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HOUSE FILE 172
By COMMITTEE ON STATE GOVERNMENT

Failed to
Pass House, Date 2-17-71 Passed Senate, Date _____
Vote: Ayes 48+ Nays 47+ Vote: Ayes _____ Nays _____
Approved _____

Motion to reconsider filed 2/17, prevailed 2/18
Passed House 2-18-71
ayes 59, nays 36

A BILL FOR

1 An Act relating to a reorganization of the Iowa liquor con-
2 trol commission; creating an Iowa beer and liquor control
3 department; providing for the appointment of an Iowa
4 beer and liquor control council and a director of beer
5 and liquor control and designating their powers and
6 duties; amending provisions concerning liquor control
7 licenses, special liquor permits, beer permits, and
8 fees charged therefor; abolishing special distributors;
9 altering dram shop liability; requiring certificates of
10 compliance from distillers and brewers; declaring certain
11 acts to be unlawful and providing penalties for viola-
12 tions; and otherwise amending current statutory provi-
13 sions relating to the sale and possession of alcoholic
14 liquor and beer in this state.

15 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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DIVISION I

GENERAL PROVISIONS RELATING TO ALCOHOLIC LIQUOR AND BEER

Section 1. PUBLIC POLICY DECLARED. This Act shall be cited as the "Iowa Beer and Liquor Control Act", and shall be deemed an exercise of the police power of the state, for the protection of the welfare, health, peace, morals, and safety of the people of the state, and all its provisions shall be liberally construed for the accomplishment of that purpose, and it is declared to be public policy that the traffic in alcoholic liquors is so affected with a public interest that it should be regulated to the extent of prohibiting all traffic in them, except as provided in this Act.

Sec. 2. GENERAL PROHIBITION. It shall be unlawful to manufacture for sale, sell, offer or keep for sale, possess, or transport alcoholic liquor or beer except upon the terms, conditions, limitations, and restrictions enumerated in this Act.

Sec. 3. DEFINITIONS. As used in this Act, unless the context otherwise requires:

1. "Council" means the Iowa beer and liquor control council established by this Act.

2. "Department" means the Iowa beer and liquor control department established by this Act, or any division of such department.

3. "Director" means the director of the Iowa beer and liquor control department, appointed pursuant to the provisions of this Act, or his designee.

4. "Local authority" means the city or town council of any incorporated city or town in this state, or the county board of supervisors of any county in this state, which is empowered by this Act to approve or deny applications for retail beer permits and liquor control licenses; to recommend that such permits or licenses be granted and issued by the department; and to take such other actions as are reserved

1 to them by this Act.

2 5. "Alcohol" means the product of distillation of any
3 fermented liquor rectified one or more times, whatever may
4 be the origin thereof, and includes synthetic ethyl alcohol.

5 6. "Spirits" means any beverage which contains alcohol
6 obtained by distillation mixed with drinkable water and other
7 substances in solution, including, but not limited to, brandy,
8 rum, whisky, and gin.

9 7. "Wine" means any beverage containing alcohol obtained
10 by the fermentation of the natural sugar contents of fruits
11 or other agricultural products.

12 8. "Alcoholic liquor" or "alcoholic beverage" includes
13 the three varieties of liquor defined in subsections five
14 (5), six (6), and seven (7) of this section, except beer as
15 defined in subsection nine (9) of this section but including
16 all beverages made as described in such subsection which
17 contain more than four percent of alcohol by weight, and every
18 liquid or solid, patented or not, containing alcohol, spirits,
19 or wine, and susceptible of being consumed by a human being,
20 for beverage purposes.

21 9. "Beer" means any liquid capable of being used for
22 beverage purposes made by the fermentation of an infusion
23 in potable water of barley, malt and hops, with or without
24 unmalted grains or decorticated and degerminated grains
25 containing not more than four percent of alcohol by weight.

26 10. "Person" means any individual, association, partner-
27 ship, corporation, club, hotel or motel, or municipal corpora-
28 tion owning or operating a bona fide airport, marina, park,
29 coliseum, auditorium, or recreational facility in or at which
30 the sale of alcoholic liquor or beer is only an incidental
31 part of such ownership or operation.

32 11. "Person of good moral character" means any person
33 who meets all of the following requirements:

34 a. He has such financial standing and good reputation
35 as will satisfy the director that he will comply with this

1 Act and all laws, ordinances, and regulations applicable to
2 his operations under this Act.

3 b. He does not possess a federal gambling stamp.

4 c. He is not prohibited by the provisions of section forty
5 (40) of this Act from obtaining a liquor control license or
6 beer permit.

7 d. Is a citizen of the United States and a resident of
8 this state, or licensed to do business in this state in the
9 case of a corporation.

10 e. He has not been convicted of a felony. However, if
11 his conviction of a felony occurred more than five years be-
12 fore the date of the application for a license or permit,
13 and if his rights of citizenship have been restored by the
14 governor, the director may determine that he is a person of
15 good moral character notwithstanding such conviction.

16 f. If such person is a corporation, partnership, associa-
17 tion, club, or hotel or motel the requirements of this
18 subsection shall apply to each of the officers, directors,
19 and partners of such person, and to any person who directly
20 or indirectly owns or controls ten percent or more of any
21 class of stock of such person or has an interest of ten percent
22 or more in the ownership or profits of such person. For the
23 purposes of this provision, an individual and his spouse shall
24 be regarded as one person.

25 12. "Residence" means the place where a person resides,
26 permanently or temporarily.

27 13. "Permit" or "license" means an express written
28 authorization issued by the department for the manufacture
29 or sale, or both, of alcoholic liquor or beer.

30 14. "Application" means a formal written request for the
31 issuance of a permit or license supported by a verified state-
32 ment of facts.

33 15. "Manufacture" means to distill, rectify, ferment,
34 brew, make, mix, concoct, or process any substance capable
35 of producing a beverage containing more than one-half of one

1 percent of alcohol by volume and includes blending, bottling,
2 or the preparation for sale.

3 16. "Package" means any container or receptacle used for
4 holding alcoholic liquor.

5 17. "Distillery", "winery", and "brewery" means not only
6 the premises wherein alcohol or spirits is distilled, or
7 rectified wine is fermented, or beer is brewed, but in addition
8 a person owning, representing, or in charge of such premises
9 and the operations conducted thereon, including the blending
10 and bottling or other handling and preparation of alcoholic
11 liquor or beer in any form.

12 18. "Brewer" means any person who manufactures beer for
13 the purpose of sale, barter, exchange, or transportation.

14 19. "Importer" means the person transporting or ordering,
15 authorizing, or arranging the transportation of alcoholic
16 liquor or beer into this state whether such person is a
17 resident of this state or not.

18 20. "Import" means the transporting or ordering or arrang-
19 ing the transportation of alcoholic liquor or beer into this
20 state whether by a resident of this state or not.

21 21. "State liquor store" means a store established by
22 the department under this Act for the sale of alcoholic liquor
23 in the original package for consumption off the premises.

24 22. "Warehouse" means any premises or place primarily
25 constructed or used or provided with facilities for the storage
26 in transit or other temporary storage of perishable goods
27 or for the conduct of normal warehousing business.

28 23. "Public place" means any place, building, or conveyance
29 to which the public has or is permitted access.

30 24. The terms "in accordance with the provisions of this
31 chapter", "pursuant to the provisions of this title", or
32 similar terms shall include all rules and regulations of the
33 department adopted to aid in the administration or enforcement
34 of those provisions.

35 25. The prohibited "sale" of alcoholic liquor or beer

1 under this Act includes soliciting for sales, taking orders
2 for sales, keeping or exposing for sale, delivery or other
3 trafficking for a valuable consideration promised or obtained,
4 and procuring or allowing procurement for any other person.

5 26. "Wholesaler" means any person, other than a brewer
6 or bottler of beer, who shall sell, barter, exchange, offer
7 for sale, have in possession with intent to sell, deal or
8 traffic in alcoholic liquor or beer. No wholesaler shall
9 be permitted to sell for consumption upon the premises.

10 27. "Retailer" means any person who shall sell, barter,
11 exchange, offer for sale, or have in possession with intent
12 to sell any alcoholic liquor for consumption on the premises
13 where sold, or beer for consumption either on or off the
14 premises where sold.

15 28. "Air common carrier" means a person engaged in trans-
16 porting passengers for hire in interstate or foreign commerce
17 by aircraft and operating regularly scheduled flights under
18 a certificate of public convenience issued by the civil
19 aeronautics board.

20 29. "Club" means any nonprofit corporation or association
21 of individuals, which is the owner, lessee, or occupant of
22 a permanent building or part thereof, membership in which
23 entails the prepayment of regular dues and is not operated
24 for a profit other than such profits as would accrue to the
25 entire membership.

26 30. "Commercial establishment" means a place of business
27 which is at all times equipped with sufficient tables and
28 seats to accommodate twenty-five persons at one time, and
29 the licensed premises of which conform to the standards and
30 specifications of the department.

31 31. "Licensed premises" or "premises" means all rooms
32 or enclosures where alcoholic beverages or beer are sold or
33 consumed under authority of a liquor control license or beer
34 permit.

35 32. "Hotel" or "motel" means a building or structure li-

1 censed by the state department of agriculture and regularly
2 or seasonably kept open in a bona fide manner for the lodging
3 of transient guests, where there is in the same building or
4 structure an establishment where food is regularly prepared
5 and served and where twenty or more sleeping rooms are
6 provided for guests.

7 33. "Legal age" means twenty-one years of age or more.

8 34. "Retail beer permit" means a class "B" or class "C"
9 beer permit issued under the provisions of this Act.

10 Sec. 4. DEPARTMENT CREATED--PLACE OF BUSINESS. There
11 is hereby created an Iowa beer and liquor control department
12 to administer and enforce the laws of this state concerning
13 beer and alcoholic liquor. The principal place of business
14 of the department shall be in the city of Des Moines, and
15 suitable quarters or offices shall be provided the department
16 in such city by the authority designated by law to provide
17 such quarters or offices to state departments or agencies.

18 Sec. 5. COUNCIL CREATED. There is hereby created within
19 the department an Iowa beer and liquor control council,
20 composed of five members, not more than three of whom shall
21 belong to the same political party. The council shall be
22 held strictly accountable for the enforcement of the provisions
23 of this Act.

24 Sec. 6. APPOINTMENT--TERM--QUALIFICATIONS--COMPENSATION.
25 The governor shall appoint the initial members of the council
26 for respective terms of one, two, three, four, and five years,
27 all of which shall commence July 1, 1971. Appointments there-
28 after shall be for five years and shall be made by the gov-
29 ernor, subject to confirmation by two-thirds of the senate,
30 within sixty days after the convening of the general assembly
31 each year for the member whose term is to expire on the fol-
32 lowing July 1. At least three members of the council shall
33 be chosen on the basis of managerial ability and experience
34 as business executives. Members may be reappointed for one
35 additional term. Each member appointed shall receive a

1 retainer of two thousand five hundred dollars per annum pay-
2 able in twenty-four equal payments throughout the year in
3 addition to reasonable and necessary expenses while attending
4 meetings.

5 Sec. 7. VACANCIES. Any vacancy on said council which
6 may occur when the general assembly is not in session shall
7 be filled by appointment by the governor, which appointment
8 shall expire at the end of thirty days following the organiza-
9 tion of the next session of the general assembly. Prior to
10 the expiration of said period of thirty days, the governor
11 shall transmit to the senate for its approval an appointment
12 for the unexpired portion of the regular term. Any vacancy
13 occurring when the general assembly is in session shall be
14 filled in the same manner as regular appointments are made,
15 and before the end of such session, and for the unexpired
16 portion of the regular term.

17 Sec. 8. BONDS. Each council member shall post a bond,
18 at the expense of the state, with such sureties as the execu-
19 tive council shall approve to guarantee to the state the
20 proper handling and accounting of such moneys and merchandise
21 and other properties as may be required in the administration
22 of this Act. It shall be the duty of the director to secure
23 from all employees of the department holding positions of
24 trust a bond with such sureties as the beer and liquor control
25 council shall approve adequate to guarantee to the state the
26 proper handling and accounting of all moneys, merchandise,
27 and other properties.

28 Sec. 9. COUNCIL MEETINGS. The council shall meet on July
29 1, 1971 and on July first of each year thereafter for the
30 purpose of selecting one of its members as chairman, which
31 member shall serve in such capacity for the succeeding year.
32 The council shall otherwise meet at the call of the chairman
33 or when any three members file with the chairman a written
34 request for a meeting. Written notice of the time and place
35 of each meeting shall be given to each member of the council.

1 All council meetings shall be held within the state. A ma-
2 jority of the council members shall constitute a quorum.

3 Sec. 10. DIRECTOR APPOINTED. The council shall appoint
4 a director of beer and liquor control, who shall in no event
5 be a member of the council, at a salary of twenty-five thousand
6 dollars per annum. Subsequent changes in such salary may
7 be made by the general assembly. The director shall be
8 qualified to perform his duties by managerial ability and
9 experience as a business executive; shall post a bond paid
10 from the general fund of the state in an amount to be
11 determined by the council to insure proper discharge of his
12 duties; and shall act in the name of and serve at the pleasure
13 of the council.

14 Sec. 11. EXPENSES. Members of the council, the director,
15 and other employees of the department shall be allowed their
16 actual and necessary expenses while traveling on business
17 of the department outside of their place of residence, however,
18 an itemized account of such expenses shall be verified by
19 the claimant and approved by the director. If such account
20 is paid, the same shall be filed with the department and be
21 and remain a part of its permanent records. All expenses
22 and salaries of council members, the director, and other
23 employees shall be paid from appropriations for such purposes
24 and the department shall be subject to the budget requirements
25 of chapter eight (8) of the Code.

26 Sec. 12. REMOVAL. Any council member, the director, or
27 other officer or employee of the department may be removed
28 for any of the causes and in the manner provided by chapter
29 sixty-six (66) of the Code relating to removal from office;
30 such removal shall not be in lieu of any other punishment
31 that may be prescribed by the laws of this state.

32 Sec. 13. EXEMPTION FROM SUIT. No council member or of-
33 ficer or employee of the department shall be personally liable
34 for damages sustained by any person due to the act of such
35 member, officer, or employee performed in the reasonable dis-

1 charge of his duties as enumerated in this Act.

2 Sec. 14. ENFORCEMENT DIVISION.

3 1. There is hereby created an enforcement division of
4 the Iowa beer and liquor control department. The director
5 shall appoint a chief enforcement officer who shall be an
6 attorney licensed to practice in this state, and five assistant
7 chiefs. The director shall employ needed clerical help and
8 such other assistants and agents as are necessary to carry
9 out the enforcement provisions of Title VI of the Code. The
10 enforcement division shall enforce all provisions of Title
11 VI of the Code in the name of the state of Iowa, and may do
12 so in proceedings before any court.

13 2. Agents of the enforcement division, except clerical
14 workers, shall be covered by the provisions of chapter ninety-
15 seven A (97A) of the Code. They shall be entitled to receive
16 benefits provided in such chapter and will be required to
17 make such contributions and payments into the system as are
18 required by such chapter.

19 Sec. 15. HEARING BOARD ESTABLISHED. There is hereby
20 created a three-member hearing board for the purpose of con-
21 ducting departmental hearings relating to controversies
22 concerning the issuance, suspension, or revocation of special
23 liquor permits, liquor control licenses, and beer permits
24 authorized under this Act. One member shall be appointed
25 by the council from its membership, which member may be
26 periodically replaced by appointment of another council member;
27 one member shall be the attorney general or his designee;
28 and one member shall be the director or his designee, however,
29 such designee shall in no event be a member or employee of
30 the enforcement division created pursuant to section fourteen
31 (14) of this Act.

32 Sec. 16. FUNCTIONS OF COUNCIL AND DIRECTOR.

33 1. The council shall, in addition to the duties
34 specifically enumerated in this Act, act as a department
35 policy-making body and serve in an advisory capacity to the

1 director. The director shall be responsible for supervising
2 the daily operations of the department and shall execute the
3 policies of the department as determined by the council.

4 2. The council may review and affirm, reverse, or amend
5 all actions of the director, including but not limited to
6 the following instances:

7 a. Purchases of alcoholic liquor for resale by the de-
8 partment.

9 b. The granting or refusing of liquor licenses and permits,
10 and beer permits, and the suspension or revocation of such
11 licenses and permits.

12 c. The establishment of retail prices of alcoholic liquor.

13 d. The establishment or discontinuance of state liquor
14 stores.

15 Sec. 17. PROHIBITION ON COUNCIL MEMBERS AND EMPLOYEES.

16 No council member or officer or employee of the department
17 shall, while holding such office or position, hold any other
18 office or position under the laws of this state or any other
19 state or the United States, nor engage in any occupation,
20 business, or activity inconsistent or interfering with the
21 duties of such employment, including, but not limited to those
22 activities prohibited by the applicable provisions of chapter
23 seven hundred thirty-nine (739) of the Code; and no such
24 member, officer, or employee shall, while holding such office
25 or position, serve on or under or be a member of any committee
26 of any political party, nor directly or indirectly use his
27 influence to induce any other officer, employee, or elector
28 of this state to adopt his political views or to favor any
29 particular candidate for office, nor shall any such member,
30 officer, or employee contribute or accept in any manner,
31 directly or indirectly, any money or other thing of value
32 to or for any person or committee for campaign or election
33 purposes. Any such member, officer, or employee who violates
34 any of the provisions of this section, or any other provision
35 of this Act, shall be deemed guilty of corruption.

1 Sec. 18. FAVORS FROM LICENSEE OR PERMITTEE. No person
2 responsible for the administration or enforcement of this
3 Act shall accept or solicit donations, gratuities, political
4 advertising, gifts, or other favors, directly or indirectly,
5 from any liquor control licensee or beer permittee. A viola-
6 tion of this section shall subject the violator to the general
7 penalties provided by this Act.

8 Sec. 19. DISTILLER'S CERTIFICATE OF COMPLIANCE.

9 1. Any manufacturer, distiller, vintner, or importer of
10 alcoholic beverages shipping, selling, or having alcoholic
11 beverages brought into this state for resale by the state
12 shall, as a condition precedent to the privilege of so
13 trafficking in alcoholic liquors in this state, annually make
14 application for and shall hold a distiller's certificate of
15 compliance which shall be issued by the director for such
16 purpose. No brand of alcoholic liquor shall be sold by the
17 department in this state unless the manufacturer, distiller,
18 vintner, importer, and all other persons participating in
19 the distribution of such brand in this state have obtained
20 such certificate. Such certificate of compliance shall expire
21 at the end of one year from the date of issuance and shall
22 be renewed for a like period upon application to the director
23 unless otherwise suspended or revoked for cause. Each applica-
24 tion for a certificate of compliance or renewal thereof shall
25 be made in such manner and upon such forms as shall be pre-
26 scribed by the director and shall be accompanied by a fee
27 of twenty-five dollars payable to the department. However,
28 the provisions of this subsection need not apply to a
29 manufacturer, distiller, vintner, or importer who ships or
30 sells in this state no more than eleven gallons or its case
31 equivalent during any fiscal year as a result of "special
32 orders" which might be placed, as defined and allowed by
33 departmental rules adopted under this Act.

34 2. At the time of applying for a certificate of compliance,
35 each applicant shall file with the department a list of names

1 and addresses of all representatives, employees, or attorneys
2 whom they may have appointed in the state of Iowa to represent
3 them for any purpose. The listing of such representatives,
4 employees, or attorneys shall be amended from time to time
5 by the certificate holder as necessary to keep such listing
6 current with the department.

7 3. The director and the attorney general are authorized
8 to require any certificate holder or person listed as his
9 representative, employee, or attorney to disclose such
10 financial and other records and transactions as may be
11 considered relevant in discovering violations of this Act
12 by any person.

13 4. Any violation of the requirements of this section,
14 except subsection three (3), shall subject the violator to
15 the general penalties provided in this Act and in addition
16 thereto shall be grounds for suspension or revocation of the
17 certificate of compliance, after notice and hearing before
18 the department hearing board. Willful failure to comply with
19 requirements which may be imposed under subsection three (3)
20 of this section shall be grounds for suspension or revocation
21 of the certificate of compliance only. Decisions of the
22 hearing board concerning such suspension or revocation shall
23 be binding upon all parties.

24 5. This section shall not require the listing of those
25 persons who are employed on premises where alcoholic beverages
26 are manufactured, processed, bottled or packaged in Iowa or
27 to persons who are thereafter engaged in the transporting
28 of such alcoholic beverages to the department.

29 Sec. 20. POWERS. The director, in executing departmental
30 functions, shall have the following duties and powers:

31 1. To purchase alcoholic liquors for resale by the depart-
32 ment in the manner set forth in this Act.

33 2. To establish, maintain, or discontinue state liquor
34 stores and to determine the cities and towns in which such
35 stores shall be located. However, no liquor store shall be

1 established within three hundred feet of any public or private
2 educational institution.

3 3. To rent, lease, or equip any building or any land nec-
4 essary to carry out the provisions of this Act.

5 4. To lease all plants and lease or buy equipment necessary
6 to carry out the provisions of this Act.

7 5. To appoint vendors, clerks, agents, or other employees
8 required for carrying out the provisions of this Act; to
9 dismiss such employees for cause; to assign such employees
10 to such divisions as may be created by the director within
11 the department; and to designate their title, duties, and
12 powers. All employees of the department, except occasional
13 or part-time employees, the director and enforcement agents
14 in the enforcement division, shall be subject to the provisions
15 of chapter nineteen A (19A) of the Code.

16 6. To grant and issue beer permits, special permits,
17 liquor control licenses, and other licenses; and to suspend
18 or revoke all such permits and licenses for cause under this
19 Act.

20 7. To license, inspect, and control the manufacture of
21 beer and alcoholic liquors and regulate the entire beer and
22 liquor industry in the state.

23 Sec. 21. RULES AND REGULATIONS. The director may, with
24 the approval of the council and subject to the provisions
25 of chapter seventeen A (17A) of the Code, make such rules
26 and regulations as are necessary to carry out the provisions
27 of this Act. Such authority shall extend to but not be limited
28 to the following:

29 1. Prescribing the duties of officers, vendors, clerks,
30 agents, or other employees of the department and regulating
31 their conduct while in the discharge of their duties.

32 2. Regulating the management, equipment, and merchandise
33 of state liquor stores and warehouses in and from which
34 alcoholic liquors are transported, kept, or sold and
35 prescribing the books and records to be kept therein.

1 3. Regulating the purchase of alcoholic liquor generally
2 and the furnishing of such liquor to state liquor stores
3 established under this Act, determining the classes, varieties,
4 and brands of alcoholic liquors to be kept in state warehouses
5 or for sale at any state liquor store.

6 4. Prescribing forms or information blanks to be used
7 for the purposes of this Act. The department shall prepare,
8 print, and furnish all forms and information blanks required
9 under this Act.

10 5. Prescribing the nature and character of evidence which
11 shall be required to establish legal age.

12 6. Providing for the issuing and distributing of price
13 lists showing the price to be paid by purchasers for each
14 brand, class, or variety of liquor kept for sale under this
15 Act. Provide for the filing or posting of prices between
16 class "A" beer permit holders and retailers as provided in
17 this Act, and establish or control such prices as may be based
18 on minimum standards of fill, quantity, or alcoholic content
19 for each individual sale of intoxicating liquor or beer as
20 deemed necessary for retail or consumer protection.

21 7. Prescribing the official seals, labels, or other mark-
22 ings which should be attached to or stamped on packages of
23 alcoholic liquor sold under this Act.

24 8. Prescribing, subject to this Act, the days and hours
25 during which state liquor stores shall be kept open for the
26 purpose of the sale of alcoholic liquors.

27 9. Prescribing the place and the manner in which alcoholic
28 liquor may be lawfully kept or stored by the licensed
29 manufacturer under this Act.

30 10. Prescribing the time, manner, means, and method by
31 which distillers, vintners, vendors, or others authorized
32 under this Act may deliver or transport alcoholic liquors
33 and prescribing the time, manner, means, and methods by which
34 alcoholic liquor may be lawfully conveyed, carried, or
35 transported.

1 11. Prescribing, subject to the provisions of this Act,
2 the conditions and qualifications necessary for the obtain-
3 ing of licenses and permits and the books and records to be
4 kept and the remittances to be made by those holding licenses
5 and permits and providing for the inspection of the records
6 of all such licensees and permittees.

