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SENATE FILE 315
BY KIBBIE, WELSH, and
TIEDEN

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

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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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 not to exceed one case of wine per liquor
25 control licensee in a twenty-four hour period. A class "B"
26 wine permittee shall not sell wine to other class "B" wine
27 permittees.

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

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

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

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

29 EXPLANATION

30 This bill authorizes a class "B" wine permittee who is also
31 a class "E" liquor control licensee to sell wine to class "A",
32 class "B", and class "C" liquor control licensees with certain
33 conditions. The sales are limited to one case of wine per
34 licensee in a 24-hour period and the licensed premises of the
35 liquor control licensee must be located in the territory

1 served by the class "A" wine permittee from which the class
2 "B" wine permittee originally purchased the wine. Reports and
3 records of the wine transactions are also required monthly by
4 the licensees.

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