

123.17 Beer and liquor control fund — allocations to substance use disorder programs — use of civil penalties.

1. There shall be established within the office of the treasurer of state a fund to be known as the beer and liquor control fund. The fund shall consist of any moneys appropriated by the general assembly for deposit in the fund and moneys received from the sale of alcoholic liquors by the department, from the issuance of permits and licenses, and of moneys and receipts received by the department from any other source under [this chapter](#).

2. *a.* The director of the department of administrative services shall periodically transfer from the beer and liquor control fund to the general fund of the state those revenues of the department which are not necessary for the purchase of liquor for resale by the department, or for remittances to local authorities or other sources as required by [this chapter](#), or for other obligations and expenses of the department which are paid from such fund.

b. All moneys received by the department from the issuance of vintner's certificates of compliance and wine permits shall be transferred by the director of the department of administrative services to the general fund of the state.

3. Notwithstanding [subsection 2](#), if gaming revenues under [sections 99D.17 and 99F.11](#) are insufficient in a fiscal year to meet the total amount of such revenues directed to be deposited in the revenue bonds debt service fund and the revenue bonds federal subsidy holdback fund during the fiscal year pursuant to [section 8.57, subsection 3](#), paragraph "d", the difference shall be paid from moneys deposited in the beer and liquor control fund prior to transfer of such moneys to the general fund pursuant to [subsection 2](#) and prior to the transfer of such moneys pursuant to [subsections 5 and 6](#). If moneys deposited in the beer and liquor control fund are insufficient during the fiscal year to pay the difference, the remaining difference shall be paid from moneys deposited in the beer and liquor control fund in subsequent fiscal years as such moneys become available.

4. The treasurer of state shall, each quarter, prepare an estimate of the gaming revenues and of the moneys to be deposited in the beer and liquor control fund that will become available during the remainder of the appropriate fiscal year for the purposes described in [subsection 3](#). The department of management, the department of inspections, appeals, and licensing, and the department shall take appropriate actions to provide that the sum of the amount of gaming revenues available to be deposited into the revenue bonds debt service fund and the revenue bonds federal subsidy holdback fund during a fiscal year and the amount of moneys to be deposited in the beer and liquor control fund available to be deposited into the revenue bonds debt service fund and the revenue bonds federal subsidy holdback fund during such fiscal year will be sufficient to cover any anticipated deficiencies.

5. After any transfer provided for in [subsection 3](#) is made, the department shall transfer into a special revenue account in the general fund of the state, a sum of money at least equal to seven percent of the gross amount of sales made by the department from the beer and liquor control fund on a monthly basis but not less than nine million dollars annually. Of the amounts transferred, one million dollars shall be transferred to the behavioral health fund established under [section 225A.7](#). Any amounts received in excess of the amounts transferred to the behavioral health fund shall be considered part of the general fund balance.

6. After any transfers provided for in [subsections 3 and 5](#), the department shall receive a transfer from the beer and liquor control fund and before any other transfer to the general fund, an amount sufficient to pay the costs incurred by the department for collecting and properly disposing of the liquor containers.

7. After any transfers provided for in [subsections 3, 5, and 6](#), and before any other transfer to the general fund, the department shall transfer to the economic development authority from the beer and liquor control fund two million dollars annually for statewide tourism marketing services and efforts pursuant to [section 15.275](#).

8. After any transfers provided for in [subsections 3, 5, 6, and 7](#) are made, and before any other transfer to the general fund, the department shall transfer to the economic development authority from the beer and liquor control fund the lesser of two hundred fifty thousand dollars or one percent of the gross sales of native distilled spirits by all class "A" native distilled

spirits license holders made by the department for the purposes of promoting Iowa wine, beer, and spirits.

9. Civil penalties imposed and collected by the department under [this chapter](#) shall be credited to the general fund of the state. The moneys from the civil penalties shall be used by the department, subject to appropriation by the general assembly, for the purposes of providing educational programs, information and publications for alcoholic beverage licensees and permittees, local authorities, and law enforcement agencies regarding the laws and rules which govern the alcoholic beverages industry, and for promoting compliance with alcoholic beverage laws and rules.

[C35, §1921-f50; C39, §1921.050; C46, 50, 54, 58, 62, 66, 71, §123.50; C73, 75, 77, 79, 81, §123.53]

85 Acts, ch 32, §45 – 47; 86 Acts, ch 1246, §603, 747; 88 Acts, ch 1151, §1; 88 Acts, ch 1250, §10; 92 Acts, ch 1242, §25; 93 Acts, ch 91, §19; 99 Acts, ch 199, §32; 2003 Acts, ch 145, §286; 2005 Acts, ch 179, §144, 146; 2006 Acts, ch 1010, §51; 2007 Acts, ch 126, §23; 2009 Acts, ch 41, §263; 2009 Acts, ch 173, §31, 32, 36; 2010 Acts, ch 1184, §92; 2011 Acts, ch 34, §35; 2012 Acts, ch 1021, §136; 2015 Acts, ch 30, §204

C2016, §123.17

2021 Acts, ch 171, §30; 2022 Acts, ch 1140, §30, 32; 2022 Acts, ch 1148, §19; 2023 Acts, ch 19, §1358, 1874, 2370; 2023 Acts, ch 116, §20; 2024 Acts, ch 1161, §14 – 16, 137, 185, 186; 2024 Acts, ch 1185, §135; 2025 Acts, ch 169, §35 – 37

Referred to in §8.57, 15.275, 15E.117, 24.14, 123.24, 123.39, 123.183

2024 amendments to section by 2024 Acts, ch 1161, §14 – 16, effective July 1, 2025; 2024 Acts, ch 1161, §137

Subsection 5 amended

Subsection 8 stricken

Former subsection 9 amended and renumbered as 8

Former subsection 10 renumbered as 9