7 12. Establishing procedures for hearing appeals from
8 orders denying applications for, suspending, or revoking
9 liquor control licenses and beer permits under this Act.

10 Sec. 22. STATE MONOPOLY. The department shall have the
11 sole and exclusive right of importation, into the state, of
12 all forms of alcoholic liquor, except as otherwise provided
13 in this Act, and no person shall so import any such alcoholic
14 liquor, except that an individual of legal age may import
15 and have in his possession an amount of alcoholic liquor not
16 exceeding one gallon for personal consumption only in a private
17 home or other private accommodation. No distillery shall sell
18 any alcoholic liquor within the state to any person but only
19 to the department, except as otherwise provided in this Act.
20 It is the intent of this section to vest in the department
21 exclusive control within the state both as purchaser and
22 vendor of all alcoholic liquor sold by distilleries within
23 the state or imported therein, except beer, and except as
24 otherwise provided in this Act.

25 No person, by himself or through another acting for him
26 shall directly or indirectly, or upon any pretense, or by
27 any device, manufacture, sell, exchange, barter, dispense,
28 give in consideration of the purchase of any property or of
29 any services or in evasion of this Act, or keep for sale,
30 or have possession of any intoxicating liquor, except as pro-
31 vided in this Act; or own, keep, or be in any way concerned,
32 engaged, or employed in owning or keeping, any intoxicating
33 liquor with intent to violate any provision of this Act, or
34 authorize or permit the same to be done; or manufacture, own,
35 sell, or have possession of any manufactured or compounded

1 article, mixture or substance, not in a liquid form, and con-
2 taining alcohol which may be converted into a beverage by
3 a process of pressing or straining the alcohol therefrom,
4 or any instrument intended for use and capable of being used
5 in the manufacture of intoxicating liquor; or own or have
6 possession of any material used exclusively in the manufacture
7 of intoxicating liquor; or use or have possession of any ma-
8 terial with intent to use it in the manufacture of intoxica-
9 ting liquors; however, alcohol may be manufactured for in-
10 dustrial and nonbeverage purposes by persons who have quali-
11 fied for that purpose as provided by the laws of the United
12 States and the laws of this state. Such alcohol, so manu-
13 factured, may be denatured, transported, used, possessed,
14 sold, and bartered and dispensed, subject to the limitations,
15 prohibitions and restrictions imposed by the laws of the
16 United States and this state.

17 Sec. 23. STATE LIQUOR STORES. The department shall
18 establish and maintain in any city or incorporated town which
19 the director may deem advisable, a state liquor store or
20 stores for storage and sale of alcoholic liquor in accordance
21 with the provisions of this Act. The department may, from
22 time to time, as determined by the director, fix the prices
23 of the different classes, varieties, or brands of alcoholic
24 liquor to be sold.

25 Sec. 24. VENDORS--CASH SALES. In the conduct and
26 management of state liquor stores the director is empowered
27 to employ a person who shall be known as a "vendor" who shall,
28 subject to the directions of the director, observe all
29 provisions of this Act and the rules and regulations of the
30 department. No vendor of any state liquor store shall sell
31 alcoholic liquor to any person except for cash.

32 Sec. 25. CONSUMPTION ON PREMISES. No vendor, officer,
33 clerk, agent, or employee of the department employed in any
34 state liquor store or state-owned warehouse shall allow any
35 alcoholic liquor to be consumed on such premises, nor shall

1 any person consume any liquor on such premises.

2 Sec. 26. RESTRICTIONS ON SALES--SEALS--LABELING. No
3 alcoholic liquor shall be sold by the department to any
4 purchaser except in a sealed container with such identifying
5 markers as shall be prescribed by the director and affixed
6 on the premises of a state warehouse or store and no such
7 container shall be opened upon the premises of any state
8 warehouse or store. Possession of alcoholic liquors which
9 do not carry the prescribed identifying markers shall be a
10 violation of this Act except as provided in section twenty-
11 two (22) of this Act.

12 Sec. 27. SALES PROHIBITED. It shall be unlawful to trans-
13 act the sale or delivery of any liquor in, on, or from the
14 premises of any state liquor store or warehouse:

- 15 1. After the closing hour as established by the director.
- 16 2. On any legal holiday.
- 17 3. On any Sunday.
- 18 4. On any national or state election day.
- 19 5. On any municipal election day held in the municipality
20 in which such store or warehouse may be situated.
- 21 6. During such other periods or days as may be designated
22 by the director.

23 Sec. 28. TRANSPORTATION PERMITTED. It shall be lawful
24 to transport, carry, or convey alcoholic liquors from the
25 place of purchase by the department to any state warehouse,
26 store, or depot established by the department or from one
27 such place to another and, when so permitted by this Act,
28 it shall be lawful for any common carrier or other person
29 to transport, carry, or convey alcoholic liquor sold by a
30 vendor from a state warehouse, store, or depot to any place
31 to which such liquor may be lawfully delivered under this
32 Act. No common carrier or other person shall break or open
33 or allow to be broken or opened any container or package
34 containing alcoholic liquor or use or drink or allow to be
35 used or drunk any alcoholic liquor while it is being

1 transported or conveyed, but this section shall not prohibit
2 a private person from transporting a container which has been
3 opened previous to the commencement of such transportation.
4 Nothing in this section shall affect the right of any special
5 permit or liquor control license holder to purchase, possess,
6 or transport alcoholic liquors subject to the provisions of
7 this Act.

8 Sec. 29. SPECIAL PERMITS. A special permit for the
9 purchase, possession, or transportation of alcoholic liquors
10 for the purposes specified in those permits may be issued
11 by the director upon application being made to the department
12 in the form and manner prescribed by the director, accompanied
13 by payment of the prescribed fee, and upon the director being
14 satisfied that the applicant has complied with departmental
15 rules and regulations established for the issuance of such
16 permit. Such special permits may be issued to the following
17 persons and for the following purposes:

18 1. To a physician, pharmacist, dentist, or veterinarian,
19 entitling the holder to purchase liquor from the state liquor
20 stores for use medicinally and in compounding prescriptions
21 and to sell the same for use medicinally in the compounded
22 prescription only upon the prescription of a licensed physician
23 or surgeon, or to use such liquor in manufacturing or compound-
24 ing lotions, compounds, and like commodities not susceptible
25 for beverage purposes, and to sell the same for public use.

26 2. To a soldiers home, sanitarium, hospital, college,
27 or home for the aged which will entitle the holder to purchase
28 liquor from the state liquor stores for use for medicinal,
29 laboratory, and scientific purposes only.

30 3. To any minister, priest, or rabbi of any church or
31 denomination which uses vinous liquor in its sacramental
32 ceremonies. The holder of such a permit may purchase, have
33 shipped by interstate or intrastate common carrier, and possess
34 vinous liquor for sacramental purposes.

35 4. To manufacturers of patent and proprietary medicines,

1 tinctures, food products, extracts, toilet articles and
2 perfumes, and like commodities, none of which are susceptible
3 of use as a beverage, but which contain alcoholic liquor as
4 one of their ingredients. Any individual, or member of a
5 firm, or officer of a corporation, desiring such permit shall
6 file an affidavit with the department stating the following
7 facts:

8 a. The name, place of business, and post office address
9 of the person desiring such permit.

10 b. The business in which said person is engaged and the
11 articles manufactured in such business which require in their
12 manufacture the use of alcoholic liquors.

13 c. That the applicant, if he is an individual, or any
14 members of the firm or officers of the corporation, if the
15 applicant is not an individual, has been convicted of any
16 violation of the laws of this state with reference to the
17 sale of alcoholic liquors within the three years preceding
18 the date of the affidavit.

19 If the director is satisfied that the facts stated in such
20 affidavit are true and that the applicant is a person fit
21 and proper to be entrusted with the permit applied for, it
22 shall be issued upon the filing by the applicant of a bond
23 in the penal sum of two thousand dollars, with approved
24 sureties, conditioned that the applicant will faithfully
25 observe the provisions of this Act.

26 Such special permit shall entitle the holder to import
27 into the state, or purchase from licensed distillers within
28 the state or from the department, alcoholic liquors for use
29 in manufacture in accordance with the terms of said permit,
30 and to sell the product of such manufacture.

31 It shall be the duty of every manufacturer holding a special
32 permit under the provisions of this subsection, whenever such
33 manufacturer purchases alcoholic liquor from any source other
34 than the department, to immediately file with the department
35 a report of the receipt of such liquor in accordance with

1 rules and regulations adopted by the director.

2 Every person holding a special liquor permit under this
3 Act shall fill out in duplicate, on forms furnished by the
4 department, the amount and kinds of liquors purchased, and
5 shall retain one copy in his establishment for a period of
6 two years. The vendor of the state liquor store at which
7 the purchase was made shall monthly forward the other copy
8 to the department.

9 Nothing in this section shall prohibit the legitimate sale
10 of patent and proprietary medicines, tinctures, food products,
11 extracts, toilet articles and perfumes, and like commodities,
12 none of which are susceptible of use as a beverage but which
13 contain alcoholic liquor as one of their ingredients, through
14 the ordinary retail or wholesale channels.

15 Sec. 30. LIQUOR CONTROL LICENSES.

16 1. Upon posting bond in the penal sum of five thousand
17 dollars with surety and conditions prescribed by the director,
18 which bond shall be conditioned upon the payment of all taxes
19 payable to the state under the provisions of this Act and
20 compliance with all provisions of this Act, a liquor control
21 license may be issued to any person who, or whose officers,
22 in the case of a club or corporation, or whose partners, in
23 the case of a partnership, is of good moral character as
24 defined by this Act.

25 As a further condition for issuance of a liquor control
26 license, the applicant must give consent to members of the
27 fire, police and health departments and the building inspector
28 of cities and towns; the county sheriff, deputy sheriff, and
29 state agents, and any official county health officer to enter
30 upon the premises without a warrant to inspect for violations
31 of the provisions of this Act or ordinances and regulations
32 that cities and towns and boards of supervisors may adopt.

33 2. No liquor control license shall be issued for premises
34 which do not conform to all applicable laws, ordinances,
35 resolutions, and health and fire regulations. Nor shall any

1 licensee have or maintain any interior access to residential
2 or sleeping quarters unless permission is granted by the
3 director in the form of a living quarters permit.

4 3. Liquor control licenses issued under this Act shall
5 be of the following classes:

6 a. CLASS "A". A class "A" liquor control license may
7 be issued to a club and shall authorize the holder to purchase
8 alcoholic liquors from the department only, and to sell such
9 liquors, and beer, to bona fide members and their guests by
10 the individual drink for consumption on the premises only.

11 b. CLASS "B". A class "B" liquor control license may
12 be issued to a hotel or motel and shall authorize the holder
13 to purchase alcoholic liquors from the department only, and
14 to sell such liquors, and beer, to patrons by the individual
15 drink for consumption on the premises only, however, beer
16 may also be sold for consumption off the premises. Each such
17 license shall be effective throughout the premises described
18 in the application, but a duplicate of such license shall
19 be posted in each room where such beverages are dispensed.

20 c. CLASS "C". A class "C" liquor control license may
21 be issued to a commercial establishment but must be issued
22 in the name of the individual or individuals who actually
23 own the entire business and shall authorize the holder or
24 holders to purchase alcoholic liquors from the department
25 only, and to sell such liquors, and beer, to patrons by the
26 individual drink for consumption on the premises only, however,
27 beer may also be sold for consumption off the premises.

28 d. CLASS "D". A class "D" liquor control license may
29 be issued to a railway corporation, to an air common carrier,
30 and to passenger-carrying boats or ships for hire with a
31 capacity of twenty-five persons or more operating in inland
32 or boundary waters, and shall authorize the holder to sell
33 or furnish alcoholic beverages and beer to passengers for
34 consumption only on trains, watercraft as described herein,
35 or aircraft, respectively. Each such license shall be valid

1 throughout the state as a state license. Only one such license
2 shall be required for all trains, watercraft, or aircraft
3 operated in the state by the licensee.

4 Sec. 31. APPLICATION CONTENTS. Verified applications
5 for the original issuance or the renewal of liquor control
6 licenses shall be filed at such time and in such number of
7 copies as the director shall prescribe, on forms prescribed
8 by the director, and, except as provided in section thirty-
9 five (35) of this Act, shall set forth under oath the following
10 information:

11 a. The name and address of the applicant.

12 b. The precise location of the premises for which a license
13 is sought.

14 c. The names and addresses of all persons, in the case
15 of a corporation, the officers, directors, and persons owning
16 or controlling ten percent or more of the capital stock
17 thereof, having a financial interest, by way of loan,
18 ownership, or otherwise, in the business.

19 d. When required by the director, a sketch or drawing
20 of the premises proposed to be licensed, in such form and
21 containing such information as the director may require.

22 e. A statement whether any person specified in paragraph
23 "c" of this subsection has ever been convicted of any offense
24 against the laws of the United States, or any state or terri-
25 tory thereof, or any political subdivision of any such state
26 or territory.

27 f. A statement whether the applicant or any person
28 specified in paragraph "c" of this subsection possesses a
29 federal gambling stamp.

30 g. Such other information as the director shall require.

31 Sec. 32. ACTION BY AUTHORITIES ON APPLICATIONS FOR LIQUOR
32 CONTROL LICENSES AND BEER PERMITS.

33 1. FILING OF APPLICATION. An application for a class
34 "A", class "B", or class "C" liquor control license, and for
35 a retail beer permit as provided in sections one hundred

1 twenty-eight (128) and one hundred twenty-nine (129) of this
2 Act, accompanied by the required fee and bond, shall be filed
3 with the appropriate city or town council if the premises
4 for which the license or permit is sought are located within
5 the corporate limits of a city or town, or with the board
6 of supervisors if the premises for which the license or permit
7 is sought are located outside the corporate limits of a city
8 or town. An application for a class "D" liquor control license
9 and for a class "A" beer permit, accompanied by the required
10 fee and bond, shall be filed with the department, which shall
11 proceed in the same manner as in the case of an application
12 approved by local authorities.

13 2. ACTION BY LOCAL AUTHORITIES. The local authority shall
14 either approve or disapprove the issuance of a liquor control
15 license or retail beer permit, and shall endorse such approval
16 or disapproval on the application and forward same along with
17 the required fee and bond to the department. The fact that
18 the local authority determines that no liquor control license
19 or retail beer permit shall be issued shall not be held to
20 be arbitrary, capricious, or without reasonable cause. There
21 shall be no limit upon the number of liquor control licenses
22 or retail beer permits which may be approved for issuance
23 by local authorities.

24 3. ACTION BY DIRECTOR. Upon receipt of an application
25 having been disapproved by the local authority, the director
26 shall disapprove the application, so notify the applicant
27 by registered mail, and return the fee and bond to the
28 applicant. Upon receipt of an application having been approved
29 by the local authority, the director shall make such
30 investigation as he deems necessary and may require the
31 applicant to appear before him and be examined under oath
32 regarding any matters pertinent to the application, in which
33 case a record shall be made of all testimony or evidence and
34 the same shall become a part of the application. If the
35 application is approved by the director, the license or permit

1 applied for shall be issued. If the application is disapproved
2 by the director, the applicant and the appropriate local
3 authority shall be so notified by registered mail, and the
4 fee and bond returned to the applicant.

5 4. APPEAL TO HEARING BOARD. Any applicant for a liquor
6 control license or beer permit may appeal to the department
7 hearing board, established pursuant to section fifteen (15)
8 of this Act, from the director's disapproval of an application
9 for a license or permit. If, upon such appeal the hearing
10 board shall determine that the local authority acted
11 arbitrarily, capriciously, or without reasonable cause in
12 disapproving the application, or that, where the local
13 authority approved the application, the director's own
14 disapproval should be reversed, it may order issuance of a
15 license or permit. The same right of appeal to the hearing
16 board shall be afforded a liquor control licensee or beer
17 permittee whose license or permit has been suspended or revoked
18 under this Act, and the hearing board may order reinstatement
19 of such license or permit for good cause shown.

20 5. APPEAL TO COURTS. Any applicant who feels aggrieved
21 by a decision of the director or local authority disapproving,
22 suspending, or revoking issuance of a liquor control license
23 or beer permit may, provided he has exercised his right of
24 appeal to the hearing board as provided in subsection four
25 (4) of this section, appeal from said decision within ten
26 days to the district court of the county wherein the premises
27 covered by the application are situated.

28 Where the hearing board on an appeal by an applicant finds
29 that the local authority acted arbitrarily, capriciously,
30 or without reasonable cause in disapproving an application
31 and the director issues a license or permit, the local
32 authority may appeal from such decision within ten days to
33 the district court of the county wherein the premises covered
34 by the application are situated.

35 Sec. 33. RECORDS. Every holder of a liquor control license

1 shall keep a daily record of the gross receipts of his
2 business. Each bottle emptied, except beer bottles, shall
3 be broken immediately by the licensee or his agent into a
4 container provided for that purpose. The records herein
5 required and the premises of the licensee shall be open to
6 agents of the enforcement division of the department during
7 normal business hours of the licensee.

8 Sec. 34. EXPIRATION--SEASONAL LICENSE OR PERMIT. All
9 liquor control licenses and beer permits, unless sooner
10 suspended or revoked, shall expire one year from date of
11 issuance. The director shall cause sixty day's notice of
12 such expiration to be given to each licensee or permittee
13 in writing. However, the director may issue six-month or
14 eight-month seasonal licenses or class "B" beer permits for
15 a proportionate part of the license or permit fee. No refund
16 shall be made for seasonal licenses or permits. No seasonal
17 license or permit shall be renewed except after a period of
18 two months.

19 Sec. 35. SIMPLIFIED RENEWAL PROCEDURE. The director shall
20 prescribe simplified application forms for the renewal of
21 liquor control licenses and beer permits issued under the
22 provisions of this Act, which may be filed by licensees and
23 permittees in lieu of a detailed renewal application form
24 when qualifications and qualification information have not
25 changed since the original issuance of the license or permit.
26 Such simplified form shall require the licensee or permittee
27 to verify under oath that the information contained in the
28 original application remains current, and that no reason
29 exists for the department's refusal to renew the license or
30 permit as originally issued.

31 Such application, accompanied by the required fee and bond,
32 shall be filed in the same manner as is provided for filing
33 the initial application.

34 Sec. 36. FEES. The following fees shall be paid to the
35 department annually for special liquor permits and liquor

1 control licenses issued under sections twenty-nine (29) and
2 thirty (30) of this Act respectively:

3 1. Special liquor permits, the sum of five dollars.

4 2. Class "A" liquor control licenses, the sum of six
5 hundred dollars, except that for class "A" licenses in towns
6 of less than two thousand population, and for clubs of less
7 than two hundred fifty members, the license fee shall be four
8 hundred dollars; however, the fee shall be two hundred dollars
9 for any club which is a post, branch, or chapter of a veterans
10 organization chartered by the Congress of the United States,
11 if such club does not sell or permit the consumption of
12 alcoholic beverages on the premises more than one day in any
13 week, and if the application for a license states that such
14 club does not and will not sell or permit the consumption
15 of alcoholic beverages on the premises more than one day in
16 any week.

17 3. Class "B" liquor control licenses, the sum as follows:

18 a. Hotels or motels located within the corporate limits
19 of cities of ten thousand population and over, one thousand
20 three hundred dollars.

21 b. Hotels and motels located within the corporate limits
22 of cities of over three thousand and less than ten thousand
23 population, one thousand and fifty dollars.

24 c. Hotels and motels located within the corporate limits
25 of cities or towns of three thousand population and less,
26 eight hundred dollars.

27 d. Hotels and motels located outside the corporate limits
28 of any city or town, one thousand three hundred dollars.

29 4. Class "C" liquor control licenses, the sum as follows:

30 a. Commercial establishments located within the corporate
31 limits of cities of ten thousand population and over, one
32 thousand three hundred dollars.

33 b. Commercial establishments located within the corporate
34 limits of cities or towns of over fifteen hundred and less
35 than ten thousand population, one thousand fifty dollars.

1 c. Commercial establishments located within the corporate
2 limits of towns of fifteen hundred population or less, seven
3 hundred dollars.

4 d. Commercial establishments located outside the corporate
5 limits of any city or town, a sum equal to that charged in
6 the incorporated city or town located nearest the premises
7 to be licensed, and in case there is doubt as to which of
8 two or more differing corporate limits are the nearest, the
9 license fee which is the larger shall prevail.

10 5. Class "D" liquor control licenses, the following sums:

11 a. For watercraft, one hundred fifty dollars.

12 b. For trains, five hundred dollars.

13 c. For air common carriers, each company shall pay a base
14 annual fee of five hundred dollars and, in addition, shall
15 quarterly remit to the department an amount equal to seven
16 dollars for each gallon of alcoholic liquor sold, given away,
17 or dispensed in or over this state during the preceding
18 calendar quarter. The class "D" license fee for air common
19 carriers shall be in lieu of any other fee or tax collected
20 from such carriers in this state for the possession and sale
21 of alcoholic liquor and beer.

22 The department shall credit all fees to the beer and liquor
23 control fund and shall remit to the appropriate local
24 authority, a sum equal to sixty-five percent of the fees
25 collected for each class "A", class "B", or class "C" license
26 covering premises located within their respective
27 jurisdictions.

28 Sec. 37. POWER TO LICENSE AND LEVY TAXES. The power to
29 establish licenses and permits and levy taxes as imposed in
30 Title VI of the Code is vested exclusively with the state.
31 Unless specifically provided, no local authority shall levy
32 a local tax on the sale of alcoholic beverages or beer, require
33 the obtaining of a special license or permit for such sale
34 on any establishment, or require the obtaining of a license
35 by any person as a condition precedent to his employment in

1 the sale, serving, or handling of alcoholic beverages or beer
2 within an establishment operating under a license or permit.

3 Sec. 38. NATURE OF PERMIT OR LICENSE. A special liquor
4 permit, liquor control license, or beer permit shall be a
5 purely personal privilege and be revocable for cause. It
6 shall not constitute property nor be subject to attachment
7 and execution nor be alienable nor assignable, and in any
8 case it shall cease upon the death of the permittee or
9 licensee. However, the director may in his discretion allow
10 the executor or administrator of a permittee or licensee to
11 operate the business of the decedent for a reasonable time
12 not to exceed the expiration date of the permit or license.
13 Every permit or license shall be issued in the name of the
14 applicant and no person holding a permit or license shall
15 allow any other person to use same.

16 Any such licensee or permittee, or his executor,
17 administrator, or any person duly appointed by the court to
18 take charge of and administer the property or assets of the
19 licensee or permittee for the benefit of his creditors, may
20 voluntarily surrender such license or permit to the department
21 and when so surrendered the department shall notify the local
22 authority, and the department and such local authority, or
23 the local authority by itself in the case of a class "B" beer
24 permit, shall refund to the person so surrendering the license
25 or permit a proportionate amount of the fee paid for such
26 license or permit as follows: If surrendered during the first
27 three months of the period for which said license or permit
28 was issued the refund shall be three-fourths of the amount
29 of the fee; if surrendered more than three months but not
30 more than six months after issuance the refund shall be one-
31 half of the amount of the fee; if surrendered more than six
32 months but not more than nine months after issuance the refund
33 shall be one-fourth of the amount of the fee. No refund shall
34 be made, however, for any special liquor permit, nor for a
35 liquor control license or beer permit surrendered more than

1 nine months after issuance. No refund shall be made to any
2 licensee or permittee, upon the surrender of his license or
3 permit, if there is at the time of said surrender a complaint
4 filed with the department or local authority, charging him
5 with a violation of the provisions of this Act. If upon
6 hearing on any such complaint the license or permit is not
7 revoked, then the licensee or permittee shall be eligible,
8 upon surrender of his license or permit, to receive a refund
9 as herein provided. But if his license or permit is revoked
10 upon such hearing he shall not be eligible for the refund
11 of any portion of his license or permit fee.

12 The local authority may in its discretion authorize a
13 licensee or permittee to transfer the license or permit from
14 one location to another within the same incorporated city
15 or town, or within a county outside the corporate limits of
16 a city or town, provided that the premises to which the
17 transfer is to be made would have been eligible for a license
18 or permit in the first instance and such transfer will not
19 result in the violation of any law.

