption off the premises, a class "A", class "B",
43 or class "C" liquor control licensee shall pay a
44 surcharge equal to ten percent of the regular license
45 fees only, excluding any other surcharges or Sunday
46 sale license or permit fees otherwise imposed pursuant
47 to this section. The surcharges paid under this
48 subsection shall be collected and deposited as
49 provided in subsection 10.

50 Sec. ____ Section 455C.2, subsection 1, Code 1991,

1 is amended to read as follows:

2 1. ~~Except purchases of alcoholic liquor as defined~~
3 ~~in section 123-37 subsection 87 by holders of class~~
4 ~~"A", "B", and "C" liquor control licenses~~ a refund
5 value of not less than five cents shall be paid by the
6 consumer on each beverage container sold in this state
7 by a dealer for consumption off the premises. Upon
8 return of the empty beverage container upon which a
9 refund value has been paid to the dealer or person
10 operating a redemption center and acceptance of the
11 empty beverage container by the dealer or person
12 operating a redemption center, the dealer or person
13 operating a redemption center shall return the amount
14 of the refund value to the consumer."

15 2. Page 1, line 24, by striking the word "wine"
16 and inserting the following: "alcoholic beverage".

17 3. Page 1, by striking lines 25 through 27 and
18 inserting the following:

19 "____. Title page, line 1, by inserting after the
20 word "Act" the following: "relating to the sale of
21 alcoholic beverages and".

22 4. By renumbering, relettering, or redesignating
23 and correcting internal references as necessary.

RECEIVED FROM THE SENATE

H-4048 FILED MAY 3, 1991

House referred to conc. 5/6/91 (p. 2107)

Senate recorded 5/6/91 (p. 1680)

SENATE FILE 273

AN ACT

RELATING TO THE PACKAGING AND SALE OF WINE, BY AUTHORIZING A CLASS "B" WINE PERMITTEE WHO ALSO HOLDS A CLASS "E" LIQUOR CONTROL LICENSE TO SELL WINE TO LIQUOR CONTROL LICENSEES AND BY PROVIDING FOR A STUDY OF LICENSE FEES AND SURCHARGES.

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

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

a. CLASS "A". A class "A" liquor control license may be issued to a club and shall authorize the holder to purchase alcoholic liquors from class "E" liquor control licensees only, wine from class "A" wine permittees or class "B" wine permittees who also hold class "E" liquor control licenses

only, and native wines from native wine manufacturers, and to sell liquors, wine, and beer, to bona fide members and their guests by the individual drink for consumption on the premises only.

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

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

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

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

A class "A" wine permit allows the holder to manufacture and sell, or sell at wholesale, in this state, wine as defined in section 123.3, subsection 7. The holder of a class "A" wine permit may manufacture in this state wine having an alcoholic content greater than seventeen percent by weight for shipment outside this state. All class "A" premises shall be located within the state. A class "B" wine permit allows the holder to sell wine at retail for consumption off the premises. A class "B" wine permittee who also holds a class "E" liquor control license may sell wine to class "A", class "B", and class "C" liquor control licensees for resale for consumption on the premises. A class "B" wine permittee who also holds a class "E" liquor control license may sell wine to class "A", class "B", and class "C" liquor control licensees in quantities of less than one case of any wine brand but not more than one such sale shall be made to the same liquor control licensee in a twenty-four hour period. A class "B" wine permittee shall not sell wine to other class "B" wine permittees.

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

liquor control licensees showing the name of the establishment to which wine was sold, the date of sale, and the brands and number of bottles sold to the liquor control licensee.

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

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

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

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

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

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

JOE J. WELSH
President of the Senate

ROBERT C. ARNOULD
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 273, Seventy-fourth General Assembly.

JOHN F. DWYER
Secretary of the Senate

Approved May 28th, 1991

TERRY E. BRANSTAD
Governor

SF 273