

SENATE FILE 2305

## AN ACT

CONCERNING WINE, INCLUDING THE ALLOWABLE ALCOHOL CONTENT OF WINE AND INSPECTION OF CERTAIN WINE PERMITTEES.

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

Section 1. Section 123.3, subsections 5 and 37, Code Supplement 2005, are amended to read as follows:

5. "Alcoholic liquor" or "intoxicating liquor" means the varieties of liquor defined in subsections 3 and 33 which contain more than five percent of alcohol by weight, beverages made as described in subsection 7 which beverages contain more than five percent of alcohol by weight but which are not wine as defined in subsection 37, and every other liquid or solid, patented or not, containing spirits and every beverage obtained by the process described in subsection 37 containing more than seventeen percent alcohol by weight or twenty-one and twenty-five hundredths percent of alcohol by volume, and susceptible of being consumed by a human being, for beverage purposes. Alcohol manufactured in this state for use as fuel pursuant to an experimental distilled spirits plant permit or its equivalent issued by the federal bureau of alcohol, tobacco and firearms is not an "alcoholic liquor".

37. "Wine" means any beverage containing more than five percent but not more than seventeen percent of alcohol by

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weight <u>or twenty-one and twenty-five hundredths percent of</u> <u>alcohol by volume</u> obtained by the fermentation of the natural sugar contents of fruits or other agricultural products but excluding any product containing alcohol derived from malt or by the distillation process from grain, cereal, molasses, or cactus.

Sec. 2. Section 123.173, subsection 2, Code 2005, is amended to read as follows:

2. 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 37. The holder of a class "A" wine permit may manufacture in this state wine having an alcoholic content greater than seventeen percent by weight or twenty-one and twenty-five hundredths percent of alcohol by volume for shipment outside this state. All class "A" premises shall be located within the state. A class "B" or class "B" native wine permit allows the holder to sell wine at retail for consumption off the premises. A class "B" or class "B" native 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. Such wine sales shall be 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" or class "B" native wine permittee shall not sell wine to other class "B", or class "B" native wine permittees. A class "C" native wine permit allows the holder to sell wine for consumption on or off the premises.

Sec. 3. Section 123.182, unnumbered paragraph 2, Code 2005, is amended to read as follows:

The label on a bottle or other container in which wine is offered for sale in this state, which label represents the alcoholic content of the wine as being in excess of seventeen percent by weight <u>or twenty-one and twenty-five hundredths</u> <u>percent of alcohol by volume</u>, is conclusive evidence of the alcoholic content of that wine.

Sec. 4. Section 137F.1, subsection 9, Code 2005, is amended by adding the following new paragraph:

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<u>NEW PARAGRAPH</u>. c. A premises covered by a class "A" wine permit or a class "B" wine permit as provided in chapter 123.

JEFFREY M. LAMBERTI President of the Senate

CHRISTOPHER C. RANTS Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2305, Eighty-first General Assembly.

MICHAEL E. MARSHALL Secretary of the Senate

april 7\_\_\_, 2006 Approved \_

THOMAS J. VILSACK Governor