20 Sec. 39. SUSPENSION OR REVOCATION OF LIQUOR LICENSE OR
21 BEER PERMIT. Any liquor control license or beer permit issued
22 under this Act may, after notice in writing to the license
23 or permit holder and reasonable opportunity for hearing, and
24 subject to section fifty (50) of this Act where applicable,
25 be suspended for a period not to exceed sixty days or revoked
26 by the local authority or the director for any of the following
27 causes:

28 1. Misrepresentation of any material fact in the applica-
29 tion for such license or permit.

30 2. Violation of any of the provisions of this Act.

31 3. Any change in the ownership or interest in the business
32 operated under a class "A", class "B", or class "C" liquor
33 control license, or any beer permit which change was not
34 previously reported to and approved by the local authority
35 and the department.

1 4. An event which would have resulted in disqualification
2 from receiving such license or permit when originally issued.

3 5. Any sale, hypothecation, or transfer of such license
4 or permit.

5 6. The failure or refusal on the part of any licensee
6 or permittee to render any report or remit any taxes to the
7 department under this Act when due.

8 Sec. 40. EFFECT OF REVOCATION. Any liquor control licensee
9 or beer permittee whose license or permit is revoked under
10 this Act shall not thereafter be permitted to hold a liquor
11 control license or beer permit in the state of Iowa. The
12 spouse and business associates holding ten percent or more
13 of the capital stock or ownership interest in the business
14 of a person whose license or permit has been revoked shall
15 not be issued a liquor control license or beer permit, and
16 no liquor control license or beer permit shall be issued which
17 covers any business in which such person has a financial
18 interest. In the event a license or permit is revoked the
19 premises which had been covered by such license or permit
20 shall not be relicensed for one year.

21 Sec. 41. MANUFACTURER'S LICENSE. Upon application in
22 the prescribed form and accompanied by a fee of two hundred
23 fifty dollars, the director may in accordance with this Act
24 grant and issue a license, valid for a one-year period after
25 date of issuance, to a manufacturer which shall allow the
26 manufacture, storage, and wholesale disposition and sale of
27 alcoholic liquors to the department and to customers outside
28 of the state.

29 Sec. 42. WHOLESALER'S LICENSE. Upon application in the
30 prescribed form and accompanied by a fee of one hundred dollars
31 and subject to the provisions of this Act, the director may
32 grant a license, valid for a one-year period after date of
33 issuance, to a wholesaler which shall allow the wholesaler
34 to purchase alcoholic liquor from manufacturers either within
35 or without the state for the purpose of selling to the

1 department and customers of such wholesaler engaged in the
2 sale of alcoholic liquor at retail outside of the state.

3 Sec. 43. CONDITIONS--BOND. As a condition precedent to
4 the approval and granting of any license to a manufacturer
5 or wholesaler, there shall be filed with the department a
6 statement under oath that the applicant is a bona fide
7 manufacturer or wholesaler of alcoholic liquors, and that
8 the applicant will faithfully observe and comply with all
9 rules and regulations of the department and that he will in
10 all respects comply with the provisions of this Act, together
11 with a bond in the penal sum of five thousand dollars for
12 a manufacturer and one thousand dollars for a wholesaler with
13 a surety to be approved by the director; said bond to be in
14 favor of the state of Iowa for the benefit of the state in
15 case of any violation of this Act.

16 Sec. 44. GIFT OF LIQUORS PROHIBITED. No manufacturer
17 or wholesaler shall give away any alcoholic liquor of any
18 kind or description at any time in connection with his business
19 except for testing or sampling purposes only.

20 Sec. 45. INTEREST IN LIQUOR BUSINESS. No council member
21 or department employee shall, directly or indirectly,
22 individually, or as a member of a partnership or shareholder
23 in a corporation, have any interest in dealing in or in the
24 manufacture of alcoholic liquor or beer nor receive any kind
25 of profit nor have any interest in the purchase or sale of
26 alcoholic liquor or beer by persons so authorized under this
27 Act except that this provision shall not prevent any such
28 member or employee from lawfully purchasing and keeping
29 alcoholic liquor or beer in his possession for personal use.

30 No person engaged in the business of manufacturing,
31 bottling, or wholesaling alcoholic beverages or beer, nor
32 any jobber or agent of such person, shall directly or
33 indirectly supply, furnish, give, or pay for any furnishings,
34 fixtures, or equipment used in the storage, handling, serving,
35 or dispensing of alcoholic beverages, beer, or food within

1 the place of business of a licensee or permittee authorized
2 under the provisions of this Act to sell at retail; nor shall
3 he directly or indirectly extend any credit for alcoholic
4 beverages or beer or pay for any such license or permit, nor
5 directly or indirectly be interested in the ownership, conduct,
6 or operation of the business of another licensee or permittee
7 authorized under the provisions of this Act to sell at retail.
8 Any licensee or permittee who shall permit or assent or be
9 a party in any way to any such violation or infringement of
10 the provisions of this Act shall be deemed guilty of a
11 violation of the provisions of this Act.

12 Sec. 46. CONSUMPTION IN PUBLIC PLACES--INTOXICATION.
13 It is unlawful for any person to use or consume alcoholic
14 liquors or beer upon the public streets or highways, or
15 alcoholic liquors in any public place, except premises covered
16 by a liquor control license, and no person shall be intoxicated
17 nor simulate intoxication in a public place. Any person
18 violating any provisions of this section shall be fined not
19 to exceed one hundred dollars or sentenced not to exceed
20 thirty days in the county jail.

21 Sec. 47. PERSONS UNDER LEGAL AGE. Except in the case
22 of liquor or beer given or dispensed to a person under legal
23 age within a private home and with the knowledge and consent
24 of the parent or guardian for beverage or medicinal purposes
25 or as administered to him by either a physician or dentist
26 for medicinal purposes, and except to the extent that a person
27 under legal age may handle alcoholic beverages and beer during
28 the regular course of his employment by a liquor control
29 licensee or beer permittee under this Act, no person shall
30 sell, give, or otherwise supply alcoholic liquor or beer to
31 any such person under legal age, and no person or persons
32 under legal age shall individually or jointly have alcoholic
33 liquor or beer in his or their possession or control.

34 Sec. 48. EVIDENCE OF LEGAL AGE DEMANDED.

35 1. Upon attempt to purchase alcoholic liquor in any state

1 liquor store by any person who appears to the vendor to be
2 under legal age, such vendor shall demand and the prospective
3 purchaser upon such demand shall display satisfactory evidence
4 that he is of legal age.

5 2. Any person under legal age who presents to any vendor
6 falsified evidence of age as provided in subsection one (1)
7 of this section, or violates any other provision of this Act,
8 shall be guilty of a misdemeanor and upon conviction shall
9 be punished by a fine not to exceed one hundred dollars or
10 imprisoned in the county jail for not more than thirty days
11 or by both such fine and imprisonment.

12 Sec. 49. MISCELLANEOUS PROHIBITIONS.

13 1. No person shall sell, dispense, or give to any in-
14 toxicated person, or one simulating intoxication, any alco-
15 holic liquor or beer.

16 2. No person or club holding a liquor control license
17 or retail beer permit under this Act, nor his agents or
18 employees, shall do any of the following:

19 a. Knowingly permit any gaming, gambling, solicitation
20 for immoral purposes, or immoral or disorderly conduct on
21 the premises covered by the license or permit.

22 b. Sell or dispense any alcoholic beverage or beer on
23 the premises covered by the license or permit, or permit the
24 consumption thereon between the hours of two a.m. and six
25 a.m. on any weekday, and between the hours of two a.m. on
26 Sunday and six a.m. on the following Monday.

27 c. Sell alcoholic beverages or beer to any person on
28 credit, except with a bona fide credit card. This provision
29 shall not apply to sales by a club to its members nor to sales
30 by a hotel or motel to bona fide registered guests.

31 d. Keep on any premises covered by a liquor control license
32 any alcoholic liquor in any container except the original
33 package purchased from the department, except still wines
34 placed in dispensing or serving containers for temporary
35 storage, and except mixed drinks or cocktails mixed on the

1 premises for immediate consumption. This prohibition shall
2 not apply to common carriers holding a class "D" liquor con-
3 trol license.

4 e. Reuse for packaging alcoholic liquor any container
5 or receptacle used originally for packaging alcoholic liquor;
6 or adulterate, by the addition of any substance, the contents
7 or remaining contents of an original package of alcoholic
8 liquor; or knowingly possess any original package which has
9 been so reused or adulterated.

10 f. Employ any person under legal age in the handling of
11 alcoholic liquor or beer on the premises where such liquor
12 or beer is sold unless the business of selling food constitutes
13 more than fifty percent of the gross business transacted
14 therein and then only for the purpose of serving or clearing
15 alcoholic beverages or beer from tables as an incident to
16 a meal.

17 g. Allow any person other than the licensee, permittee,
18 or employees of such licensee or permittee, to use or keep
19 on the licensed premises any alcoholic liquor in any bottle
20 or other container which is designed for the transporting
21 of such beverages, except as permitted in section ninety-four
22 (94) of this Act. This paragraph shall not apply to the
23 lodging quarters of a class "B" liquor control licensee or
24 beer permittee, or to common carriers holding a class "D"
25 liquor control license.

26 h. Knowingly sell, give, or otherwise supply any alco-
27 holic beverage or beer to any person under legal age, or
28 knowingly permit any person under legal age to consume any
29 alcoholic beverage or beer.

30 i. In the case of a retail beer permittee, knowingly allow
31 the mixing or adding of alcohol or any alcoholic beverage
32 to beer or any other beverage in or about his place of
33 business.

34 3. No person under legal age shall misrepresent his or
35 her age for the purpose of purchasing or attempting to pur-

1 chase any alcoholic beverage or beer from any licensee or
2 permittee. If any person under legal age shall misrepresent
3 his or her age, and the licensee or permittee establishes
4 that he made reasonable inquiry to determine whether such
5 prospective purchaser was over legal age, such licensee or
6 permittee shall not be guilty of selling alcoholic liquor
7 or beer to minors.

8 Sec. 50. PENALTIES.

9 1. Any person who violates any of the provisions of section
10 forty-nine (49) of this Act shall be subject to a fine of
11 not to exceed one hundred dollars or to imprisonment for not
12 more than thirty days in the county jail or to both such fine
13 and imprisonment.

14 2. The conviction of any liquor control licensee or beer
15 permittee for a violation of any of the provisions of section
16 forty-nine (49) of this Act, except subsection two (2), para-
17 graphs "h" or "i" of such section, shall be grounds for the
18 suspension or revocation of the license or permit by the
19 department or the local authority. However, if any liquor
20 control licensee is convicted of any violation of subsection
21 two (2), paragraphs "a", "d" or "e", of such section, or any
22 beer permittee is convicted of a violation of paragraph "a",
23 the liquor control license or beer permit shall be revoked
24 and shall immediately be surrendered by the holder, and the
25 bond of the license or permit holder shall be forfeited to
26 the department.

27 3. If any licensee, beer permittee, or employee of such
28 licensee or permittee shall be convicted of a violation of
29 section forty-nine (49), subsection two (2), paragraphs "h"
30 or "i" of this Act, the director or local authority shall,
31 in addition to the other penalties fixed for such violations
32 by this section, assess a penalty as follows:

33 a. Upon a first conviction, the violator's liquor control
34 license or beer permit shall be suspended for a period of
35 fourteen days.

1 b. Upon a second conviction within a period of two years,
2 the violator's liquor control license or beer permit shall
3 be suspended for a period of thirty days.

4 c. Upon a third conviction within a period of five years,
5 the violator's liquor control license or beer permit shall
6 be suspended for a period of sixty days.

7 d. Upon a fourth conviction within a period of five years,
8 the violator's liquor control license or beer permit shall
9 be revoked.

10 Sec. 51. ADVERTISEMENTS FOR ALCOHOLIC LIQUOR OR BEER.

11 1. Except as permitted by federal statute and regulations,
12 there shall be no public advertisement or advertising of
13 alcoholic liquors in any manner or form within the state.

14 2. No person shall publish, exhibit, or display or permit
15 to be displayed any other advertisement or form of advertise-
16 ment, or announcement, publication, or price list of, or con-
17 cerning any alcoholic liquors, or where, or from whom the
18 same may be purchased or obtained, unless permitted so to
19 do by the regulations adopted by the department and then only
20 in strict accordance with such regulations. This subsection
21 shall not apply, however:

22 a. To the department.

23 b. To the correspondence, or telegrams, or general com-
24 munications of the department, or its agents, servants, and
25 employees.

26 c. To the receipt or transmission of a telegram or tele-
27 graphic copy in the ordinary course of the business of agents,
28 servants, or employees of any telegraph company.

29 3. No signs or other matter advertising any brand of beer
30 shall be erected or placed upon the outside of any premises
31 occupied by a licensee or permittee authorized to sell beer
32 at retail. All such signs and other advertising shall be
33 removed by the owner of same by July 1, 1974.

34 4. Violation of this section shall be a misdemeanor
35 punishable by a fine not exceeding one hundred dollars or

1 imprisonment in the county jail not exceeding thirty days.

2 Sec. 52. PROHIBITED SALE. No person not expressly autho-
3 rized by this Act to deal in alcoholic liquors shall within
4 the state keep for sale or offer for sale anything which is
5 capable of being mistaken for a package containing alcoholic
6 liquor and is either labeled or branded with the name of any
7 kind of alcoholic liquor, whether the same contains any
8 alcoholic liquor or not.

9 Sec. 53. LIQUOR CONTROL FUND.

10 1. There shall be established within the office of the
11 treasurer of state a fund to be known as the beer and liquor
12 control fund. The fund shall consist of any moneys appro-
13 priated by the general assembly for deposit in the fund and
14 moneys received from the sale of alcoholic liquors, from the
15 issuance of permits and licenses, and of moneys and receipts
16 received by the department from any other source.

17 2. The state comptroller shall periodically transfer from
18 the beer and liquor control fund to the general fund of the
19 state those revenues of the department which are not neces-
20 sary for the purchase of liquor for resale by the department,
21 or for remittances to local authorities or other sources as
22 required by this Act, or for other obligations and expenses
23 of the department which are paid from such fund.

24 3. The treasurer of state shall semiannually distribute
25 a sum of money equal to ten percent of the gross sales made
26 by the state liquor stores to the cities and towns of the
27 state. Such amount shall be distributed to the cities and
28 towns of the state in proportion to the population that each
29 incorporated city or town bears to the total population of
30 all incorporated cities and towns of the state as computed
31 by the latest federal census. A city or town may have one
32 special federal census taken each decade, and the population
33 figure thus obtained shall be used in apportioning amounts
34 under this subsection beginning the calendar year following
35 the year in which the special census is certified by the

1 secretary of state. Such apportionment shall be made
2 semiannually as of July first and January first of each year.
3 Warrants for the same shall be issued by the state comptroller
4 upon certification of the treasurer of state and mailed to
5 the city clerk of each incorporated city and town of the state
6 and shall be made payable to such incorporated city or town
7 and shall be subject to expenditure under the direction of
8 the city council or other governing bodies of such incorporated
9 city or town for any lawful municipal purpose. It shall be
10 a lawful municipal purpose for cities and towns to allocate
11 a portion of the above funds for the purpose of financing
12 the activities of a city or town commission or committee on
13 alcoholism, such commission or committee to be appointed by
14 the mayor or by the council or both. The commission or
15 committee may use any funds so allocated for the treatment,
16 rehabilitation, and education of alcoholics in Iowa.

17 4. In any case where a city or town has been incorporated
18 since the last federal census, the mayor and council shall
19 certify to the treasurer of state the actual population of
20 such incorporated city or town as of date of incorporation
21 and its apportionment of funds under this section shall be
22 based upon such certification until the next federal census
23 enumeration. Any community which has dissolved its corporation
24 shall not receive any apportionment of funds under this section
25 for any period after said corporation has been dissolved.

26 5. In any case where a city or town has annexed any ter-
27 ritory since the last available federal census or special
28 federal census, the mayor and council shall certify to the
29 treasurer of state the actual population of such annexed ter-
30 ritory as determined by the last certified federal census
31 of said territory and the apportionment of funds under this
32 section shall be based upon the population of said city or
33 town as modified by the certification of the population of
34 the annexed territory until the next federal or special federal
35 census enumeration.

1 6. In any case where two or more cities or towns have
2 consolidated, the apportionment of funds under this section
3 shall be based upon the population of the city or town
4 resulting from said consolidation and shall be determined
5 by combining the population of all cities and towns involved
6 in the consolidation as determined by the last available
7 federal or special federal census enumeration for said
8 consolidating city or town.

9 7. The treasurer of state shall credit to the military
10 service tax fund described in chapter four hundred twenty-
11 six A (426A) of the Code, a sum of money equal to five percent
12 of the gross amount of sales made by the state liquor stores
13 in the cities and towns of the state. Any amount thus credited
14 shall be allocated to the various taxing districts of the
15 state as reimbursement for losses of revenue due to exemption
16 or remission of property taxes which would be imposed upon
17 property upon which soldiers' exemptions or soldiers' tax
18 credits are provided under such terms as the general assembly
19 may provide.

20 Sec. 54. DRAWING APPROPRIATION. Department appropria-
21 tions shall be paid by the treasurer of state upon the orders
22 of the director, in such amounts and at such times as the
23 director deems necessary to carry on operations in accordance
24 with the terms of this Act.

25 Sec. 55. ANNUAL REPORT. The council shall cause to be
26 prepared an annual report to the governor of the state, end-
27 ing with June 30 of each year, showing fully the results of
28 the operations of the department covering the period since
29 the last previous report. Such report shall show:

30 1. Amount of profit or loss from state liquor store opera-
31 tions.

32 2. Number of state liquor stores opened, the number closed,
33 and the number operating on last day included in report.

34 3. Amount of fees received from such stores, separately
35 and in gross.

1 4. The current balance of the beer and liquor control
2 fund, and the amount transferred from such fund to the
3 treasurer of state during the period covered by the report.

4 5. All other funds on hand and the source from which
5 derived.

6 6. The total quantity and particular kind of alcoholic
7 liquor sold.

8 7. The increase or decrease of liquor sales from the
9 previous reporting period.

10 8. The number of liquor control licenses and beer permits
11 issued, by class, the number in effect on the last day in-
12 cluded in the report, and the number which have been suspended
13 or revoked during the period covered by the report.

14 9. Amount of fees paid to the department from liquor con-
15 trol licenses and beer permits, in gross, and the amount of
16 liquor control license fees returned to local subdivisions
17 of government as provided under this Act.

18 Sec. 56. NATIVE WINES. Notwithstanding any other provi-
19 sion of this Act, but subject to rules and regulations of
20 the department, manufacturers of native wines from grapes,
21 cherries, other fruit juices, or honey may sell, keep, or
22 offer for sale and deliver the same in such quantities as
23 may be permitted by the director for consumption off the
24 premises.

25 A manufacturer of native wines shall not sell such wines
26 otherwise than as permitted by this section or allow any wine
27 so sold, or any part thereof, to be drunk upon the premises
28 of such manufacturer. Any person may manufacture native wine
29 for consumption on his own premises.

30 For the purposes of this section "manufacturer" includes
31 only those persons who process the fruit or honey, ferment,
32 and bottle native wines in Iowa.

33 Sec. 57. EXAMINATION OF ACCOUNTS. The financial condition
34 and transactions of all offices, departments, stores,
35 warehouses, and depots of the department shall be examined

1 at least once each year by the state auditor and at shorter
2 periods if requested by the director, governor, or executive
3 council.

4 Sec. 58. AUDITING. All provisions of sections eleven
5 point six (11.6), eleven point seven (11.7), eleven point
6 ten (11.10), eleven point eleven (11.11), eleven point fourteen
7 (11.14), eleven point eighteen (11.18), eleven point twenty-
8 one (11.21), and eleven point twenty-three (11.23) of the
9 Code, relating to auditing of financial records of governmental
10 subdivisions which are not inconsistent herewith are hereby
11 made applicable to the department and its offices, stores,
12 warehouses, and depots.

13 Sec. 59. BOOTLEGGING. Any person who, by himself, or
14 through another acting for him, shall keep or carry on his
15 person, or in a vehicle, or leave in a place for another to
16 secure, any alcoholic liquor or beer with intent to sell or
17 dispense of such liquor or beer by gift or otherwise in
18 violation of law, or who shall, within this state, in any
19 manner, directly or indirectly, solicit, take, or accept any
20 order for the purchase, sale, shipment, or delivery of such
21 alcoholic liquor or beer in violation of law, or aid in the
22 delivery and distribution of any alcoholic liquor or beer
23 so ordered or shipped, or who shall in any manner procure
24 for, sell, or give any alcoholic liquor or beer to any person
25 under legal age, for any purpose except as authorized and
26 permitted in this Act, shall be a bootlegger and be subject
27 to the general penalties provided by this Act.

28 Sec. 60. NUISANCES. The premises where the unlawful
29 manufacture or sale, or keeping with intent to sell, use,
30 or give away, of alcoholic liquors or beer is carried on,
31 and any vehicle or other means of conveyance used in
32 transporting such liquor or beer in violation of law, and
33 the furniture, fixtures, vessels and contents, kept or used
34 in connection with such activities are nuisances and shall
35 be abated as provided in this Act.

1 Sec. 61. PENALTY. Any person who erects, establishes,
2 or uses any premises for any of the purposes prohibited in
3 section sixty (60) of this Act, is guilty of nuisance and
4 shall be subject to the general penalties provided by this
5 Act.

6 Sec. 62. INJUNCTION. Actions to enjoin nuisances shall
7 be brought in equity in the name of the state by the county
8 attorney who shall prosecute the same to judgment.

9 Sec. 63. TEMPORARY WRIT. In such action, the court shall,
10 upon the presentation of a petition therefor, allow a tempo-
11 rary writ of injunction without bond, if it shall be made
12 to appear to the satisfaction of the court by evidence in
13 the form of affidavits, depositions, oral testimony or
14 otherwise, that the nuisance complained of exists.

15 Sec. 64. NOTICE. Three days' notice in writing shall
16 be given the defendant of the hearing of the application,
17 and if then continued at his instance the writ as prayed shall
18 be granted as a matter of course.

19 Sec. 65. SCOPE OF INJUNCTION. When an injunction has
20 been granted, it shall be binding upon the defendant through-
21 out the state and any violation of the provisions of this
22 Act anywhere within the state shall be punished as a contempt
23 as herein provided.

24 Sec. 66. TRIAL OF ACTION. Any action brought hereunder
25 shall be accorded priority over other business pending before
26 the district court.

27 Sec. 67. GENERAL REPUTATION. In all actions to enjoin
28 a nuisance or to establish a violation of the injunction,
29 evidence of the general reputation of the premises described
30 in the petition or information shall be admissible for the
31 purpose of proving the existence of the nuisance or the viola-
32 tion of the injunction.

33 Sec. 68. CONTEMPT. In the case of a violation of any
34 injunction granted under the provisions of this Act, the court
35 may summarily try and punish the defendant pursuant to the

1 general penalties provided by this Act. The proceedings shall
2 be commenced by filing with the clerk of the court an
3 information under oath setting out the alleged facts
4 constituting such violation, upon which the court shall cause
5 a warrant to issue under which the defendant shall be arrested.

6 Sec. 69. TRIAL OF CONTEMPT ACTION. The trial shall be
7 as in equity and may be had upon depositions, or either party
8 may demand the production and oral examination of the
9 witnesses.

10 Sec. 70. INJUNCTION AGAINST BOOTLEGGER. A bootlegger
11 as defined in this Act may be restrained by injunction from
12 doing or continuing to do any of the acts prohibited herein,
13 and all the proceedings for injunctions, temporary and
14 permanent, and for punishments for violation of the same as
15 prescribed herein, shall be applicable to such person, and
16 the fact that an offender has no known or permanent place
17 of business, or base of supplies, or quits the business after
18 the commencement of an action, shall not prevent a temporary
19 or permanent injunction, as the case may be, from issuing.

20 Sec. 71. CONDITIONS. In no case shall a bootlegger
21 injunction proceeding, as provided in this Act, be maintained
22 unless it be shown to the court that efforts in good faith
23 have been made to discover the base of supplies or place where
24 the defendant charged as a bootlegger conducts his unlaw-
25 ful business or receives or manufactures the alcoholic liquor
26 or beer, of which he is charged with bootlegging.

