

ALCOHOLIC BEVERAGES DIVISION[185]

Notice of Intended Action

Proposing rule making related to alcoholic beverages trade practices and providing an opportunity for public comment

The Alcoholic Beverages Division hereby proposes to amend Chapter 16, “Trade Practices,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code section 123.10.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code sections 123.45 and 123.186.

Purpose and Summary

This proposed rule making rescinds a rule that is obsolete due to enactment of 2019 Iowa Acts, House File 668. Previously, Iowa Code section 123.45(1) prohibited a person engaged in the business of manufacturing, bottling, or wholesaling alcoholic beverages from having any interest, whether direct or indirect, in the ownership, conduct, or operation of another licensee or permittee authorized to sell at retail. Rule 185—16.41(123) elaborates upon possible scenarios that could constitute a prohibited interest. With the enactment of 2019 Iowa Acts, House File 668, Iowa Code section 123.45(1) now allows a person engaged in the business of manufacturing, bottling, or wholesaling alcoholic beverages to have an interest in the ownership, conduct, or operation of another licensee or permittee authorized to sell at retail, provided that the licensee or permittee does not sell any alcoholic beverage products manufactured or sold by that industry member. Because of this allowance, rule 185—16.41(123) is no longer necessary.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Division for a waiver of the discretionary provisions, if any, pursuant to 185—Chapter 19.

Public Comment

Any interested person may submit written comments concerning this proposed rule making. Written comments in response to this rule making must be received by the Division no later than 4:30 p.m. on October 29, 2019. Comments should be directed to:

Stephanie Strauss
Alcoholic Beverages Division
1918 S.E. Hulsizer Road
Ankeny, Iowa 50021
Email: strauss@iowaabd.com

Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making action is proposed:

Rescind and reserve rule **185—16.41(123)**.