

701—1000.23(123) Vending and self-service machines to dispense alcoholic beverages.

1000.23(1) *Vending machines.* A retail alcohol licensee is not allowed to install or permit the installation of vending machines on the licensed premises for the purpose of selling, dispensing, or serving alcoholic beverages. A vending machine is defined as a slug-, coin-, currency-, or credit card-operated mechanical device used for dispensing merchandise, including single cans of beer or other alcoholic beverages, and includes but is not limited to a mechanical device operated by remote control and used for dispensing single cans of beer or other alcoholic beverages. A vending machine is not a unit installed in individual hotel or motel rooms used for the storage of alcoholic beverages and intended for the personal use of hotel or motel guests within the privacy of the guests' rooms or a self-service machine registered and used consistent with this rule.

1000.23(2) *Self-service machines.* Retail alcohol licensees may utilize a self-service machine to dispense beer or wine as authorized under the licensee's retail alcohol license. Self-service machines are only authorized to operate on an approved retail alcohol licensed premises and shall not be operated under a catering privilege. For the purposes of this rule, "self-service machine" means any mechanical device capable of dispensing a preprogrammed amount of wine or beer, or both, directly to a consumer in exchange for a service card, wristband, or other token activated by the licensee and provided to the consumer.

a. A retail alcohol licensee seeking to use a self-service machine must register the machine with the department in a manner determined by the director at least 30 days prior to the date the licensee intends to begin use of the machine. The director will review the registration for compliance with the conditions of this rule and approve or disapprove the use of the self-service machine. A licensee must submit a new registration prior to implementing any change to the operational plan or capacity of the device. No self-service machine may be used without approval by the director.

b. The conditions for a retail alcohol licensee to use self-service machines to dispense beer or wine are as follows:

(1) At the time of sale, the retail alcohol licensee, or licensee's employees, must determine the consumer is of legal age and is not intoxicated or simulating intoxication.

(2) During operation, the retail alcohol licensee must adequately monitor the self-service machine so as to prevent the sale or service of beer or wine to persons who are under legal drinking age or are intoxicated or simulating intoxication.

(3) The sale of beer or wine, or both, and the corresponding activation of the service card, wristband, or other token to operate a self-service machine must be conducted in-person by the licensee directly with the consumer and cannot be automated at the machine. This condition includes reactivation of an already-issued service card, wristband, or other token for further use by a consumer.

(4) A self-service machine must not dispense a serving of more than 64 ounces of beer or 24 ounces of wine before reactivation of a service card, wristband, or other token is acquired by the licensee.

(5) A self-service machine must be programmed to automatically deactivate the service card, wristband, or other token after the programmed amount of beer or wine purchased by the consumer has been dispensed.

(6) Service cards, wristbands, or other tokens must be deactivated at the end of each business day. For purposes of this rule, a "business day" means 6 a.m. until 2 a.m. the following calendar day.

(7) A licensee, or the licensee's employees, must have the ability to deactivate a self-service machine and all associated service cards, wristbands, or other tokens remotely at all times.

This rule is intended to implement Iowa Code section 123.49.

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