27 Sec. 72. ORDER OF ABATEMENT. If the existence of a
28 nuisance is established in a civil or criminal action, an
29 order of abatement shall be entered as a part of the judgment
30 in the case. Such order shall direct the confiscation of
31 all alcoholic liquor or beer by the state; the removal from
32 the premises involved of all fixtures, furniture, vessels,
33 or movable property used in any way in conducting the unlawful
34 business; the sale of all such removed property as well as
35 any vehicle or other means of conveyance which has been abated,

1 such sale to be conducted in the manner provided for the sale
2 of chattels under execution; and the effective closing of
3 the premises against use for the purpose of manufacture, sale,
4 or consumption of alcoholic liquor or beer for a period of
5 one year, unless sooner released by the court.

6 Sec. 73. USE OF ABATED PREMISES. If any person uses a
7 premises closed pursuant to an abatement order in violation
8 of such order he shall be punished for contempt as provided
9 in this Act.

10 Sec. 74. FEES. For removing and selling the movable
11 property, the officer shall be entitled to charge and receive
12 the same fees as he would for levying upon and selling like
13 property on execution; and for closing the premises and keep-
14 ing them closed a reasonable sum shall be allowed by the
15 court.

16 Sec. 75. PROCEEDS OF SALE. The proceeds of the sale of
17 personal property in abatement proceedings shall be applied
18 first in payment of the costs of the action and abatement,
19 and second to the satisfaction of any fine and costs adjudged
20 against the proprietor of the premises and keeper of said
21 nuisance, and the balance, if any, shall be paid to the
22 defendant.

23 Sec. 76. ABATEMENT OF NUISANCE. If the owner of the
24 abated premises appears and pays all costs of the proceeding
25 and files a bond with sureties to be approved by the clerk
26 in the full value of the property, to be ascertained by the
27 court, conditioned that he will immediately abate the nuisance
28 and prevent the same from being established or kept on such
29 premises within a period of one year thereafter, the court
30 may order such premises to be delivered to the owner and
31 cancel the order of abatement so far as it may relate to the
32 property.

33 Sec. 77. ABATEMENT BEFORE JUDGMENT. If the action is
34 in equity and the owner of the premises pays the costs of
35 the action and files the bond prior to the entry of judgment

1 and the abatement order, such action shall be abated as to
2 the premises only.

3 Sec. 78. EXISTING LIENS. The release of the property
4 under the provisions of either section seventy-six (76) or
5 seventy-seven (77) of this Act shall not release it from any
6 judgment lien, penalty, or liability, to which it may be
7 subject by law.

8 Sec. 79. ABATEMENT BOND A LIEN. Undertakings of bonds
9 for abatement shall immediately after filing by the clerk
10 of the district court be docketed and entered upon the lien
11 index as required for judgments in civil cases, and from the
12 time of such entries shall be liens upon real estate of the
13 persons executing the same, with like effect as judgments
14 in civil actions.

15 Sec. 80. ATTESTED COPIES FILED. Attested copies of such
16 undertakings may be filed in the office of the clerk of the
17 district court of the county in which the real estate is
18 situated in the same manner and with like effect as attested
19 copies of judgments, and shall be immediately docketed and
20 indexed in the same manner.

21 Sec. 81. FORFEITURE OF BOND. If the owner of a property
22 who has filed an abatement bond as provided in this Act fails
23 to abate the liquor or beer nuisance on the premises covered
24 by the bond, or fails to prevent the maintenance of any liquor
25 or beer nuisance on said premises at any time within a period
26 of one year after entry of the abatement order, the court
27 shall, after a hearing in which such fact is established,
28 direct an entry of such violation of the terms of the owner's
29 bond, to be made on the record and the undertaking of his
30 bond thereupon forfeited.

31 Sec. 82. PROCEDURE. A proceeding to forfeit an abatement
32 bond shall be commenced by filing with the clerk of the court,
33 by the county attorney of the county where the bond is filed,
34 an application under oath to forfeit such bond, setting out
35 the alleged facts constituting the violation of the terms

1 of the bond, upon which the court shall direct by order
2 attached to such application that a notice be issued by the
3 clerk of the district court directed to the principal and
4 sureties on the bond to appear at a certain date fixed to
5 show cause why such bond should not be forfeited and judgment
6 entered for the penalty fixed therein.

7 Sec. 83. METHOD OF TRIAL. The trial shall be to the court
8 and as in equity, and be governed by the same rules of evidence
9 as contempt proceedings.

10 Sec. 84. JUDGMENT. If the court after hearing finds a
11 liquor or beer nuisance has been maintained on the premises
12 covered by the abatement bond and that liquor or beer has
13 been sold or kept for sale on the premises contrary to law
14 within one year from the date of the giving of such bond,
15 then the court shall order the forfeiture of the bond and
16 enter judgment for the full amount of such bond against the
17 principal and sureties thereof, and the lien on the real
18 estate created pursuant to section seventy-nine (79) of this
19 Act shall be decreed foreclosed and the court shall provide
20 for a special and general execution for the enforcement of
21 such decree and judgment.

22 Sec. 85. APPEAL. Appeal may be taken as in equity cases
23 and the cause be triable de novo except that if the state
24 appeals it need not file an appeal or supersedeas bond.

25 Sec. 86. COUNTY ATTORNEY TO PROSECUTE. It shall be the
26 duty of the county attorney to prosecute in the name of the
27 state all forfeitures of abatement bonds and the foreclosures
28 of same.

29 Sec. 87. PROMPT SERVICE. It shall be a misdemeanor for
30 any peace officer to delay service of original notices, writs
31 of injunction, writs of abatement, or warrants for contempt
32 in any equity case filed for injunction or abatement by the
33 state.

34 Sec. 88. EVIDENCE. On the issue whether a party knew
35 or ought to have known of such nuisance, evidence of the

1 general reputation of the place shall be admissible.

2 Sec. 89. COUNTS. Informations or indictments under this
3 Act may allege any number of violations of its provisions
4 by the same party, but the several charges must be set out
5 in separate counts, and the accused may be convicted and
6 punished upon each one as on separate informations or
7 indictments, and a separate judgment shall be rendered on
8 each count under which there is a finding of guilty.

9 Sec. 90. PENALTIES GENERALLY. Unless other penalties
10 are herein provided, any person who violates any of the
11 provisions of this Act, or who makes a false statement
12 concerning any material fact in submitting an application
13 for a permit or license, shall be punished by a fine of not
14 less than one hundred dollars nor more than one thousand
15 dollars, or by imprisonment in the county jail for not less
16 than thirty days nor more than one year, or by both such fine
17 and imprisonment.

18 Sec. 91. SECOND AND SUBSEQUENT CONVICTION. Any person
19 who has been convicted, in a criminal action, in any court
20 of record, of a violation of any of the following:

21 1. Any provision of this Act.

22 2. Any provision of the prior laws of this state relating
23 to intoxicating liquors or beer which were in force prior
24 to the enactment of this Act.

25 3. Any provision of the laws of the United States or of
26 any other state relating to intoxicating liquors or beer,
27 and who is thereafter convicted of a subsequent criminal
28 offense against any provision of this Act shall be punished
29 as follows:

30 a. For his second conviction, by a fine of not less than
31 five hundred dollars nor more than one thousand dollars, and
32 by imprisonment in the county jail or the state penitentiary
33 for not less than six months nor more than one year.

34 b. For his third and each subsequent conviction, by a
35 fine of not less than one thousand dollars nor more than three

1 thousand dollars and imprisonment in the state penitentiary
2 for not more than three years.

3 Sec. 92. DUTY OF ENFORCEMENT DIVISION AND LOCAL LAW
4 ENFORCEMENT AUTHORITIES. In every county the enforcement
5 division shall constitute the primary beer and liquor law
6 enforcement authority for the department. The department
7 of public safety, county attorney, the sheriff and his
8 deputies, and the police department of every city, including
9 the day and night marshal of any incorporated town, shall
10 be supplementary aids to such enforcement division.

11 Any neglect, misfeasance, or malfeasance shown by any peace
12 officer included in this section shall be sufficient cause
13 for his removal as provided by law.

14 Nothing in this section shall be construed to affect the
15 duties or responsibilities of any county attorney or peace
16 officer with respect to law enforcement.

17 Sec. 93. CIVIL LIABILITY APPLICABLE TO SALE OR GIFT OF
18 ALCOHOLIC LIQUOR OR BEER BY LICENSEES AND PERMITTEES. Any
19 person, or the wife, child, parent, guardian, employer, or
20 other dependent of such person, who is injured in person or
21 property or means of support by any intoxicated person or
22 resulting from the intoxication of any such person shall,
23 in addition to any right of action he may have against such
24 intoxicated person, have a right of action for damages,
25 severally or jointly, against any liquor control licensee
26 or class "B" beer permittee who sells or gives any alcoholic
27 liquor or beer to any such person while he is intoxicated,
28 or serves any such person to a point where such person is
29 intoxicated. Such action shall be for damages actually
30 sustained by one person up to the amount of fifty thousand
31 dollars, or by more than one person in the aggregate amount
32 of one hundred thousand dollars, for any one incident,
33 regardless of the number of defendants joined in the action.
34 The right to recovery conferred by this section shall not
35 extend to an intoxicated person injured as a result of such

1 intoxication, but shall extend to the wife, child, parent,
2 guardian, employer, or other dependent of such intoxicated
3 person.

4 The injured person shall give written notice to the licensee
5 or permittee within one hundred twenty days of the occurrence
6 of the injury of his intention to bring an action under this
7 section. Such notice shall specify the time, date, and the
8 person to whom such sale was made, the name and address of
9 the person injured or whose property was damaged, and the
10 time, date, and place where the injury to person or property
11 occurred. Actions under this section shall be filed within
12 one year from the date of the occurrence of the injury
13 complained of.

14 Every liquor control licensee and class "B" beer permittee
15 shall furnish proof of financial responsibility to the
16 director, either by obtaining a liability insurance policy
17 or by posting bond in an amount and conditioned as required
18 by the director.

19 Sec. 94. PREMISES MUST BE LICENSED--EXCEPTION AS TO
20 CONVENTIONS AND SOCIAL GATHERINGS. It is unlawful for any
21 person to allow the dispensing or consumption of intoxicating
22 liquor, except sacramental wines and beer, in any establish-
23 ment unless such establishment is licensed under this Act.

24 However, bona fide conventions or meetings may bring their
25 own liquor onto the licensed premises if the liquor is served
26 to delegates or guests without cost. All other provisions
27 of this Act shall be applicable to such premises. The
28 provisions of this section shall have no application to private
29 social gatherings of friends or relatives in a private home
30 or a private place which is not of a commercial nature nor
31 where goods or services may be purchased or sold nor any
32 charge or rent or other thing of value is exchanged for the
33 use of such premises for any purpose other than for sleeping
34 quarters.

35 Sec. 95. TAX ON BEVERAGES SOLD FOR CONSUMPTION ON THE

1 PREMISES.

2 1. There is imposed on every person licensed to sell
3 alcoholic beverages for consumption on the premises where
4 sold, a special tax equivalent to fifteen percent of the price
5 established by the department on all alcoholic beverages for
6 general sale to the public. Such tax shall be paid by all
7 licensees at the point of purchase from the state on all
8 alcoholic beverages intended or used for resale for consumption
9 on the premises of retail establishments. Such tax shall
10 be in lieu of any other sales tax applied at the state store
11 and shall be shown as a separate item on special sales slips
12 provided by the department for purchases by licensees.

13 2. Except as allowed under section ninety-four (94) of
14 this Act no licensee shall knowingly keep on the licensed
15 premises nor use for resale purposes any alcoholic liquor
16 on which the special tax has not been paid to the state.
17 The conviction of a violation of this section shall cause
18 the license held to automatically be revoked and the license
19 shall immediately be surrendered by the holder, and the bond
20 of the license holder shall be forfeited to the department.

21 3. Each bottle of alcoholic liquor purchased by a licensee
22 shall bear an identification marker applied at the place of
23 purchase.

24 Sec. 96. COVERED INTO GENERAL FUND. All revenues, except
25 the portion of license fees remitted to the local authorities,
26 arising under the operation of the provisions of this Act
27 shall become part of the state general fund.

28 Sec. 97. LABELING SHIPMENTS. It shall be unlawful for
29 any common carrier or for any person to transport or convey
30 by any means, whether for compensation or not, within this
31 state, any intoxicating liquors, unless the vessel or other
32 package containing such liquors shall be plainly and correctly
33 identified, showing the quantity and kind of liquors contained
34 therein, the name of the party to whom they are to be
35 delivered, and the name of the shipper, or unless such informa-

1 tion is shown on a bill of lading or other document accompany-
2 ing the shipment. No person shall be authorized to receive
3 or keep such liquors unless the same be marked or labeled
4 as required by this section. The violation of any provision
5 of this section by any common carrier, or any agent or employee
6 of any carrier, or by any person, shall be punished under
7 the provisions of this Act.

8 Liquors conveyed, carried, transported, or delivered in
9 violation of this section, whether in the hands of the carrier
10 or someone to whom they shall have been delivered, shall be
11 subject to seizure and condemnation, as liquors kept for
12 illegal sale.

13 Sec. 98. FALSE STATEMENTS. If any person, for the purpose
14 of procuring the shipment, transportation, or conveyance of
15 any intoxicating liquors within this state, shall make to
16 any person, company, corporation, or common carrier, or to
17 any agent thereof, any false statements as to the character
18 or contents of any box, barrel, or other vessel or package
19 containing such liquors; or shall refuse to give correct and
20 truthful information as to the contents of any such box,
21 barrel, or other vessel or package so sought to be transported
22 or conveyed; or shall falsely mark, brand, or label such box,
23 barrel, or other vessel or package in order to conceal the
24 fact that the same contains intoxicating liquors; or shall
25 by any device or concealment procure or attempt to procure
26 the conveyance or transportation of such liquors as herein
27 prohibited, he shall be fined for each offense one hundred
28 dollars and costs of prosecution, and be committed to the
29 county jail until such fine and costs are paid.

30 Sec. 99. PACKAGES IN TRANSIT. Any peace officer of the
31 county under process or warrant to him directed shall have
32 the right to open any box, barrel, or other vessel or package
33 for examination, if he has reasonable ground for believing
34 that it contains intoxicating liquors, either before or while
35 the same is being so transported or conveyed.

1 Sec. 100. RECORD OF SHIPMENTS. It shall be the duty of
2 all common carriers, or corporations, or persons who shall
3 for hire carry any intoxicating liquors into the state, or
4 from one point to another within the state, for the purpose
5 of delivery, and who shall deliver such intoxicating liquor
6 to any person, company, or corporation, to keep, at each
7 station or office where it employs an agent or other person
8 to make delivery of freight and keep records relative thereto,
9 a record book, wherein such carrier shall, promptly upon
10 receipt and prior to delivery, enter in ink, in legible
11 writing, in full, the name of the consignor of each shipment
12 of intoxicating liquor to be delivered from or through such
13 station, from where shipped, the date of arrival, the quantity
14 and kind of liquor, so far as disclosed by lettering on the
15 package or by the carrier's records, and to whom and where
16 consigned, and the date delivered.

17 Sec. 101. INSPECTION OF SHIPPING RECORDS. The record
18 book required by section one hundred (100) of this Act shall,
19 during business hours, be open to inspection by any peace
20 or law enforcing officer. It shall be a misdemeanor to refuse
21 such inspection.

22 Sec. 102. RECORD RECEIPT UPON DELIVERY. No shipment
23 billed in whole or in part as intoxicating liquor shall be
24 delivered to the consignee until such consignee upon such
25 record book enters in ink, in legible writing, his full name
26 and residence or place of business, giving the name of the
27 town or city, and the street name and number if any, and
28 certifies that such liquor is for his own lawful purposes.

29 Sec. 103. UNLAWFUL DELIVERY. It shall be a misdemeanor
30 for any corporation, common carrier, person, or any agent
31 or employee thereof:

32 1. To deliver any intoxicating liquors to any person other
33 than to the consignee.

34 2. To deliver any intoxicating liquors without having
35 the same receipted for as provided in section one hundred

1 two (102) of this Act.

2 3. To deliver any intoxicating liquors where there is
3 reasonable ground to believe that such liquor is intended
4 for unlawful use.

5 Sec. 104. IMMUNITY FROM DAMAGE. In no case shall any
6 corporation, common carrier, person, or the agent thereof,
7 be liable in damages for complying with any requirement of
8 this Act.

9 Sec. 105. FEDERAL STATUTES. The requirements of this
10 Act relative to the shipment and delivery of intoxicating
11 liquors and the records to be kept thereof shall be construed
12 in harmony with federal statutes relating to interstate
13 commerce in such liquors.

14 Sec. 106. UNNECESSARY ALLEGATIONS. In any indictment
15 or information under this Act, it shall not be necessary:

16 1. To set out exactly the kind or quantity of intoxicating
17 liquors manufactured, sold, given in evasion of the statute,
18 or kept for sale.

19 2. To set out the exact time of manufacture, sale, gift,
20 or keeping for sale.

21 3. To negative any exceptions contained in the statute creat-
22 ing or defining the offense, which may be proper ground of defense.

23 But proof of the violation by the accused of any provision
24 of this Act, the substance of which violation is briefly set
25 forth, within the time mentioned in said indictment or informa-
26 tion, shall be sufficient to convict such person.

27 Sec. 107. FORMER CONVICTION. In any prosecution for a
28 second or subsequent offense, as provided in this Act, it
29 shall not be requisite to set forth in the indictment or
30 information the record of a former conviction, but it shall
31 be sufficient briefly to allege such conviction.

32 Sec. 108. SECOND CONVICTION DEFINED. The second or
33 subsequent convictions provided for in this Act shall be
34 convictions on separate informations or indictments, and,
35 unless shown in the information or indictment, the charge

1 shall be held to be for a first offense.

2 Sec. 109. RECORD OF CONVICTION. On the trial of any cause
3 in which the accused is charged with a second or subsequent
4 offense, a duly authenticated copy of the former judgment
5 in any court in which such conviction was had shall be
6 competent and prima facie evidence of such former convic-
7 tion.

8 Sec. 110. PROOF OF SALE. It shall not be necessary in
9 every case to prove payment in order to prove a sale within
10 the meaning and intent of this Act.

11 Sec. 111. PURCHASER AS WITNESS. The person purchasing
12 any intoxicating liquor sold in violation of this Act shall
13 in all cases be a competent witness to prove such sale.

14 Sec. 112. PEACE OFFICER AS WITNESS. Every peace officer
15 shall give evidence, when called upon, of any facts within
16 his knowledge tending to prove a violation of the provisions
17 of this Act.

18 Sec. 113. JUDGMENT LIEN. For all fines and costs assessed
19 or judgments rendered of any kind against any person for a
20 violation of any provision of this Act, or costs paid by the
21 county on account of such violation, the personal and real
22 property of the violator, whether exempt or not, except the
23 homestead, as well as the premises and property, personal
24 and real, occupied and used for the unlawful purpose, with
25 the knowledge of the owner or his agent, by the violator,
26 shall be liable, and the same shall be a lien on such real
27 estate until paid.

28 Sec. 114. ENFORCEMENT OF LIEN. Costs paid by the county
29 for the prosecution of actions or proceedings, civil or
30 criminal, under this Act, as well as the fines inflicted or
31 judgments rendered, may be enforced against the property upon
32 which the lien attaches by execution, or by action against
33 the owner of the property to subject it to the payment thereof.

34 Sec. 115. DEFENSE. In any prosecution under this Act
35 for the unlawful transportation of intoxicating liquors it

1 shall be a defense that the character and contents of the
2 shipment or thing transported were not known to the accused
3 or to his agent or employee.

4 Sec. 116. RIGHT TO RECEIVE LIQUORS. The consignee of
5 intoxicating liquors shall, on demand of the carrier transport-
6 ing such liquors, furnish the carrier, at the place of
7 delivery, with legal proof of the consignee's legal right
8 to receive such liquors at the time of delivery, and until
9 such proof is furnished the carrier shall be under no legal
10 obligation to make delivery nor be liable for failure to
11 deliver.

12 Sec. 117. DELIVERY TO SHERIFF. If such proof is not
13 furnished the carrier within ten days after demand, the carrier
14 may deliver such liquors to the sheriff of the county embracing
15 the place of delivery, and such delivery shall absolve the
16 carrier from all liability pertaining to such liquors.

17 Sec. 118. DESTRUCTION. The sheriff shall, on receipt
18 of such liquors from the carrier, report the receipt to the
19 district court of his county, and the court shall proceed
20 to summarily enter an order for the destruction of such
21 liquors.

22 Sec. 119. PRIMA FACIE EVIDENCE. In all actions, civil
23 or criminal, under the provisions of this Act, the finding
24 of intoxicating liquors or of instruments or utensils used
25 in the manufacture of intoxicating liquors, or materials which
26 are being used, or are intended to be used in the manufacture
27 of intoxicating liquors, in the possession of or under the
28 control of any person, under and by authority of a search
29 warrant or other process of law, and which shall have been
30 finally adjudicated and declared forfeited by the court, shall
31 be prima facie evidence of maintaining a nuisance or boot-
32 legging, or of illegal transportation of intoxicating liquors,
33 as the case may be, by such person.

34 Sec. 120. ATTEMPT TO DESTROY. The destruction of or
35 attempt to destroy any liquid by any person while in the

1 presence of peace officers or while a property is being
2 searched by a peace officer, shall be prima facie evidence
3 that such liquid is intoxicating liquor and intended for
4 unlawful purposes.

5 Sec. 121. VENUE. In any prosecution under this Act for
6 the unlawful sale of alcoholic liquor or beer a sale of
7 alcoholic liquor or beer which requires a shipment or delivery
8 of such liquor or beer shall be deemed to be made in the
9 county in which such delivery is made by the carrier to the
10 consignee, his agent, or employee.

11 In any prosecution under this Act for the unlawful trans-
12 portation of intoxicating liquor, the offense shall be held
13 to have been committed in any county in which such liquor
14 is received for transportation, through which it is
15 transported, or in which it is delivered.

16 DIVISION II

17 BEER PROVISIONS

18 Sec. 122. PERMIT OR LICENSE REQUIRED. No person shall
19 manufacture for sale or sell beer at wholesale or retail
20 unless a permit is first obtained as provided in this division
21 or, a liquor control license authorizing the retail sale of
22 beer is first obtained as provided in division I of this Act.
23 No liquor control license holder shall be required to hold
24 a separate class "B" beer permit or to post a separate bond.

25 Sec. 123. EFFECT ON LIQUOR CONTROL LICENSEES. All appli-
26 cable provisions of this division relating to class "B" beer
27 permits shall apply to liquor control licensees in the purchas-
28 ing, storage, handling, serving, and sale of beer.

29 Sec. 124. PERMITS--CLASSES. Permits for the manufacture
30 and sale, or sale of beer shall be divided into three classes,
31 and shall be known as either class "A", "B", or "C" permits.
32 A class "A" permit shall allow the holder to manufacture and
33 sell beer at wholesale. The holder of a class "A" permit
34 may manufacture beer of more than four percent of alcohol
35 by weight for shipment outside this state only. A class "B"

1 permit shall allow the holder to sell beer at retail for
2 consumption on or off the premises. A class "C" permit shall
3 allow the holder to sell beer at retail for consumption off
4 the premises.

5 Sec. 125. ISSUANCE OF PERMITS. The director shall issue
6 class "A", "B", and "C" beer permits and may suspend or revoke
7 such permits for cause as provided in this Act.

8 Sec. 126. PROHIBITED INTEREST. It shall be unlawful for
9 any person or persons to be either directly or indirectly
10 interested in more than one class of beer permit.

11 Sec. 127. CLASS "A" APPLICATION. A class "A" permit shall
12 be issued by the director to any person who:

13 1. Submits a written application for such permit, which
14 application shall state under oath:

15 a. The name and place of residence of the applicant and
16 the length of time he has lived at such place of residence.

17 b. That he is a citizen of the state of Iowa.

18 c. The place of birth of the applicant, and if the appli-
19 cant is a naturalized citizen, the time and place of such
20 naturalization.

21 d. The location of the premises where the applicant intends
22 to operate.

23 e. The name of the owner of the premises and if such owner
24 is not the applicant, that such applicant is the actual lessee
25 of the premises.

26 2. Establishes:

27 a. That he is a person of good moral character as defined
28 by this Act.

29 b. That the premises where he intends to operate conform
30 to all laws and health and fire regulations applicable thereto.

31 3. Furnishes a bond in the form prescribed and to be
32 furnished by the department, with good and sufficient sureties
33 to be approved by the director conditioned upon the faithful
34 observance of this Act, in the penal sum of five thousand
35 dollars, payable to the state.

1 4. Gives consent to members of the fire, police and health
2 departments and the building inspector of cities and towns;
3 the county sheriff, deputy sheriff, and state agents, and
4 any official county health officer to enter upon the premises
5 without a warrant to inspect for violations of the provisions
6 of this Act or ordinances and regulations that local authori-
7 ties may adopt.

8 Sec. 128. CLASS "B" APPLICATION. A class "B" permit shall
9 be issued by the director to any person who:

10 1. Submits a written application for such permit, which
11 application shall state under oath:

12 a. All the information required of a class "A" applicant
13 by section one hundred twenty-seven (127), subsection one
14 (1), of this Act.

15 b. That the premises for which the permit is sought is
16 and will continue to be equipped with sufficient tables and
17 seats to accommodate twenty-five persons at one time, and
18 is located within a business district or an area now or
19 hereafter zoned as a business district.

20 2. Fulfills the requirements of section one hundred twenty-
21 seven (127), subsection two (2), of this Act, relating to
22 class "A" applicants.

23 3. Furnishes a bond in the same form and manner as pre-
24 scribed for a class "A" applicant by section one hundred
25 twenty-seven (127), subsection three (3), of this Act, except
26 that the amount of the bond shall be five hundred dollars.
27 Such bond shall be further conditioned that the permittee
28 and his surety, as part of the class "B" permit, shall consent
29 to forfeiture of the principal sum of said bond in event of
30 suspension or revocation of the permit as a result of charges
31 filed and hearing held as provided by this Act.

32 4. Consents to inspection as required in section one hun-
33 dred twenty-seven (127), subsection four (4), of this Act.

34 Sec. 129. CLASS "C" APPLICATION. No class "C" permit
35 shall be issued to any person except the owner or proprietor

1 of a grocery store or pharmacy.

2 "Grocery store" means any retail establishment, the
3 principal business of which consists of the sale of food or
4 food products for consumption off the premises.

5 "Pharmacy" means a drug store in which drugs and medicines
6 are exposed for sale and sold at retail, or in which prescrip-
7 tions of licensed physicians and surgeons, dentists or veter-
8 inarians are compounded and sold by a registered pharmacist.

9 A class "C" permit shall be issued by the director to any
10 person who is the owner or proprietor of a grocery store or
11 pharmacy, who:

12 1. Submits a written application for such permit, which
13 application shall state under oath all the information required
14 of a class "A" applicant by section one hundred twenty-seven
15 (127), subsection one (1), of this Act.

16 2. Establishes that he is a person of good moral character
17 as defined by this Act.

18 3. Furnishes a bond in the same form and manner as pre-
19 scribed for a class "A" applicant by section one hundred
20 twenty-seven (127), subsection three (3), of this Act, except
21 that the amount of the bond shall be five hundred dollars.

22 4. Consents to inspection as required in section one hun-
23 dred twenty-seven (127), subsection four (4), of this Act.

24 5. States the number of square feet of interior floor
25 space which comprises the retail sales area of the premises
26 for which the permit is sought.

27 Sec. 130. AUTHORITY UNDER CLASS "A" PERMIT. Any person
28 holding a class "A" permit issued by the department shall
29 be authorized to manufacture and sell, or sell at wholesale,
30 beer for consumption off the premises, such sales within the
31 state to be made only to persons holding subsisting class
32 "A", "B" or "C" permits, or liquor control licenses issued
33 in accordance with the provisions of this Act.

34 Sec. 131. AUTHORITY UNDER CLASS "B" PERMIT. Subject to
35 the provisions of this Act, any person holding a class "B"

1 permit shall be authorized to sell beer for consumption on
2 or off the premises. However, unless otherwise provided in
3 this Act, no sale of beer shall be made for consumption on
4 the premises unless the place where such service is made is
5 equipped with tables and seats sufficient to accommodate not
6 less than twenty-five persons at one time. No class "B"
7 permittee shall give away beer, or promote the sale of beer
8 by the gift of any lunch or meal except pretzels, peanuts,
9 cheese, or similar items.

10 Sec. 132. AUTHORITY UNDER CLASS "C" PERMIT. Any person
11 holding a class "C" permit shall be allowed to sell beer for
12 consumption off the premises. Such sales shall be in original
13 containers only.

14 Sec. 133. SALE ON TRAINS--BOND. Subject to the provi-
15 sions of this Act, any dining car company, sleeping car
16 company, railroad company, or railway company may make appli-
17 cation to the director for special class "B" permit, and the
18 director may issue a permit to any such company which shall
19 authorize the holder to keep for sale and sell beer on any
20 dining car, sleeping car, buffet car, or observation car
21 operated by such applicant in, through, or across the state.
22 The application for such permit shall be in such form and
23 contain such information as may be required by the director.
24 Each such permit shall be good throughout the state as a state
25 permit. Only one such permit shall be required for all cars
26 operated in this state by such applicant, but a duplicate
27 of such permit shall be posted in each car in which such
28 beverages are sold; and no further permit shall be required
29 or tax levied for the privilege of selling beer for consumption
30 in such cars. As a condition precedent to the issuing of
31 any such permit, the applicant shall give bond to the
32 department, with good and sufficient sureties thereon to be
33 approved by the director, conditioned upon faithful compliance
34 with the provisions of this Act in the penal sum of one
35 thousand dollars.

1 Sec. 134. FEES.

2 1. The annual permit fee for a class "A" permit shall
3 be two hundred fifty dollars.

4 2. The annual permit fee for a class "B" permit shall
5 be three hundred dollars, except that for premises located
6 within the corporate limits of towns of fifteen hundred
7 population or less, the fee shall be two hundred dollars.

8 3. The annual permit fee for a class "C" permit shall
9 be graduated on the basis of the amount of interior floor
10 space which comprises the retail sales area of the premises
11 covered by the permit, as follows:

12 a. Up to two thousand square feet, the sum of one hundred
13 dollars.

14 b. Over two thousand and up to five thousand square feet,
15 the sum of two hundred dollars.

16 c. Over five thousand square feet, the sum of three hundred
17 dollars.

18 4. The annual permit fee for a special class "B" permit,
19 issued under section one hundred thirty-three (133) of this
20 Act, shall be one hundred dollars, and three dollars for each
21 duplicate permit, which fees shall be paid to the department.
22 The department shall issue duplicates of such permits from
23 time to time as applied for by each such company.

24 Sec. 135. BREWERS CERTIFICATE OF COMPLIANCE.

25 1. Any manufacturer, brewer, bottler, importer, or vendor
26 of beer or any agent thereof desiring to ship, sell, or have
27 beer brought into this state for resale by a class "A"
28 permittee shall first make application for and shall be issued
29 a brewer's certificate of compliance by the director for such
30 purpose. Such certificate of compliance shall expire at the
31 end of one year from the date of issuance and shall be renewed
32 for a like period upon application to the director unless
33 otherwise revoked for cause. Each application for a
34 certificate of compliance or renewal thereof shall be
35 accompanied by a fee of one hundred dollars payable to the

1 department. Each holder of a certificate of compliance shall
2 furnish such information and in such form as the director
3 may require.

4 2. At the time of applying for a certificate of compliance,
5 each applicant shall file with the department a list of all
6 class "A" permittees with whom it intends to do business and
7 shall designate the geographic area in which its products
8 are to be distributed by such permittee. The listing of class
9 "A" permittees and geographic area as filed with the department
10 may be amended from time to time by the holder of a certificate
11 of compliance.

12 3. All class "A" permit holders shall sell only those
13 brands of beer which are manufactured, brewed, bottled,
14 shipped, or imported by a person holding a current certificate
15 of compliance. Any employee or agent working for or
16 representing the holder of a certificate of compliance within
17 this state shall register his name and address with the
18 department, which names and addresses shall be filed with
19 the department's copy of the certificate of compliance issued.

20 4. It shall be unlawful for any holder of a certificate
21 of compliance or his agent, or any class "A" permit holder
22 or his agent, to grant to any retail beer permit holder,
23 directly or indirectly, any rebates, free goods, or quantity
24 discounts on beer which are not uniformly offered to all
25 retail permittees.

26 5. Notwithstanding any other penalties provided by this
27 Act, any holder of a certificate of compliance or any class
28 "A" permit holder who shall violate any of the provisions
29 of this section shall be subject to a fine not to exceed one
30 thousand dollars or suspension of his certificate or permit
31 for a period not to exceed sixty days or both such fine and
32 suspension.

33 Sec. 136. BARREL TAX. In addition to the annual permit
34 fee to be paid by all class "A" permittees under the provi-
35 sions of this Act there shall be levied and collected from

1 such permittees on all beer manufactured for sale or sold
2 in this state at wholesale and on all beer imported into this
3 state for sale at wholesale and sold in this state at whole-
4 sale, a tax of three and seventy-two hundredths dollars for
5 every barrel containing thirty-one gallons, and at a like
6 rate for any other quantity or for the fractional part of
7 a barrel. However, no tax shall be levied or collected on
8 beer shipped outside this state by a class "A" permittee or
9 sold by one class "A" permittee to another class "A" permittee.

10 All revenue derived from the barrel tax shall accrue to
11 the state general fund.

12 All of the provisions of this Act relating to the adminis-
13 tration of the barrel tax on beer shall apply to this section.

14 Sec. 137. REPORT OF BARREL SALES--PENALTY. Every person
15 holding a class "A" permit shall on or before the tenth day
16 of each calendar month commencing on the tenth day of the
17 calendar month following the month in which such person is
18 issued a permit, make a report under oath to the department
19 upon forms to be furnished by the department for such purpose
20 showing the exact number of barrels of beer, or fractional
21 parts thereof, sold by such permit holder during the preceding
22 calendar month. Such report shall also state such information
23 as the director may require, and such permit holders shall
24 at the time of filing said report pay to the department the
25 amount of tax due at the rate fixed in section one hundred
26 thirty-six (136) of this Act.

27 A penalty of ten percent of the amount of the tax shall
28 be added thereto if the report is not filed and the tax paid
29 within the time required by this section.

30 Sec. 138. BOOKS OF ACCOUNT REQUIRED. Each class "A" per-
31 mittee shall keep proper books of account and records showing
32 the amount of beer sold by him, which books of account shall
33 be at all times open to inspection by the director. Each
34 class "B" and class "C" permittee shall keep proper books
35 of account and records showing each purchase of beer made

1 by him, and the date and the amount of each purchase and the
2 name of the person from whom each purchase was made, which
3 books of account and records shall be at all times open to
4 inspection by the director.

5 Sec. 139. SEPARATE LOCATIONS--CLASS "A". Every class
6 "A" permittee having more than one place of business shall
7 be required to have a separate permit for each separate place
8 of business maintained by such permittee wherein such beer
9 is stored, warehoused, or sold.

10 Sec. 140. SEPARATE LOCATIONS--CLASS "B" OR "C". Every
11 person holding a class "B" or class "C" permit having more
12 than one place of business where such beer is sold shall be
13 required to have a separate license for each separate place
14 of business, except as otherwise provided by this Act.

15 Sec. 141. KEEPING LIQUOR WHERE BEER IS SOLD. No alcoholic
16 liquor for beverage purposes shall be used, or kept for any
17 purpose in the place of business of class "B" permittees,
18 or on the premises of such class "B" permittees, at any time.
19 A violation of any provision of this section shall be grounds
20 for suspension or revocation of the permit pursuant to section
21 fifty (50), subsection three (3), of this Act. This
22 section shall not apply in any manner or in any way, to any
23 railway car of any dining car company, sleeping car company,
24 railroad company or railway company, having a special class
25 "B" permit; to the premises of any hotel or motel for which
26 a class "B" permit has been issued, other than that part of
27 such premises regularly used by the hotel or motel for the
28 principal purpose of selling beer or food to the general
29 public; or to drug stores regularly and continuously employing
30 a registered pharmacist, from having alcohol in stock for
31 medicinal and compounding purposes.

32 Sec. 142. PURCHASE FROM NONPERMIT HOLDER. It shall be
33 unlawful for the holder of any class "B" or class "C" permit
34 issued under the provisions of this Act to sell beer, except
35 beer purchased from a person holding a subsisting class "A"

1 permit issued in accordance with the provisions of this Act,
2 and/or on which the tax provided in section one hundred thirty-
3 six (136) of this Act, has been paid. However, the provisions
4 of this section shall not apply to the holders of special
5 class "B" permits issued under section one hundred thirty-
6 three (133) of this Act, for sales in cars engaged in
7 interstate commerce nor to class "D" liquor control licensees
8 as provided in this Act.

9 It shall be unlawful for any person not holding a class
10 "A" permit to import beer into this state for the purpose
11 of sale or resale.

12 Sec. 143. DISTRIBUTION OF FUNDS. The revenues obtained
13 from permit fees and the barrel tax collected under the pro-
14 visions of this Act shall be distributed as follows:

15 1. All permit fees collected under the provisions of this
16 Act by any local authority at the time application for a
17 permit is made shall be refunded such permit fee by the
18 department at the time the permit is issued, excepting that
19 fifty dollars of each class "C" beer permit fee shall remain
20 with the department and be placed in a special fund by the
21 director to be used in paying unbudgeted expenses incurred
22 in issuing licenses and permits and in enforcing the provisions
23 of this Act.

24 2. All permit fees and taxes collected by the department
25 under this division shall accrue to the state general fund,
26 except as otherwise provided.

27 Sec. 144. POWER OF LOCAL AUTHORITIES. After notice in
28 writing to the retail beer permit holder, reasonable
29 opportunity for hearing, and otherwise subject to the
30 provisions of this Act, local authorities shall have the power
31 to revoke or suspend any permit issued for a violation of
32 any of the provisions of this Act, or any ordinance or
33 regulation adopted by such local authority. Local authorities
34 are empowered to adopt ordinances or regulations prohibiting
35 or regulating dancing in premises of class "B" permittees

1 and for the location of the premises of class "B" permittees;
2 and are empowered to adopt ordinances, not in conflict with
3 the provisions of this Act and that do not diminish the hours
4 during which beer may be sold or consumed, governing any other
5 activities or matters which may affect the sale and distribu-
6 tion of beer under class "B" permits and the welfare and
7 morals of the community involved.

8 Sec. 145. BOTTLING BEER. No person shall bottle beer
9 within the state of Iowa for purposes other than for individual
10 consumption in a private home, except class "A" permittees
11 who have complete equipment for bottling beer and who have
12 received the approval of the local board of health as to
13 sanitation, and it shall be the duty of local boards of health
14 to inspect the premises and equipment of class "A" permittees
15 who desire to bottle beer.

16 Sec. 146. LABELS ON BOTTLES, BARRELS, ETC.--CONCLUSIVE
17 EVIDENCE. The label on any bottle, keg, barrel, or other
18 container in which beer is offered for sale in this state,
19 representing the alcoholic content of such beer as being in
20 excess of four per centum by weight shall be conclusive evi-
21 dence as to the alcoholic content of the beer contained
22 therein.

23 Sec. 147. SAVING CLAUSE. This Act shall not impair or
24 affect any act done, offense committed or right accruing,
25 secured or acquired, or penalty, forfeiture, or punishment
26 incurred prior to the time this Act takes effect, but the
27 same may be enjoyed, asserted, enforced, prosecuted, or
28 inflicted, as fully and to the same extent as if this Act
29 had not been passed.

30 Sec. 148. Section nineteen A point three (19A.3), sub-
31 section fifteen (15), Code 1971, is amended as follows:

32 15. Members of the Iowa highway safety patrol and , other
33 peace officers employed by the department of public safety,
34 and agents of the enforcement division of the Iowa beer and
35 liquor control department.

1 Sec. 149. Section ninety-seven A point one (97A.1), sub-
2 section two (2), Code 1971, is amended as follows:

3 2. "Peace officer" or "peace officers" shall mean all
4 members of the divisions of highway safety and uniformed force
5 and criminal investigation and bureau of identification in
6 the department of public safety, except clerical workers,
7 who have passed a satisfactory physical and mental examination
8 and have been duly appointed as members of the state department
9 of public safety in accordance with the provisions of section
10 80.15 and the division of drug law enforcement in the
11 department of public safety except clerical workers, and
12 agents of the enforcement division of the beer and liquor
13 control department, except clerical workers.

14 Sec. 150. Chapters one hundred twenty-three (123), one
15 hundred twenty-three C (123C), one hundred twenty-four (124),
16 one hundred twenty-five (125), one hundred twenty-six (126),
17 one hundred twenty-eight (128), one hundred twenty-nine (129),
18 one hundred thirty (130), one hundred thirty-one (131), one
19 hundred thirty-two (132), one hundred thirty-three (133),
20 and one hundred thirty-four (134), Code 1971, are repealed.

21 EXPLANATION

22 The contents of this bill are summarized as follows:

23 1. The Iowa Liquor Control Commission has been renamed
24 the Iowa Beer and Liquor Control Department. This change
25 has been made for the purpose of reflecting the department's
26 jurisdiction over beer permits as well as liquor licenses,
27 and to illustrate the substantial change in organization
28 effected by the bill.

29 2. The present three-member, full-time Liquor Control
30 Commission has been replaced by a five-member, part-time Beer
31 and Liquor Control Council which is to function as a policy
32 making and advisory body. Council members will receive a
33 retainer of \$2500 per year, plus expenses and at least three
34 members will be chosen on the basis of managerial ability
35 and experience as business executives. These changes

1 substantially conform to recommendations of the Governor's
2 Economy Committee (see #2, P. 103 of G.E.C. Report).

3 3. The Iowa Beer and Liquor Control Council will appoint
4 a director at a salary of \$25,000 per annum who will direct
5 and supervise the day to day operations of the department
6 and execute department policy as established by the Council.
7 The director's actions have been made subject to review by
8 the Council. This provision also implements a recommenda-
9 tion of the Governor's Economy Committee (see #1, p. 102 of
10 G.E.C. Report).

11 4. The position of Secretary to the Commission (now
12 Council) has been eliminated, and the duties of such Sec-
13 retary will be reassigned by the director to various department
14 personnel (see #3, P. 103 of G.E.C. Report).

15 5. The current Code provision permitting the appointment
16 of special distributors in small towns has been eliminated
17 as impractical. No special distributor has ever been appointed
18 under this provision, so persons in small towns will pre-
19 sumably continue to obtain their liquor from communities large
20 enough to support a state liquor store. (Represents partial
21 implementation of #11, P. 104-5 of G.E.C. Report.)

22 6. Since an applicant for a liquor control license must
23 presently be the holder of a retail beer permit, provision
24 has been made for combining the liquor license and beer per-
25 mit under one license, with a commensurate across the board
26 increase of \$300 for each such license except for commercial
27 establishments in towns of 1500 or less population, where
28 the increase is only \$200. Beer permits presently cost between
29 \$100 and \$300, therefore increased revenues will be obtained
30 by communities or counties where the licensed establishment
31 is located. This provision makes implementation of
32 recommendation #28, p. 106 of G.E.C. Report automatic, i.e.,
33 the beer permit will be automatically suspended when the
34 liquor license is suspended, and vice versa since they will
35 be under the same license.

1 7. Chapters 130-134 of the present Code, concerning special
2 liquor permits for pharmacists, wholesale druggists, manu-
3 facturers and clergymen have been repealed as unnecessary.
4 The issuance of such special permits is to be accomplished
5 under the new bill by a specific grant of authority to issue
6 and to promulgate rules in regard to such issuance.

7 8. Chapter 123C of the present Code, regarding liquor
8 sales disclosure has been repealed since it was declared to
9 be unconstitutional by the Attorney General. A substitute
10 provision has been drafted and appears in section 19 of the
11 bill.

12 9. Chapter 129 of the present Code, regarding dram shop
13 liability, has been repealed and a substitute provision has
14 been drafted which limits such liability. A recent Iowa
15 Supreme Court decision granting auto casualty insurers full
16 subrogation rights against dram shop insurers makes this
17 limitation necessary.

18 10. A large portion of the present Code provisions relating
19 to beer have been consolidated and coordinated with like pro-
20 visions relating to alcoholic liquor.

21

1 Amend House File 172 as follows:

- 2 1. Page 37, by striking all of lines 29 through 33. *last 1/2*
- 3 2. Page 49, by striking all of lines 17 through 35. *with-*
- 4 3. Page 50, by striking all of lines 1 through 18. *drawn 2/15*

2 Filed
2 February 5, 1971

By NORPEL of Jackson
District 52

22

1 Amend House File 172, page 17, at the end of Sec. 22
2 by adding the following:
3 "Any person may manufacture, sell, or transport in-
4 gredients and devices other than alcohol for the brewing
5 of home-made wine."

33 Filed - *Adopted as amended 2/9*
34 February 5, 1971

By UBAN of Black Hawk
District 38

3

1 Amend House File 172, page 63, by inserting the
 2 following after the period in line 3:
 3 "This section shall have no application to any
 4 brewer whose plant is located in Iowa and who other-
 5 wise holds a Class "A" beer permit to sell beer at
 6 wholesale."

Filed *Withdrawn 2/17*
 February 12, 1971

By TAYLOR of Dubuque
 District 51

1 Amend House File 172, page 9, lines 3 thru 7 as
 2 follows:
 3 Sec. 10. Director Appointed. The council shall
 4 appoint a director of beer and liquor control, who
 5 shall in no event be a member of the council, ~~at a~~
 6 ~~salary of twenty-five thousand dollars per annum.~~
 7 He shall receive as compensation one-tenth of one
 8 per cent of the net profit of the Iowa beer and
 9 liquor control department. ~~Subsequent changes in~~
 10 ~~such salary may be made by the General Assembly.~~
 11 The director shall be

Filed *Withdrawn 2/17*
 February 15, 1971

By UBAN of Black Hawk
 District 38

1 Amend House File 172, page 50, by striking lines
 2 4 - 13 and inserting in lieu thereof the following:
 3 The injured person shall give written notice to
 4 the licensee or permittee by certified mail, return
 5 receipt requested, within six months of the occurrence
 6 of the injury of his intention to bring an action
 7 under this section. Actions under this section shall
 8 be filed within two years from the date of the
 9 occurrence of the injury complained of.

Filed *Withdrawn 2/17/71*
 February 16, 1971

By DRAKE of Muscatine
 District 71
 PELTON of Clinton
 District 74

- 1 Amend House File 172, page 62, lines 12 and 13 as
2 follows:
3 1. a. Up to two one thousand five hundred square
4 feet, the sum of one-hundred seventy-five dollars.
5 b. Over one thousand five hundred square
6 feet and up to two thousand square feet the sum
7 of one hundred dollars.
8 2. Reletter the remaining paragraphs.

Filed - *Adopted 2/17*
February 10, 1971

By DOUGHERTY of Monroe
District 94

- 1 Amend the Tieden and Camp amendment to House File 172,
2 filed February 9, 1971, by adding after line 24 the following:
3 "d. For premises located outside the corporate limits of
4 any city or town, a sum equal to that charged in the
5 incorporated city or town located nearest the premises to
6 be operated under the permit, and in case there is doubt
7 as to which of two or more differing corporate limits are
8 the nearest, the permit fee which is the largest shall
9 prevail."

Filed - *Adopted 2/17*
February 10, 1971

By TIEDEN of Clayton
District 14
CAMP of Clinton
District 73

- 1 Amend House File 172 as follows:
2 1. Page 49, line 30, by striking the word "fifty"
3 and inserting in lieu thereof the word "twenty".
4 2. Page 49, line 32, by striking the words "one
5 hundred" and inserting in lieu thereof the word "fifty".

Filed - *Lost 2/15/71*
February 11, 1971

By NORPEL of Jackson
District 52

- 1 Amend House File 172 by striking from page 7, lines 34
2 and 35, and from page 8, lines 1 through 4, inclusive, and
3 inserting in lieu thereof the following:
4 "as business executives. Consideration shall be given to
5 the selection of appointees from different areas of the state.
6 Members may be reappointed for one additional term. Each
7 member appointed shall receive forty dollars per day and
8 actual expenses while attending meetings."

Filed - *Lost 2-12-71*
February 11, 1971

By FREEMAN of Buena Vista
District 15

- 1 Amend House File 172, page 37, line 32 by striking
2 the words "and other advertising".

EXPLANATION

This is merely a corrective amendment to make sure the
advertising we are referring to are beer brand signs only.

Filed - *Adopted 2/15/71*
February 12, 1971

By ANANIA of Polk, District 65
FISHER of Greene, District 56

House 3
Feb. 10, 1971

HOUSE FILE 172

- 1 Amend House File 172 as follows:
2 1. Page 12, line 27 by striking the words "twenty-five"
3 and insert in lieu thereof the word "fifty".
4 2. Page 27, line 35, by striking the words "one thousand"
5 and inserting in lieu thereof the words "nine hundred".
6 3. Page 28, line 2 by striking the word "seven" and
7 inserting in lieu thereof the word "six".
8 4. Page 31, line 22 by striking the word "two" and
9 inserting in lieu thereof the word "three".
10 5. Page 31, line 30, by striking the words "one hundred"
11 and inserting in lieu thereof the words "two hundred fifty".
12 6. Page 62, by striking all of lines 4, 5, 6, and 7,
13 and inserting in lieu thereof the following: "2. The
14 annual permit fee for a class "B" permit shall be graduated
15 according to population as follows:
16 a. For premises located within the corporate limits
17 of cities with a population of over ten thousand, three
18 hundred dollars.
19 b. For premises located within the corporate limits
20 of cities or towns of over fifteen hundred but less than
21 ten thousand, two hundred dollars.
22 c. For premises located within the corporate limits
23 of towns with a population of under fifteen hundred, one
24 hundred dollars.

Filed - *Adopted 2/17*
February 9, 1971

By TIEDEN of Clayton
District 14
CAMP of Clinton
District 73

HOUSE FILE 172

- 1 Amend House File 172 as follows:
2 1. Page 36, lines 16 and 17, by striking the words
3 ", except subsection two (2), paragraphs 'h' or 'i'
4 of such section,".
5 2. Page 36, line 17, by inserting after the word
6 "shall" the words ", subject to subsection three (3)
7 of this section,".
8 3. Page 36, by striking lines 29 and 30 and
9 inserting in lieu thereof the following:
10 "section forty-nine (49), subsection two (2), para-
11 graph 'h' of this Act, or a retail beer permittee
12 shall be convicted of a violation of paragraph 'i'
13 of such subsection, the director or local authority
14 shall,".

Filed - *Adopted 2/12/71*
February 9, 1971

By FISHER of Greene
District 56

HOUSE FILE 172

- 1 Amend the Larson, Kennedy amendment to House File
- 2 172, filed February 8, 1971, by striking from lines
- 3 5 and 6 the words "two hundred fifty dollars".

Filed - *Adopted 2/17*
February 9, 1971

By TIEDEN of Clayton
District 14
CAMP of Clinton
District 73

HOUSE FILE 172

- 1 Amend House File 172 as follows:
- 2 Page 50, by striking lines 4 through
- 3 13 inclusive.

Filed - *Withdrawn 2/17*
February 9, 1971

By KENNEDY of Chickasaw
District 11

HOUSE FILE 172

- 1 Amend House File 172, page 33, by striking from
- 2 lines 3 and 4 the following: "extend any credit for
- 3 alcoholic beverages or beer or".

Offered from the Floor and Adopted, By TROWBRIDGE of Floyd
Reconsidered, Amended, and Lost as District 9
Amended. UBAN of Black Hawk
February 9, 1971 District 38

HOUSE FILE 172

- 1 Amend the Trowbridge, Uban amendment filed February
- 2 9, 1971, lines 1 and 3 by striking the words "extend
- 3 any credit for alcoholic beverages of".

Filed from the Floor and Adopted By KELLY of Woodbury
February 9, 1971 District 22

HOUSE FILE 172

- 1 Amend House File 172, page 35, line 16, by insert-
- 2 ing after the period the following:
- 3 "This paragraph shall not apply to class C permit
- 4 holders."

Offered from the Floor and Adopted By UBAN of Black Hawk
February 9, 1971 District 38

HOUSE CLIP SHEET
Tuesday, February 9, 1971

HOUSE FILE 172

- 1 Amend House File 172 as follows:
2 1. Page 33, line 31, by striking the word "such"
3 and by inserting after the word "person" the words
4 "knowing or having reasonable cause to believe him
5 to be".
6 2. Page 34, line 7, by striking the words ",or
7 violates any other provision of this Act,".
8 3. Page 34, line 10, by striking the word
9 "imprisoned" and inserting the words "by imprison-
10 ment" and by adding a period after the word "days".
11 4. Page 34, by striking all of line 11.
12 5. Page 35, line 26, by striking the word
13 "knowingly".
14 6. Page 35, line 27, by inserting after the
15 word "person", the words "knowing or having reason-
16 able cause to believe him to be".
17 7. Page 35, line 28, by striking the word
18 "knowingly", and inserting after the word "person",
19 the words "knowing or having reasonable cause to
20 believe him to be".
21 8. Page 48, line 10, by adding after the word
22 "person" the words ", except a person under legal
23 age,".
24 9. Page 48, line 14, by striking the words
25 "less than one hundred dollars nor".
26 10. Page 48, line 15, by striking the word
27 "less".
28 11. Page 48, line 16, by striking the words
29 "than thirty days nor".
30 12. Page 48, line 17, by adding after the
31 period the following:
32 "Any person under legal age who violates any of
33 the provisions of this Act shall upon conviction be
34 punished by a fine not to exceed one hundred dollars
35 or by imprisonment in the county jail not to exceed
36 thirty days.
37 Chapter two hundred thirty-two (232) of the Code }
38 shall have no application in the prosecution of } *Last*
39 offenses committed in violation of this Act." } *2/9*

Filed - *Adopted Lines 1-36, 2/9/71*
February 8, 1971

By KNOKE of Pottawattamie
District 79

HOUSE FILE 172

1 Amend House File 172, page 62, line 12 by striking
2 the words "one hundred" and inserting in lieu thereof
3 the word "fifty".

Filed *W. Johnson 2/17*
February 9, 1971

By DOUGHERTY of Monroe
District 94

HOUSE FILE 172

1 Amend the Uban amendment to House File 172, page
2 17, by striking the word "brewing" and inserting in
3 lieu thereof the word "making".

Offered from the Floor and Adopted. By UBAN of Black Hawk
February 9, 1971 District 38

House 2
Feb. 9, 1971

HOUSE FILE 172

- 1 Amend House File 172 as follows:
- 2 1. Page 66, by striking lines 27 to 35 inclusive, and
- 3 page 67, by striking lines 1 to 7 inclusive.
- 4 2. Renumbering all subsequent sections.
- 5 3. Page 31, by inserting after line 7 the following:
- 6 "Local authorities shall have the power to suspend any
- 7 retail beer permit or liquor control license for a violation
- 8 of any ordinance or regulation adopted by such local
- 9 authority. Local authorities are empowered to adopt
- 10 ordinances or regulations for the location of the premises
- 11 of retail beer and liquor control licensed establishments
- 12 and are empowered to adopt ordinances, not in conflict
- 13 with the provisions of this Act and that do not diminish the
- 14 hours during which beer or alcoholic beverages may be sold
- 15 or consumed at retail, governing any other activities or
- 16 matters which may affect the retail sale and consumption
- 17 of beer and alcoholic liquor and the health, welfare and
- 18 morals of the community involved."

Filed - *Adopted 2/11*
February 8, 1971

By KELLY of Woodbury
District 22

HOUSE FILE 172

- 1 Amend House File 172, page 16, line 16, by
- 2 inserting after the word "exceeding" the following:
- 3 "one quart or, in the case of alcoholic liquor
- 4 personally obtained outside the United States,".

Filed - *Adopted 2/9*
February 8, 1971

By FISHER of Greene
District 56
DRAKE of Muscatine
District 71

HOUSE FILE 172

- 1 Amend House File 172 by striking the words
- 2 "assistant chiefs" in line 6 and 7, page 10,
- 3 and inserting the word "assistants".

Filed - *Adopted 2/9*
February 8, 1971

By GOODE of Davis-Wapello
District 98

HOUSE FILE 172

1 Amend House File 172 as follows:
2 1. Page 62, Sec. 134, line 3, by striking the
3 words "two hundred fifty dollars" and
4 inserting in lieu thereof the words "fixed
5 by the commission at either two hundred fifty
6 dollars, five hundred dollars, seven hundred
7 fifty dollars, or one thousand dollars, to
8 be graduated on the basis of the relative
9 volume of business of the permittee as
10 compared with other permittees of the same
11 class and for the same time period".

Filed - *Adopted as amended 2/17*
February 8, 1971

By LARSON of Story
District 34
KENNEDY of Chickasaw
District 11

HOUSE FILE 172

1 Amend House File 172 by striking all after the
2 period in line 9, page 39, and all of lines
3 10 to 16 inclusive.

Filed - *Lost 2/17*
February 8, 1971

By GOODE of Davis-Wapello
District 98

HOUSE FILE 172

1 Amend House File 172 by adding on page 50, line
2 25, after the word "own" the word "legal".

Filed - *Adopted 2/17*
February 8, 1971

By GOODE of Davis-Wapello
District 98

HOUSE FILE 172

1 Amend House File 172 by striking from lines 14
2 and 17 inclusive, page 16, the following: ", except
3 that an individual of legal age may import and have
4 in his possession an amount of alcoholic liquor not
5 exceeding one gallon for personal consumption only
6 in a private home or other private accommodation".
7 Further amend House File 172 by striking from
8 lines 10 and 11, page 18, the following: "except
9 as provided in section twenty-two (22) of this Act".

Filed - *Lost 2/9*
February 8, 1971

By GOODE of Davis-Wapello
District 98

1 Amend House File 172, page 50, by striking lines
2 4 through 13 and inserting in lieu thereof the
3 following:
4 "The injured person shall give written notice to
5 the licensee or permittee by certified mail, return
6 receipt requested, indicating time, place and occur-
7 rence, within six months of the occurrence of the
8 injury of his intention to bring an action under this
9 section. Actions under this section shall be filed
10 within two years from the date of the occurrence of
11 the injury complained of."

Filed from the floor and Adopted BY DRAKE of Muscatine
February 17, 1971 District 71

1 Amend House File 172, page 9, by striking lines 5
2 through 7, inclusive, and inserting in lieu thereto the
3 following:
4 "be a member of the council. He shall receive as
5 compensation one-tenth of one percent of the net profit
6 of the Iowa beer and liquor control department. The
7 director shall be".

Filed from the Floor and Lost By UBAN of Black Hawk
February 17, 1971 District 38

1 Amend House File 172 by striking from page 7,
2 lines 34 and 35, and from page 8, lines 1 through 4,
3 inclusive, and inserting in lieu thereof the following:
4 "as business executives. Consideration shall
5 be given to the selection of appointees from different
6 areas of the state. Members may be reappointed for
7 one additional term. Each member shall receive
8 actual expenses while attending meetings."

Filed from the floor and Lost By FREEMAN of Buena Vista
February 18, 1971 District 15

1 Amend House File 172, page 34, by striking from
2 line 25 the words "two a.m." and inserting in lieu
3 thereof the words "one a.m."

Filed from the floor and Adopted By PIERSON of Mahaska
February 18, 1971 District 87
MIDDLESWART of Warren
District 93

House 2
March 3, 1971

FISCAL NOTE
HOUSE FILE 172

Date prepared February 26, 1971

Requested by Representative Drake.

Prepared in regard to amendment to H.F. 172 by Tapscott et al of February 25. Following is the fiscal effect in dollars of the legislative proposal as required by House Rule 48.

During the fiscal year ended June 30, 1970 the following distributions of liquor revenue were made:

10% of gross sales to Cities and Towns for their general use	\$ 7,108,601
5% of gross sales to counties for military service tax credit	3,554,301
Balance of net income to State's General Fund	<u>9,718,316</u>
Total Distribution	<u>\$20,381,218</u>

Tapscott et al amendment would transfer the following additional amounts: (assumes liquor sales increase of \$3,000,000 per year)

Year Ended	Commission on		Total
	Alcoholism	County Treasurer	
June 30, 1970 (actual)	\$1,421,720	1,421,720	2,843,440
June 30, 1971 (estimated)	1,481,500	1,481,500	2,963,000
June 30, 1972 (estimated)	1,541,500	1,541,500	3,083,000
June 30, 1973 (estimated)	1,601,500	1,601,500	3,203,000
June 30, 1974 (estimated)	1,661,500	1,661,500	3,323,000
June 30, 1975 (estimated)	1,721,500	1,721,000	3,443,000

The above transfers would decrease the revenue to the State General Fund by the amounts indicated.

Filed
March 2, 1971

By GERRY D. RANKIN
Legislative Fiscal Director

House 2
Feb. 5, 1971

FISCAL NOTE

HOUSE FILE 172

Date prepared January 20, 1971

Requested by Representative Drake.

Prepared in regard to H.F. 172 - An Act relating to a reorganization of the Iowa Liquor Control Commission; creating an Iowa beer and liquor control council and an Iowa beer and liquor control department, etc. Following is the fiscal effect in dollars of the legislative proposal as required by House Rule 48.

Sec. 36 Fees - As of June 30, 1970 there were 3,172 liquor licenses in effect in four classes as follows:

Class A	379
Class B	78
Class C	2,708
Class D	7
	<u>3,172</u>

Cash receipts from the sale of these licenses amounted to \$2,372,991.66 during the fiscal year ending June 30, 1970. During the same period of time \$1,185,495.83 was paid to cities and counties as licensing bodies.

Currently a person applying for a liquor license must be a holder of a retail beer permit. This bill provides for combining the liquor license and beer permit under one license with an increase in most cases of \$300 for each license and the amount to be returned to the appropriate local authority is increased from 50% to 65%. Beer permits presently cost between \$100 and \$300 and are issued by local authorities. Due to the lack of statistics it is not possible to make an estimate of the fiscal effect of these changes. However, it appears there may be a decrease in revenue to the State and an increase in revenue to the cities and counties.

Sec. 134 Fees - No estimate possible. Since the Beer permits are issued by the cities and counties there are not sufficient statistics available on which to base an estimate of the fiscal effect of this portion of the bill.

Filed
February 4, 1971

GERRY D. RANKIN
Legislative Fiscal Director

February 24, 1971
State Govt. 4/7
amend and without
recommendation 4/7

HOUSE FILE 172
By COMMITTEE ON STATE GOVERNMENT
(AS AMENDED AND PASSED BY THE HOUSE)

Passed House, Date 5-10-71 Passed Senate, Date 4-19-71

Vote: Ayes 57 Nays 31 Vote: Ayes 33 Nays 13

Approved June 16, 1971
Motion to reconsider tabled 4/9

A BILL FOR

Failed Senate as further amended
by the House 5-14-71
ayes 17 nays 25

- 1 An Act relating to a reorganization of the Iowa liquor con-
- 2 trol commission; creating an Iowa beer and liquor control
- 3 department; providing for the appointment of an Iowa
- 4 beer and liquor control council and a director of beer
- 5 and liquor control and designating their powers and
- 6 duties; amending provisions concerning liquor control
- 7 licenses, special liquor permits, beer permits, and
- 8 fees charged therefor; abolishing special distributors;
- 9 altering dram shop liability; requiring certificates of
- 10 compliance from distillers and brewers; declaring certain
- 11 acts to be unlawful and providing penalties for viola-
- 12 tions; and otherwise amending current statutory provi-
- 13 sions relating to the sale and possession of alcoholic
- 14 liquor and beer in this state.

Motion to reconsider filed 5/14
prevailed 6/2
Passed Senate 6-2-71
ayes 28 nays 19

15 *Be It Enacted by the General Assembly of the State of Iowa:*

1

DIVISION I

2 GENERAL PROVISIONS RELATING TO ALCOHOLIC LIQUOR
AND BEER

3 Section 1. PUBLIC POLICY DECLARED. This Act shall be
4 cited as the "Iowa Beer and Liquor Control Act", and shall
5 be deemed an exercise of the police power of the state, for
6 the protection of the welfare, health, peace, morals, and
7 safety of the people of the state, and all its provisions
8 shall be liberally construed for the accomplishment of that
9 purpose, and it is declared to be public policy that the
10 traffic in alcoholic liquors is so affected with a public
11 interest that it should be regulated to the extent of
12 prohibiting all traffic in them, except as provided in this
13 Act.

14 Sec. 2. GENERAL PROHIBITION. It shall be unlawful to
15 manufacture for sale, sell, offer or keep for sale, possess,
16 or transport alcoholic liquor or beer except upon the terms,
17 conditions, limitations, and restrictions enumerated in this
18 Act.

19 Sec. 3. DEFINITIONS. As used in this Act, unless the
20 context otherwise requires:

21 1. "Council" means the Iowa beer and liquor control council
22 established by this Act.

23 2. "Department" means the Iowa beer and liquor control
24 department established by this Act, or any division of such
25 department.

26 3. "Director" means the director of the Iowa beer and
27 liquor control department, appointed pursuant to the pro-
28 visions of this Act, or his designee.

29 4. "Local authority" means the city or town council of
30 any incorporated city or town in this state, or the county
31 board of supervisors of any county in this state, which is
32 empowered by this Act to approve or deny applications for
33 retail beer permits and liquor control licenses; to recommend
34 that such permits or licenses be granted and issued by the
35 department; and to take such other actions as are reserved

1 to them by this Act.

2 5. "Alcohol" means the product of distillation of any
3 fermented liquor rectified one or more times, whatever may
4 be the origin thereof, and includes synthetic ethyl alcohol.

5 6. "Spirits" means any beverage which contains alcohol
6 obtained by distillation mixed with drinkable water and other
7 substances in solution, including, but not limited to, brandy,
8 rum, whisky, and gin.

9 7. "Wine" means any beverage containing alcohol obtained
10 by the fermentation of the natural sugar contents of fruits
11 or other agricultural products.

12 8. "Alcoholic liquor" or "alcoholic beverage" includes
13 the three varieties of liquor defined in subsections five
14 (5), six (6), and seven (7) of this section, except beer as
15 defined in subsection nine (9) of this section but including
16 all beverages made as described in such subsection which
17 contain more than four percent of alcohol by weight, and every
18 liquid or solid, patented or not, containing alcohol, spirits,
19 or wine, and susceptible of being consumed by a human being,
20 for beverage purposes.

21 9. "Beer" means any liquid capable of being used for
22 beverage purposes made by the fermentation of an infusion
23 in potable water of barley, malt and hops, with or without
24 unmalted grains or decorticated and degerminated grains
25 containing not more than four percent of alcohol by weight.

26 10. "Person" means any individual, association, partner-
27 ship, corporation, club, hotel or motel, or municipal corpora-
28 tion owning or operating a bona fide airport, marina, park,
29 coliseum, auditorium, or recreational facility in or at which
30 the sale of alcoholic liquor or beer is only an incidental
31 part of such ownership or operation.

32 11. "Person of good moral character" means any person
33 who meets all of the following requirements:

34 a. He has such financial standing and good reputation
35 as will satisfy the director that he will comply with this

1 Act and all laws, ordinances, and regulations applicable to
2 his operations under this Act.

3 b. He does not possess a federal gambling stamp.

4 c. He is not prohibited by the provisions of section forty
5 (40) of this Act from obtaining a liquor control license or
6 beer permit.

7 d. Is a citizen of the United States and a resident of
8 this state, or licensed to do business in this state in the
9 case of a corporation.

10 e. He has not been convicted of a felony. However, if
11 his conviction of a felony occurred more than five years be-
12 fore the date of the application for a license or permit,
13 and if his rights of citizenship have been restored by the
14 governor, the director may determine that he is a person of
15 good moral character notwithstanding such conviction.

16 f. If such person is a corporation, partnership, associa-
17 tion, club, or hotel or motel the requirements of this
18 subsection shall apply to each of the officers, directors,
19 and partners of such person, and to any person who directly
20 or indirectly owns or controls ten percent or more of any
21 class of stock of such person or has an interest of ten percent
22 or more in the ownership or profits of such person. For the
23 purposes of this provision, an individual and his spouse shall
24 be regarded as one person.

25 12. "Residence" means the place where a person resides,
26 permanently or temporarily.

27 13. "Permit" or "license" means an express written
28 authorization issued by the department for the manufacture
29 or sale, or both, of alcoholic liquor or beer.

30 14. "Application" means a formal written request for the
31 issuance of a permit or license supported by a verified state-
32 ment of facts.

33 15. "Manufacture" means to distill, rectify, ferment,
34 brew, make, mix, concoct, or process any substance capable
35 of producing a beverage containing more than one-half of one

1 percent of alcohol by volume and includes blending, bottling,
2 or the preparation for sale.

3 16. "Package" means any container or receptacle used for
4 holding alcoholic liquor.

5 17. "Distillery", "winery", and "brewery" means not only
6 the premises wherein alcohol or spirits is distilled, or
7 rectified wine is fermented, or beer is brewed, but in addition
8 a person owning, representing, or in charge of such premises
9 and the operations conducted thereon, including the blending
10 and bottling or other handling and preparation of alcoholic
11 liquor or beer in any form.

12 18. "Brewer" means any person who manufactures beer for
13 the purpose of sale, barter, exchange, or transportation.

14 19. "Importer" means the person transporting or ordering,
15 authorizing, or arranging the transportation of alcoholic
16 liquor or beer into this state whether such person is a
17 resident of this state or not.

18 20. "Import" means the transporting or ordering or arrang-
19 ing the transportation of alcoholic liquor or beer into this
20 state whether by a resident of this state or not.

21 21. "State liquor store" means a store established by
22 the department under this Act for the sale of alcoholic liquor
23 in the original package for consumption off the premises.

24 22. "Warehouse" means any premises or place primarily
25 constructed or used or provided with facilities for the storage
26 in transit or other temporary storage of perishable goods
27 or for the conduct of normal warehousing business.

28 23. "Public place" means any place, building, or conveyance
29 to which the public has or is permitted access.

30 24. The terms "in accordance with the provisions of this
31 chapter", "pursuant to the provisions of this title", or
32 similar terms shall include all rules and regulations of the
33 department adopted to aid in the administration or enforcement
34 of those provisions.

35 25. The prohibited "sale" of alcoholic liquor or beer

1 under this Act includes soliciting for sales, taking orders
2 for sales, keeping or exposing for sale, delivery or other
3 trafficking for a valuable consideration promised or obtained,
4 and procuring or allowing procurement for any other person.

5 26. "Wholesaler" means any person, other than a brewer
6 or bottler of beer, who shall sell, barter, exchange, offer
7 for sale, have in possession with intent to sell, deal or
8 traffic in alcoholic liquor or beer. No wholesaler shall
9 be permitted to sell for consumption upon the premises.

10 27. "Retailer" means any person who shall sell, barter,
11 exchange, offer for sale, or have in possession with intent
12 to sell any alcoholic liquor for consumption on the premises
13 where sold, or beer for consumption either on or off the
14 premises where sold.

15 28. "Air common carrier" means a person engaged in trans-
16 porting passengers for hire in interstate or foreign commerce
17 by aircraft and operating regularly scheduled flights under
18 a certificate of public convenience issued by the civil
19 aeronautics board.

20 29. "Club" means any nonprofit corporation or association
21 of individuals, which is the owner, lessee, or occupant of
22 a permanent building or part thereof, membership in which
23 entails the prepayment of regular dues and is not operated
24 for a profit other than such profits as would accrue to the
25 entire membership.

26 30. "Commercial establishment" means a place of business
27 which is at all times equipped with sufficient tables and
28 seats to accommodate twenty-five persons at one time, and
29 the licensed premises of which conform to the standards and
30 specifications of the department.

31 31. "Licensed premises" or "premises" means all rooms
32 or enclosures where alcoholic beverages or beer are sold or
33 consumed under authority of a liquor control license or beer
34 permit.

35 32. "Hotel" or "motel" means a building or structure li-

1 censed by the state department of agriculture and regularly
2 or seasonably kept open in a bona fide manner for the lodging
3 of transient guests, where there is in the same building or
4 structure an establishment where food is regularly prepared
5 and served and where twenty or more sleeping rooms are
6 provided for guests.

7 33. "Legal age" means twenty-one years of age or more.

8 34. "Retail beer permit" means a class "B" or class "C"
9 beer permit issued under the provisions of this Act.

10 Sec. 4. DEPARTMENT CREATED—PLACE OF BUSINESS.

11 is hereby created an Iowa beer and liquor control department
12 to administer and enforce the laws of this state concerning
13 beer and alcoholic liquor. The principal place of business
14 of the department shall be in the city of Des Moines, and
15 suitable quarters or offices shall be provided the department
16 in such city by the authority designated by law to provide
17 such quarters or offices to state departments or agencies.

There

18 Sec. 5. COUNCIL CREATED. There is hereby created within
19 the department an Iowa beer and liquor control council,
20 composed of five members, not more than three of whom shall
21 belong to the same political party. The council shall be
22 held strictly accountable for the enforcement of the provisions
23 of this Act.

24 Sec. 6. APPOINTMENT — TERM — QUALIFICATIONS — COM-
25 PENSATION.

26 The governor shall appoint the initial members of the council
27 for respective terms of one, two, three, four, and five years,
28 all of which shall commence July 1, 1971. Appointments there-
29 after shall be for five years and shall be made by the gov-
30 ernor, subject to confirmation by two-thirds of the senate,
31 within sixty days after the convening of the general assembly
32 each year for the member whose term is to expire on the fol-
33 lowing July 1. At least three members of the council shall
34 be chosen on the basis of managerial ability and experience
35 as business executives. Members may be appointed for one
additional term. Each member appointed shall receive a

1 retainer of two thousand five hundred dollars per annum pay-
2 able in twenty-four equal payments throughout the year in
3 addition to reasonable and necessary expenses while attending
4 meetings.

5 Sec. 7. VACANCIES. Any vacancy on said council which
6 may occur when the general assembly is not in session shall
7 be filled by appointment by the governor, which appointment
8 shall expire at the end of thirty days following the organiza-
9 tion of the next session of the general assembly. Prior to
10 the expiration of said period of thirty days, the governor
11 shall transmit to the senate for its approval an appointment
12 for the unexpired portion of the regular term. Any vacancy
13 occurring when the general assembly is in session shall be
14 filled in the same manner as regular appointments are made,
15 and before the end of such session, and for the unexpired
16 portion of the regular term.

17 Sec. 8. BONDS. Each council member shall post a bond,
18 at the expense of the state, with such sureties as the execu-
19 tive council shall approve to guarantee to the state the
20 proper handling and accounting of such moneys and merchandise
21 and other properties as may be required in the administration
22 of this Act. It shall be the duty of the director to secure
23 from all employees of the department holding positions of
24 trust a bond with such sureties as the beer and liquor control
25 council shall approve adequate to guarantee to the state the
26 proper handling and accounting of all moneys, merchandise,
27 and other properties.

28 Sec. 9. COUNCIL MEETINGS. The council shall meet on July
29 1, 1971, and on July first of each year thereafter for the
30 purpose of selecting one of its members as chairman, which
31 member shall serve in such capacity for the succeeding year.
32 The council shall otherwise meet at the call of the chairman
33 or when any three members file with the chairman a written
34 request for a meeting. Written notice of the time and place
35 of each meeting shall be given to each member of the council.

1 All council meetings shall be held within the state. A ma-
2 jority of the council members shall constitute a quorum.

3 **Sec. 10. DIRECTOR APPOINTED.** The council shall appoint
4 a director of beer and liquor control, who shall in no event
5 be a member of the council, at a salary of twenty-five thousand
6 dollars per annum. Subsequent changes in such salary may
7 be made by the general assembly. The director shall be
8 qualified to perform his duties by managerial ability and
9 experience as a business executive; shall post bond paid
10 from the general fund of the state in an amount to be
11 determined by the council to insure proper discharge of his
12 duties; and shall act in the name of and serve at the pleasure
13 of the council.

14 **Sec. 11. EXPENSES.** Members of the council, the director,
15 and other employees of the department shall be allowed their
16 actual and necessary expenses while traveling on business
17 of the department outside of their place of residence, however,
18 an itemized account of such expenses shall be verified by
19 the claimant and approved by the director. If such account
20 is paid, the same shall be filed with the department and be
21 and remain a part of its permanent records. All expenses
22 and salaries of council members, the director, and other
23 employees shall be paid from appropriations for such purposes
24 and the department shall be subject to the budget requirements
25 of chapter eight (8) of the Code.

26 **Sec. 12. REMOVAL.** Any council member, the director, or
27 other officer or employee of the department may be removed
28 for any of the causes and in the manner provided by chapter
29 sixty-six (66) of the Code relating to removal from office;
30 such removal shall not be in lieu of any other punishment
31 that may be prescribed by the laws of this state.

32 **Sec. 13. EXEMPTION FROM SUIT.** No council member or of-
33 ficer or employee of the department shall be personally liable
34 for damages sustained by any person due to the act of such
35 member, officer, or employee performed in the reasonable dis-

1 charge of his duties as enumerated in this Act.

2 Sec. 14. ENFORCEMENT DIVISION.

3 1. There is hereby created an enforcement division of
4 the Iowa beer and liquor control department. The director
5 shall appoint a chief enforcement officer who shall be an
6 attorney licensed to practice in this state, and five assistants.

7 The director shall employ needed clerical help and
8 such other assistants and agents as are necessary to carry
9 out the enforcement provisions of Title VI of the Code. The
10 enforcement division shall enforce all provisions of Title
11 VI of the Code in the name of the state of Iowa, and may do
12 so in proceedings before any court.

13 2. Agents of the enforcement division, except clerical
14 workers, shall be covered by the provisions of chapter ninety-
15 seven A (97A) of the Code. They shall be entitled to receive
16 benefits provided in such chapter and will be required to
17 make such contributions and payments into the system as are
18 required by such chapter.

19 Sec. 15. HEARING BOARD ESTABLISHED. There is hereby
20 created a three-member hearing board for the purpose of con-
21 ducting departmental hearings relating to controversies
22 concerning the issuance, suspension, or revocation of special
23 liquor permits, liquor control licenses, and beer permits
24 authorized under this Act. One member shall be appointed
25 by the council from its membership, which member may be
26 periodically replaced by appointment of another council member;
27 one member shall be the attorney general or his designee;
28 and one member shall be the director or his designee, however,
29 such designee shall in no event be a member or employee of
30 the enforcement division created pursuant to section fourteen
31 (14) of this Act.

32 Sec. 16. FUNCTIONS OF COUNCIL AND DIRECTOR.

33 1. The council shall, in addition to the duties
34 specifically enumerated in this Act, act as a department
35 policy-making body and serve in an advisory capacity to the

1 director. The director shall be responsible for supervising
2 the daily operations of the department and shall execute the
3 policies of the department as determined by the council.

4 2. The council may review and affirm, reverse, or amend
5 all actions of the director, including but not limited to
6 the following instances:

7 a. Purchases of alcoholic liquor for resale by the de-
8 partment.

9 b. The granting or refusing of liquor licenses and permits,
10 and beer permits, and the suspension or revocation of such
11 licenses and permits.

12 c. The establishment of retail prices of alcoholic liquor.

13 d. The establishment or discontinuance of state liquor
14 stores.

15 Sec. 17. PROHIBITION ON COUNCIL MEMBERS AND EM-
16 PLOYEES.

16 No council member or officer or employee of the department
17 shall, while holding such office or position, hold any other
18 office or position under the laws of this state or any other
19 state or the United States, nor engage in any occupation,
20 business, or activity inconsistent or interfering with the
21 duties of such employment, including, but not limited to those
22 activities prohibited by the applicable provisions of chapter
23 seven hundred thirty-nine (739) of the Code; and no such
24 member, officer, or employee shall, while holding such office
25 or position, serve on or under or be a member of any committee
26 of any political party, nor directly or indirectly use his
27 influence to induce any other officer, employee, or elector
28 of this state to adopt his political views or to favor any
29 particular candidate for office, nor shall any such member,
30 officer, or employee contribute or accept in any manner,
31 directly or indirectly, any money or other thing of value
32 to or for any person or committee for campaign or election
33 purposes. Any such member, officer, or employee who violates
34 any of the provisions of this section, or any other provision
35 of this Act, shall be deemed guilty of corruption.

1 Sec. 18. FAVORS FROM LICENSEE OR PERMITTEE. No
2 person
3 responsible for the administration or enforcement of this
4 Act shall accept or solicit donations, gratuities, political
5 advertising, gifts, or other favors, directly or indirectly,
6 from any liquor control licensee or beer permittee. A viola-
7 tion of this section shall subject the violator to the general
8 penalties provided by this Act.

8 Sec. 19. DISTILLER'S CERTIFICATE OF COMPLIANCE.

9 1. Any manufacturer, distiller, vintner, or importer of
10 alcoholic beverages shipping, selling, or having alcoholic
11 beverages brought into this state for resale by the state
12 shall, as a condition precedent to the privilege of so
13 trafficking in alcoholic liquors in this state, annually make
14 application for and shall hold a distiller's certificate of
15 compliance which shall be issued by the director for such
16 purpose. No brand of alcoholic liquor shall be sold by the
17 department in this state unless the manufacturer, distiller,
18 vintner, importer, and all other persons participating in
19 the distribution of such brand in this state have obtained
20 such certificate. Such certificate of compliance shall expire
21 at the end of one year from the date of issuance and shall
22 be renewed for a like period upon application to the director
23 unless otherwise suspended or revoked for cause. Each applica-
24 tion for a certificate of compliance or renewal thereof shall
25 be made in such manner and upon such forms as shall be pre-
26 scribed by the director and shall be accompanied by a fee
27 of fifty dollars payable to the department. However,
28 the provisions of this subsection need not apply to a
29 manufacturer, distiller, vintner, or importer who ships or
30 sells in this state no more than eleven gallons or its case
31 equivalent during any fiscal year as a result of "special
32 orders" which might be placed, as defined and allowed by
33 departmental rules adopted under this Act.

34 2. At the time of applying for a certificate of compliance,
35 each applicant shall file with the department a list of names

1 and address of all representatives, employees, or attorneys
2 whom they may have appointed in the state of Iowa to represent
3 them for any purpose. The listing of such representatives,
4 employees, or attorneys shall be amended from time to time
5 by the certificate holder as necessary to keep such listing
6 current with the department.

7 3. The director and the attorney general are authorized
8 to require any certificate holder or person listed as his
9 representative, employee, or attorney to disclose such
10 financial and other records and transactions as may be
11 considered relevant in discovering violations of this Act
12 by any person.

13 4. Any violation of the requirements of this section,
14 except subsection three (3), shall subject the violator to
15 the general penalties provided in this Act and in addition
16 thereto shall be grounds for suspension or revocation of the
17 certificate of compliance, after notice and hearing before
18 the department hearing board. Willful failure to comply with
19 requirements which may be imposed under subsection three (3)
20 of this section shall be grounds for suspension or revocation
21 of the certificate of compliance only. Decisions of the
22 hearing board concerning such suspension or revocation shall
23 be binding upon all parties.

24 5. This section shall not require the listing of those
25 persons who are employed on premises where alcoholic beverages
26 are manufactured, processed, bottled or packaged in Iowa or
27 to persons who are thereafter engaged in the transporting
28 of such alcoholic beverages to the department.

29 Sec. 20. POWERS. The director, in executing departmental
30 functions, shall have the following duties and powers:

31 1. To purchase alcoholic liquors for resale by the depart-
32 ment in the manner set forth in this Act.

33 2. To establish, maintain, or discontinue state liquor
34 stores and to determine the cities and towns in which such
35 stores shall be located. However, no liquor store shall be

1 established within three hundred feet of any public or private
2 educational institution.

3 3. To rent, lease, or equip any building or any land nec-
4 essary to carry out the provisions of this Act.

5 4. To lease all plants and lease or buy equipment necessary
6 to carry out the provisions of this Act.

7 5. To appoint vendors, clerks, agents, or other employees
8 required for carrying out the provisions of this Act; to
9 dismiss such employees for cause; to assign such employees
10 to such divisions as may be created by the director within
11 the department; and to designate their title, duties, and
12 powers. All employees of the department, except occasional
13 or part-time employees, the director and enforcement agents
14 in the enforcement division, shall be subject to the provisions
15 of chapter nineteen A (19A) of the Code.

16 6. To grant and issue beer permits, special permits,
17 liquor control licenses, and other licenses; and to suspend
18 or revoke all such permits and licenses for cause under this
19 Act.

20 7. To license, inspect, and control the manufacture of
21 beer and alcoholic liquors and regulate the entire beer and
22 liquor industry in the state.

23 Sec. 21. RULES AND REGULATIONS. The director may, with
24 the approval of the council and subject to the provisions
25 of chapter seventeen A (17A) of the Code, make such rules
26 and regulations as are necessary to carry out the provisions
27 of this Act. Such authority shall extend to but not be limited
28 to the following:

29 1. Prescribing the duties of officers, vendors, clerks,
30 agents, or other employees of the department and regulating
31 their conduct while in the discharge of their duties.

32 2. Regulating the management, equipment, and merchandise
33 of state liquor stores and warehouses in and from which
34 alcoholic liquors are transported, kept, or sold and
35 prescribing the books and records to be kept therein.

- 1 **3. Regulating the purchase of alcoholic liquor generally**
2 **and the furnishing of such liquor to state liquor stores**
3 **established under this Act, determining the classes, varieties,**
4 **and brands of alcoholic liquors to be kept in state warehouses**
5 **or for sale at any state liquor store.**
- 6 **4. Prescribing forms or information blanks to be used**
7 **for the purposes of this Act. The department shall prepare,**
8 **print, and furnish all forms and information blanks required**
9 **under this Act.**
- 10 **5. Prescribing the nature and character of evidence which**
11 **shall be required to establish legal age.**
- 12 **6. Providing for the issuing and distributing of price**
13 **lists showing the price to be paid by purchasers for each**
14 **brand, class, or variety of liquor kept for sale under this**
15 **Act. Provide for the filing or posting of prices between**
16 **class "A" beer permit holders and retailers as provided in**
17 **this Act, and establish or control such prices as may be based**
18 **on minimum standards of fill, quantity, or alcoholic content**
19 **for each individual sale of intoxicating liquor or beer as**
20 **deemed necessary for retail or consumer protection.**
- 21 **7. Prescribing the official seals, labels, or other mark-**
22 **ings which should be attached to or stamped on packages of**
23 **alcoholic liquor sold under this Act.**
- 24 **8. Prescribing, subject to this Act, the days and hours**
25 **during which state liquor stores shall be kept open for the**
26 **purpose of the sale of alcoholic liquors.**
- 27 **9. Prescribing the place and the manner in which alcoholic**
28 **liquor may be lawfully kept or stored by the licensed**
29 **manufacturer under this Act.**
- 30 **10. Prescribing the time, manner, means, and method by**
31 **which distillers, vintners, vendors, or others authorized**
32 **under this Act may deliver or transport alcoholic liquors**
33 **and prescribing the time, manner, means, and methods by which**
34 **alcoholic liquor may be lawfully conveyed, carried, or**
35 **transported.**

1 11. Prescribing, subject to the provisions of this Act,
2 the conditions and qualifications necessary for the obtain-
3 ing of licenses and permits and the books and records to be
4 kept and the remittances to be made by those holding licenses
5 and permits and providing for the inspection of the records
6 of all such licensees and permittees.

7 12. Establishing procedures for hearing appeals from
8 orders denying applications for, suspending, or revoking
9 liquor control licenses and beer permits under this Act.

10 Sec. 22. STATE MONOPOLY. The department shall have the
11 sole and exclusive right of importation, into the state, of
12 all forms of alcoholic liquor, except as otherwise provided
13 in this Act, and no person shall so import any such alcoholic
14 liquor, except that an individual of legal age may import
15 and have in his possession an amount of alcoholic liquor not
16 exceeding one quart or, in the case of alcoholic liquor
17 personally obtained outside the United States,
18 one gallon for personal consumption only in a private
19 home or other private accommodation. No distillery shall sell
20 any alcoholic liquor within the state to any person but only
21 to the department, except as otherwise provided in this Act.
22 It is the intent of this section to vest in the department
23 exclusive control within the state both as purchaser and
24 vendor of all alcoholic liquor sold by distilleries within
25 the state or imported therein, except beer, and except as
26 otherwise provided in this Act.

27 No person, by himself or through another acting for him
28 shall directly or indirectly, or upon any pretense, or by
29 any device, manufacture, sell, exchange, barter, dispense,
30 give in consideration of the purchase of any property or of
31 any services or in evasion of this Act, or keep for sale,
32 or have possession of any intoxicating liquor, except as pro-
33 vided in this Act; or own, keep, or be in any way concerned,
34 engaged, or employed in owning or keeping, any intoxicating
35 liquor with intent to violate any provision of this Act, or

36 authorize or permit the same to be done; or manufacture, own,
37 sell, or have possession of any manufactured or compounded

1 article, mixture or substance, not in a liquid form, and con-
2 taining alcohol which may be converted into a beverage by
3 a process of pressing or straining the alcohol therefrom,
4 or any instrument intended for use and capable of being used
5 in the manufacture of intoxicating liquor; or own or have
6 possession of any material used exclusively in the manufacture
7 of intoxicating liquor; or use or have possession of any ma-
8 terial with intent to use it in the manufacture of intoxica-
9 ting liquors; however, alcohol may be manufactured for in-
10 dustrial and nonbeverage purposes by persons who have quali-
11 fied for that purpose as provided by the laws of the United
12 States and the laws of this state. Such alcohol, so manu-
13 factured, may be denatured, transported, used, possessed,
14 sold, and bartered and dispensed, subject to the limitations,
15 prohibitions and restrictions imposed by the laws of the
16 United States and this state. **Any person may manufacture,**
17 **sell, or transport ingredients and devices other than**
18 **alcohol for the making of home-made wine.**

19 Sec. 23. STATE LIQUOR STORES. The department shall
20 establish and maintain in any city or incorporated town which
21 the director may deem advisable, a state liquor store or
22 stores for storage and sale of alcoholic liquor in accordance
23 with the provisions of this Act. The department may, from
24 time to time, as determined by the director, fix the prices
25 of the different classes, varieties, or brands of alcoholic
26 liquor to be sold.

27 Sec. 24. VENDORS—CASH SALES. In the conduct and
28 management of state liquor stores the director is empowered
29 to employ a person who shall be known as a “vendor” who shall,
30 subject to the directions of the director, observe all
31 provisions of this Act and the rules and regulations of the
32 department. No vendor of any state liquor store shall sell
33 alcoholic liquor to any person except for cash.

34 Sec. 25. CONSUMPTION ON PREMISES. No vendor, officer,
35 clerk, agent, or employee of the department employed in any

- 36 state liquor store or state-owned warehouse shall allow any
37 alcoholic liquor to be consumed on such premises, nor shall

1 any person consume any liquor on such premises.

2 Sec. 26. RESTRICTIONS ON SALES—SEALS—LABELING.

No

3 alcoholic liquor shall be sold by the department to any
4 purchaser except in a sealed container with such identifying
5 markers as shall be prescribed by the director and affixed
6 on the premises of a state warehouse or store and no such
7 container shall be opened upon the premises of any state
8 warehouse or store. Possession of alcoholic liquors which
9 do not carry the prescribed identifying markers shall be a
10 violation of this Act except as provided in section twenty-
11 two (22) of this Act.

12 Sec. 27. SALES PROHIBITED. It shall be unlawful to trans-
13 act the sale or delivery of any liquor in, on, or from the
14 premises of any state liquor store or warehouse:

- 15 1. After the closing hour as established by the director.
- 16 2. On any legal holiday.
- 17 3. On any Sunday.
- 18 4. On any national or state election day.
- 19 5. On any municipal election day held in the municipality
20 in which such store or warehouse may be situated.
- 21 6. During such other periods or days as may be designated
22 by the director.

23 Sec. 28. TRANSPORTATION PERMITTED. It shall be lawful
24 to transport, carry, or convey alcoholic liquors from the
25 place of purchase by the department to any state warehouse,
26 store, or depot established by the department or from one
27 such place to another and, when so permitted by this Act,
28 it shall be lawful for any common carrier or other person
29 to transport, carry, or convey alcoholic liquor sold by a
30 vendor from a state warehouse, store, or depot to any place
31 to which such liquor may be lawfully delivered under this
32 Act. No carrier or other person shall break or open
33 or allow to be broken or opened any container or package
34 containing alcoholic liquor or use or drink or allow to be
35 used or drunk any alcoholic liquor while it is being

1 transported or conveyed, but this section shall not prohibit
2 a private person from transporting a container which has been
3 opened previous to the commencement of such transportation.
4 Nothing in this section shall affect the right of any special
5 permit or liquor control license holder to purchase, possess,
6 or transport alcoholic liquors subject to the provisions of
7 this Act.

8 Sec. 29. SPECIAL PERMITS. A special permit for the
9 purchase, possession, or transportation of alcoholic liquors
10 for the purposes specified in those permits may be issued
11 by the director upon application being made to the department
12 in the form and manner prescribed by the director, accompanied
13 by payment of the prescribed fee, and upon the director being
14 satisfied that the applicant has complied with departmental
15 rules and regulations established for the issuance of such
16 permit. Such special permits may be issued to the following
17 persons and for the following purposes:

18 1. To a physician, pharmacist, dentist, or veterinarian,
19 entitling the holder to purchase liquor from the state liquor
20 stores for use medicinally and in compounding prescriptions
21 and to sell the same for use medicinally in the compounded
22 prescription only upon the prescription of a licensed physician
23 or surgeon, or to use such liquor in manufacturing or compound-
24 ing lotions, compounds, and like commodities not susceptible
25 for beverage purposes, and to sell the same for public use.

26 2. To a soldiers home, sanitarium, hospital, college,
27 or home for the aged which will entitle the holder to purchase
28 liquor from the state liquor stores for use for medicinal,
29 laboratory, and scientific purposes only.

30 3. To any minister, priest, or rabbi of any church or
31 denomination which uses vinous liquor in its sacramental
32 ceremonies. The holder of such a permit may purchase, have
33 shipped by interstate or intrastate common carrier, and possess
34 vinous liquor for sacramental purposes.

35 4. To manufacturers of patent and proprietary medicines,

1 tinctures, food products, extracts, toilet articles and
2 perfumes, and like commodities, none of which are susceptible
3 of use as a beverage, but which contain alcoholic liquor as
4 one of their ingredients. Any individual, or member of a
5 firm, or officer of a corporation, desiring such permit shall
6 file an affidavit with the department stating the following
7 facts:

8 a. The name, place of business, and post office address
9 of the person desiring such permit.

10 b. The business in which said person is engaged and the
11 articles manufactured in such business which require in their
12 manufacture the use of alcoholic liquors.

13 c. That the applicant, if he is an individual, or any
14 members of the firm or officers of the corporation, if the
15 applicant is not an individual, has been convicted of any
16 violation of the laws of this state with reference to the
17 sale of alcoholic liquors within the three years preceding
18 the date of the affidavit.

19 If the director is satisfied that the facts stated in such
20 affidavit are true and that the applicant is a person fit
21 and proper to be entrusted with the permit applied for, it
22 shall be issued upon the filing by the applicant of a bond
23 in the penal sum of two thousand dollars, with approved
24 sureties, conditioned that the applicant will faithfully
25 observe the provisions of this Act.

26 Such special permit shall entitle the holder to import
27 into the state, or purchase from licensed distillers within
28 the state or from the department, alcoholic liquors for use
29 in manufacture in accordance with the terms of said permit,
30 and to sell the product of such manufacture.

31 It shall be the duty of every manufacturer holding a special
32 permit under the provisions of this subsection, whenever such
33 manufacturer purchases alcoholic liquor from any source other
34 than the department, to immediately file with the department
35 a report of the receipt of such liquor in accordance with

1 rules and regulations adopted by the director.

2 Every person holding a special liquor permit under this
3 Act shall fill out in duplicate, on forms furnished by the
4 department, the amount and kinds of liquors purchased, and
5 shall retain one copy in his establishment for a period of
6 two years. The vendor of the state liquor store at which
7 the purchase was made shall monthly forward the other copy
8 to the department.

9 Nothing in this section shall prohibit the legitimate sale
10 of patent and proprietary medicines, tinctures, food products,
11 extracts, toilet articles and perfumes, and like commodities,
12 none of which are susceptible of use as a beverage but which
13 contain alcoholic liquor as one of their ingredients, through
14 the ordinary retail or wholesale channels.

15 Sec. 30. LIQUOR CONTROL LICENSES.

16 1. Upon posting bond in the penal sum of five thousand
17 dollars with surety and conditions prescribed by the director,
18 which bond shall be conditioned upon the payment of all taxes
19 payable to the state under the provisions of this Act and
20 compliance with all provisions of this Act, a liquor control
21 license may be issued to any person who, or whose officers,
22 in the case of a club or corporation, or whose partners, in
23 the case of a partnership, is of good moral character as
24 defined by this Act.

25 As a further condition for the issuance of a liquor control
26 license, the applicant must give consent to members of the
27 fire, police and health departments and the building inspector
28 of cities and towns; the county sheriff, deputy sheriff, and
29 state agents, and any official county health officer to enter
30 upon the premises without a warrant to inspect for violations
31 of the provisions of this Act or ordinances and regulations
32 that cities and towns and boards of supervisors may adopt.

33 2. No liquor control license shall be issued for premises
34 which do not conform to all applicable laws, ordinances,
35 resolutions, and health and fire regulations. Nor shall any

1 licensee have or maintain any interior access to residential
2 or sleeping quarters unless permission is granted by the
3 director in the form of a living quarters permit.

4 3. Liquor control licenses issued under this Act shall
5 be of the following classes:

6 a. CLASS "A". A class "A" liquor control license may
7 be issued to a club and shall authorize the holder to purchase
8 alcoholic liquors from the department only, and to sell such
9 liquors, and beer, to bona fide members and their guests by
10 the individual drink for consumption on the premises only.

11 b. CLASS "B". A class "B" liquor control license may
12 be issued to a hotel or motel and shall authorize the holder
13 to purchase alcoholic liquors from the department only, and
14 to sell such liquors, and beer, to patrons by the individual
15 drink for consumption on the premises only, however, beer
16 may also be sold for consumption off the premises. Each such
17 license shall be effective throughout the premises described
18 in the application, but a duplicate of such license shall
19 be posted in each room where such beverages are dispensed.

20 c. CLASS "C". A class "C" liquor control license may
21 be issued to a commercial establishment but must be issued
22 in the name of the individual or individuals who actually
23 own the entire business and shall authorize the holder or
24 holders to purchase alcoholic liquors from the department
25 only, and to sell such liquors, and beer, to patrons by the
26 individual drink for consumption on the premises only, however,
27 beer may also be sold for consumption off the premises.

28 d. CLASS "D". A class "D" liquor control license may
29 be issued to a railway corporation, to an air common carrier,
30 and to passenger-carrying boats or ships for hire with a
31 capacity of twenty-five persons or more operating in inland
32 or boundary waters, and shall authorize the holder to sell
33 or furnish alcoholic beverages and beer to passengers for
34 consumption only on trains, watercraft as described herein,
35 or aircraft, respectively. Each such license shall be valid

1 throughout the state as a state license. Only one such license
2 shall be required for all trains, watercraft, or aircraft
3 operated in the state by the licensee.

4 Sec. 31. APPLICATION CONTENTS. Verified applications
5 for the original issuance or the renewal of liquor control
6 licenses shall be filed at such time and in such number of
7 copies as the director shall prescribe, on forms prescribed
8 by the director, and, except as provided in section thirty-
9 five (35) of this Act, shall set forth under oath the following
10 information:

11 a. The name and address of the applicant.

12 b. The precise location of the premises for which a license
13 is sought.

14 c. The names and addresses of all persons, in the case
15 of a corporation, the officers, directors, and persons owning
16 or controlling ten percent or more of the capital stock
17 thereof, having a financial interest, by way of loan,
18 ownership, or otherwise, in the business.

19 d. When required by the director, a sketch or drawing
20 of the premises proposed to be licensed, in such form and
21 containing such information as the director may require.

22 e. A statement whether any person specified in paragraph
23 "c" of this subsection has ever been convicted of any offense
24 against the laws of the United States, or any state or terri-
25 tory thereof, or any political subdivision of any such state
26 or territory.

27 f. A statement whether the applicant or any person
28 specified in paragraph "c" of this subsection possesses a
29 federal gambling stamp.

30 g. Such other information as the director shall require.

31 Sec. 32. ACTION BY AUTHORITIES ON APPLICATIONS FOR
32 CONTROL LICENSES AND BEER PERMITS. LIQUOR

33 1. FILING OF APPLICATION. An application for a class
34 "A", class "B", or class "C" liquor control license, and for
35 a retail beer permit as provided in sections one hundred

1 twenty-eight (128) and one hundred twenty-nine (129) of this
2 Act, accompanied by the required fee and bond, shall be filed
3 with the appropriate city or town council if the premises
4 for which the license or permit is sought are located within
5 the corporate limits of a city or town, or with the board
6 of supervisors if the premises for which the license or permit
7 is sought are located outside the corporate limits of a city
8 or town. An application for a class "D" liquor control license
9 and for a class "A" beer permit, accompanied by the required
10 fee and bond, shall be filed with the department, which shall
11 proceed in the same manner as in the case of an application
12 approved by local authorities.

13 2. ACTION BY LOCAL AUTHORITIES. The local authority shall
14 either approve or disapprove the issuance of a liquor control
15 license or retail beer permit, and shall endorse such approval
16 or disapproval on the application and forward same along with
17 the required fee and bond to the department. The fact that
18 the local authority determines that no liquor control license
19 or retail beer permit shall be issued shall not be held to
20 be arbitrary, capricious, or without reasonable cause. There
21 shall be no limit upon the number of liquor control licenses
22 or retail beer permits which may be approved for issuance
23 by local authorities.

24 3. ACTION BY DIRECTOR. Upon receipt of an application
25 having been disapproved by the local authority, the director
26 shall disapprove the application, so notify the applicant
27 by registered mail, and return the fee and bond to the
28 applicant. Upon receipt of an application having been approved
29 by the local authority, the director shall make such
30 investigation as he deems necessary and may require the
31 applicant to appear before him and be examined under oath
32 regarding any matters pertinent to the application, in which
33 case a record shall be made of all testimony or evidence and
34 the same shall become a part of the application. If the
35 application is approved by the director, the license or permit

1 applied for shall be issued. If the application is disapproved
2 by the director, the applicant and the appropriate local
3 authority shall be so notified by registered mail, and the
4 fee and bond returned to the applicant.

5 4. APPEAL TO HEARING BOARD. Any applicant for a liquor
6 control license or beer permit may appeal to the department
7 hearing board, established pursuant to section fifteen (15)
8 of this Act, from the director's disapproval of an application
9 for a license or permit. If, upon such appeal the hearing
10 board shall determine that the local authority acted
11 arbitrarily, capriciously, or without reasonable cause in
12 disapproving the application, or that, where the local
13 authority approved the application, the director's own
14 disapproval should be reversed, it may order issuance of a
15 license or permit. The same right of appeal to the hearing
16 board shall be afforded a liquor control licensee or beer
17 permittee whose license or permit has been suspended or revoked
18 under this Act, and the hearing board may order reinstatement
19 of such license or permit for good cause shown.

20 5. APPEAL TO COURTS. Any applicant who feels aggrieved
21 by a decision of the director or local authority disapproving,
22 suspending, or revoking issuance of a liquor control license
23 or beer permit may, provided he has exercised his right of
24 appeal to the hearing board as provided in subsection four
25 (4) of this section, appeal from said decision within ten
26 days to the district court of the county wherein the premises
27 covered by the application are situated.

28 Where the hearing board on an appeal by an applicant finds
29 that the local authority acted arbitrarily, capriciously,
30 or without reasonable cause in disapproving an application
31 and the director issues a license or permit, the local
32 authority may appeal from such decision within ten days to
33 the district court of the county wherein the premises covered
34 by the application are situated.

35 Sec. 33. RECORDS. Every holder of a liquor control license

1 shall keep a daily record of the gross receipts of his
2 business. Each bottle emptied, except beer bottles, shall
3 be broken immediately by the licensee or his agent into a
4 container provided for that purpose. The records herein
5 required and the premises of the licensee shall be open to
6 agents of the enforcement division of the department during
7 normal business hours of the licensee.

8 Sec. 34. EXPIRATION—SEASONAL LICENSE OR PERMIT. All

9 liquor control licenses and beer permits, unless sooner
10 suspended or revoked, shall expire one year from date of
11 issuance. The director shall cause sixty day's notice of
12 such expiration to be given to each licensee or permittee
13 in writing. However, the director may issue six-month or
14 eight-month seasonal licenses or class "B" beer permits for
15 a proportionate part of the license or permit fee. No refund
16 shall be made for seasonal licenses or permits. No seasonal
17 license or permit shall be renewed except after a period of
18 two months.

19 Sec. 35. SIMPLIFIED RENEWAL PROCEDURE. The director shall

20 prescribe simplified application forms for the renewal of
21 liquor control licenses and beer permits issued under the
22 provisions of this Act, which may be filed by licensees and
23 permittees in lieu of a detailed renewal application form
24 when qualifications and qualification information have not
25 changed since the original issuance of the license or permit.
26 Such simplified form shall require the licensee or permittee
27 to verify under oath that the information contained in the
28 original application remains current, and that no reason
29 exists for the department's refusal to renew the license or
30 permit as originally issued.

31 Such application, accompanied by the required fee and bond,
32 shall be filed in the same manner as is provided for filing
33 the initial application.

34 Sec. 36. FEES. The following fees shall be paid to the
35 department annually for special liquor permits and liquor

1 control licenses issued under sections twenty-nine (29) and
2 thirty (30) of this Act respectively:

3 1. Special liquor permits, the sum of five dollars.

4 2. Class "A" liquor control licenses, the sum of six
5 hundred dollars, except that for class "A" licenses in towns
6 of less than two thousand population, and for clubs of less
7 than two hundred fifty members, the license fee shall be four
8 hundred dollars; however, the fee shall be two hundred dollars
9 for any club which is a post, branch, or chapter of a veterans
10 organization chartered by the Congress of the United States,
11 if such club does not sell or permit the consumption of
12 alcoholic beverages on the premises more than one day in any
13 week, and if the application for a license states that such
14 club does not and will not sell or permit the consumption
15 of alcoholic beverages on the premises more than one day in
16 any week.

17 3. Class "B" liquor control licenses, the sum as follows:

18 a. Hotels or motels located within the corporate limits
19 of cities of ten thousand population and over, one thousand
20 three hundred dollars.

21 b. Hotels and motels located within the corporate limits
22 of cities of over three thousand and less than ten thousand
23 population, one thousand and fifty dollars.

24 c. Hotels and motels located within the corporate limits
25 of cities or towns of three thousand population and less,
26 eight hundred dollars.

27 d. Hotels and motels located outside the corporate limits
28 of any city or town, one thousand three hundred dollars.

29 4. Class "C" liquor control licenses, the sum as follows:

30 a. Commercial establishments located within the corporate
31 limits of cities of ten thousand population and over, one
32 thousand three hundred dollars.

33 b. Commercial establishments located within the corporate
34 limits of cities or towns of over fifteen hundred and less
35 than ten thousand population, nine hundred fifty dollars.

1 c. Commercial establishments located within the corporate
2 limits of towns of fifteen hundred population or less, six
3 hundred dollars.

4 d. Commercial establishments located outside the corporate
5 limits of any city or town, a sum equal to that charged in
6 the incorporated city or town located nearest the premises
7 to be licensed, and in case there is doubt as to which of
8 two or more different corporate limits are the nearest, the
9 license fee which is the larger shall prevail.

10 5. Class "D" liquor control licenses, the following sums:

11 a. For watercraft, one hundred fifty dollars.

12 b. For trains, five hundred dollars.

13 c. For air common carriers, each company shall pay a base
14 annual fee of five hundred dollars and, in addition, shall
15 quarterly remit to the department an amount equal to seven
16 dollars for each gallon of alcoholic liquor sold, given away,
17 or dispensed in or over this state during the preceding
18 calendar quarter. The class "D" license fee for air common
19 carriers shall be in lieu of any other fee or tax collected
20 from such carriers in this state for the possession and sale
21 of alcoholic liquor and beer.

22 The department shall credit all fees to the beer and liquor
23 control fund and shall remit to the appropriate local
24 authority, a sum equal to sixty-five percent of the fees
25 collected for each class "A", class "B", or Class "C" license
26 covering premises located within their respective
27 jurisdictions.

28 **Sec. 37. POWER TO LICENSE AND LEVY TAXES.** The power
29 establish licenses and permits and levy taxes as imposed in
30 Title VI of the Code is vested exclusively with the state.
31 Unless specifically provided, no local authority shall levy
32 a local tax on the sale of alcoholic beverages or beer, require
33 the obtaining of a special license or permit for such sale
34 on any establishment, or require the obtaining of a license
35 by any person as a condition precedent to his employment in

1 the sale, serving, or handling of alcoholic beverages or beer
2 within an establishment operating under a license or permit.

3 Sec. 38. NATURE OF PERMIT OR LICENSE. A special liquor
4 permit, liquor control license, or beer permit shall be a
5 purely personal privilege and be revocable for cause. It
6 shall not constitute property nor be subject to attachment
7 and execution nor be alienable nor assignable, and in any
8 case it shall cease upon the death of the permittee or
9 licensee. However, the director may in his discretion allow
10 the executor or administrator of a permittee or licensee to
11 operate the business of the decedent for a reasonable time
12 not to exceed the expiration date of the permit or license.
13 Every permit or license shall be issued in the name of the
14 applicant and no person holding a permit or license shall
15 allow any other person to use same.

16 Any such licensee or permittee, or his executor,
17 administrator, or any person duly appointed by the court to
18 take charge of and administer the property or assets of the
19 licensee or permittee for the benefit of his creditors, may
20 voluntarily surrender such license or permit to the department
21 and when so surrendered the department shall notify the local
22 authority, and the department and such local authority, or
23 the local authority by itself in the case of a class "B" beer
24 permit, shall refund to the person so surrendering the license
25 or permit a proportionate amount of the fee paid for such
26 license or permit as follows: If surrendered during the first
27 three months of the period for which said license or permit
28 was issued the refund shall be three-fourths of the amount
29 of the fee; if surrendered more than three months but not
30 more than six months after issuance the refund shall be one-
31 half of the amount of the fee; if surrendered more than six
32 months but not more than nine months after issuance the refund
33 shall be one-fourth of the amount of the fee. No refund shall
34 be made, however, for any special liquor permit, nor for a
35 liquor control license or beer permit surrendered more than

1 nine months after issuance. No refund shall be made to any
2 licensee or permittee, upon the surrender of his license or
3 permit, if there is at the time of said surrender a complaint
4 filed with the department or local authority, charging him
5 with a violation of the provisions of this Act. If upon
6 hearing on any such complaint the license or permit is not
7 revoked, then the licensee or permittee shall be eligible,
8 upon surrender of his license or permit, to receive a refund
9 as herein provided. But if his license or permit is revoked
10 upon such hearing he shall not be eligible for the refund
11 of any portion of his license or permit fee.

12 The local authority may in its discretion authorize a
13 licensee or permittee to transfer the license or permit from
14 one location to another within the same incorporated city
15 or town, or within a county outside the corporate limits of
16 a city or town, provided that the premises to which the
17 transfer is to be made would have been eligible for a license
18 or permit in the first instance and such transfer will not
19 result in the violation of any law.

20 Sec. 39. SUSPENSION OR REVOCATION OF LIQUOR LICENSE
OR

21 BEER PERMIT. Any liquor control license or beer permit issued
22 under this Act may, after notice in writing to the license
23 or permit holder and reasonable opportunity for hearing, and
24 subject to section fifty (50) of this Act where applicable,
25 be suspended for a period not to exceed sixty days or revoked
26 by the local authority or the director for any of the following
27 causes:

- 28 1. Misrepresentation of any material fact in the applica-
29 tion for such license or permit.
- 30 2. Violation of any of the provisions of this Act.
- 31 3. Any change in the ownership or interest in the business
32 operated under a class "A", class "B", or class "C" liquor
33 control license, or any beer permit which change was not
34 previously reported to and approved by the local authority
35 and the department.

1 4. An event which would have resulted in disqualification
2 from receiving such license or permit when originally issued.

3 5. Any sale, hypothecation, or transfer of such license
4 or permit.

5 6. The failure or refusal on the part of any licensee
6 or permittee to render any report or remit any taxes to the
7 department under this Act when due.

8 **Local authorities shall have the power to suspend any**
9 **retail beer permit or liquor control license for a**
10 **violation of any ordinance or regulation adopted by such**
11 **local authority. Local authorities are empowered to adopt**
12 **ordinances or regulations for the location of the premises**
13 **of retail beer and liquor control licensed establishments**
14 **and are empowered to adopt ordinances, not in conflict**
15 **with the provisions of this Act and that do not diminish the**
16 **hours during which beer or alcoholic beverages may be sold**
17 **or consumed at retail, governing any other activities or**
18 **matters which may affect the retail sale and consumption**
19 **of beer and alcoholic liquor and the health, welfare and**
20 **morals of the community involved.**

21 **Sec. 40. EFFECT OF REVOCATION.** Any liquor control license
22 or beer permittee whose license or permit is revoked under
23 this Act shall not thereafter be permitted to hold a liquor
24 control license or beer permit in the state of Iowa. The
25 spouse and business associates holding ten percent or more
26 of the capital stock or ownership interest in the business
27 of a person whose license or permit has been revoked shall
28 not be issued a liquor control license or beer permit, and
29 no liquor control license or beer permit shall be issued which
30 covers any business in which such person has a financial
31 interest. In the event a license or permit is revoked the
32 premises which had been covered by such license or permit
33 shall not be relicensed for one year.

34 **Sec. 41. MANUFACTURER'S LICENSE.** Upon application in
35 the prescribed form and accompanied by a fee of **three hundred**

36 fifty dollars, the director may in accordance with this Act
37 grant and issue a license, valid for a one-year period after
38 date of issuance, to a manufacturer which shall allow the
39 manufacture, storage, and wholesale disposition and sale of
40 alcoholic liquors to the department and to customers outside
41 of the state.

42 Sec. 42. WHOLESALER'S LICENSE. Upon application in the
43 prescribed form and accompanied by a fee of **two hundred**
44 **fifty** dollars
45 and subject to the provisions of this Act, the director may
46 grant a license, valid for a one-year period after date of
47 issuance, to a wholesaler which shall allow the wholesaler
48 to purchase alcoholic liquor from manufacturers either within
49 or without the state for the purpose of selling to the

1 department and customers of such wholesaler engaged in the
2 sale of alcoholic liquor at retail outside of the state.

3 Sec. 43. CONDITIONS—BOND. As a condition precedent to
4 the approval and granting of any license to a manufacturer
5 or wholesaler, there shall be filed with the department a
6 statement under oath that the applicant is a bona fide
7 manufacturer or wholesaler of alcoholic liquors, and that
8 the applicant will faithfully observe and comply with all
9 rules and regulations of the department and that he will in
10 all respects comply with the provisions of this Act, together
11 with a bond in the penal sum of five thousand dollars for
12 a manufacturer and one thousand dollars for a wholesaler with
13 a surety to be approved by the director; said bond to be in
14 favor of the state of Iowa for the benefit of the state in
15 case of any violation of this Act.

16 Sec. 44. GIFT OF LIQUORS PROHIBITED. No manufacturer
17 or wholesaler shall give away any alcoholic liquor of any
18 kind or description at any time in connection with his business
19 except for testing or sampling purposes only.

20 Sec. 45. INTEREST IN LIQUOR BUSINESS. No council member
21 or department employee shall, directly or indirectly,
22 individually, or as a member of a partnership or shareholder
23 in a corporation, have any interest in dealing in or in the
24 manufacture of alcoholic liquor or beer nor receive any kind
25 of profit nor have any interest in the purchase or sale of
26 alcoholic liquor or beer by persons so authorized under this
27 Act except that this provision shall not prevent any such
28 member or employee from lawfully purchasing and keeping
29 alcoholic liquor or beer in his possession for personal use.

30 No person engaged in the business of manufacturing,
31 bottling, or wholesaling alcoholic beverages or beer, nor
32 any jobber or agent of such person, shall directly or
33 indirectly supply, furnish, give, or pay for any furnishings,
34 fixtures, or equipment used in the storage, handling, serving,
35 or dispensing of alcoholic beverages, beer, or food within

1 the place of business of a licensee or permittee authorized
2 under the provisions of this Act to sell at retail; nor shall
3 he directly or indirectly extend any credit for alcoholic
4 beverages or beer or pay for any such license or permit, nor
5 directly or indirectly be interested in the ownership, conduct,
6 or operation of the business of another licensee or permittee
7 authorized under the provisions of this Act to sell at retail.
8 Any licensee or permittee who shall permit or assent or be
9 a party in any way to any such violation or infringement of
10 the provisions of this Act shall be deemed guilty of a
11 violation of the provisions of this Act.

12 Sec. 46. CONSUMPTION IN PUBLIC PLACES—INTOXICA-
TION.

13 It is unlawful for any person to use or consume alcoholic
14 liquors or beer upon the public streets or highways, or
15 alcoholic liquors in any public place, except premises covered
16 by a liquor control license, and no person shall be intoxicated
17 nor simulate intoxication in a public place. Any person
18 violating any provisions of this section shall be fined not
19 to exceed one hundred dollars or sentenced not to exceed
20 thirty days in the county jail.

21 Sec. 47. PERSONS UNDER LEGAL AGE. Except in the case
22 of liquor or beer given or dispensed to a person under legal
23 age within a private home and with the knowledge and consent
24 of the parent or guardian for beverage or medicinal purposes
25 or as administered to him by either a physician or dentist
26 for medicinal purposes, and except to the extent that a person
27 under legal age may handle alcoholic beverages and beer during
28 the regular course of his employment by a liquor control
29 licensee or beer permittee under this Act, no person shall
30 sell, give, or otherwise supply alcoholic liquor or beer to
31 any person **knowing or having reasonable cause to**
32 **believe him to be**
33 under legal age, and no person or persons
34 under legal age shall individually or jointly have alcoholic
35 liquor or beer in his or their possession or control.

36 Sec. 48. EVIDENCE OF LEGAL AGE DEMANDED.

37 1. Upon attempt to purchase alcoholic liquor in any state

1 liquor store by any person who appears to the vendor to be
2 under legal age, such vendor shall demand and the prospective
3 purchaser upon such demand shall display satisfactory evidence
4 that he is of legal age.

5 2. Any person under legal age who presents to any vendor
6 falsified evidence of age as provided in subsection one (1)
7 of this section
8 shall be guilty of a misdemeanor and upon conviction shall
9 be punished by a fine not to exceed one hundred dollars or
10 by imprisonment in the county jail for not more than thirty days.

11 Sec. 49. MISCELLANEOUS PROHIBITIONS.

12 1. No person shall sell, dispense, or give to any in-
13 toxicated person, or one simulating intoxication, any alco-
14 holic liquor or beer.

15 2. No person or club holding a liquor control license
16 or retail beer permit under this Act, nor his agents or
17 employees, shall do any of the following:

18 a. Knowingly permit any gaming, gambling, solicitation
19 for immoral purposes, or immoral or disorderly conduct on
20 the premises covered by the license or permit.

21 b. Sell or dispense any alcoholic beverage or beer on
22 the premises covered by the license or permit, or permit the
23 consumption thereon between the hours of two a.m. and six
24 a.m. on any weekday, and between the hours of one a.m. on
25 Sunday and six a.m. on the following Monday.

26 c. Sell alcoholic beverages or beer to any person on
27 credit, except with a bona fide credit card. This provision
28 shall not apply to sales by a club to its members nor to sales
29 by a hotel or motel to bona fide registered guests.

30 d. Keep on any premises covered by a liquor control license
31 any alcoholic liquor in any container except the original
32 package purchased from the department, except still wines
33 placed in dispensing or serving containers for temporary
34 storage, and except mixed drinks or cocktails mixed on the

1 premises for immediate consumption. This prohibition shall
2 not apply to common carriers holding a class "D" liquor con-
3 trol license.

4 e. Reuse for packaging alcoholic liquor any container
5 or receptacle used originally for packaging alcoholic liquor;
6 or adulterate, by the addition of any substance, the contents
7 or remaining contents of an original package of alcoholic
8 liquor; or knowingly possess any original package which has
9 been so reused or adulterated.

10 f. Employ any person under legal age in the handling of
11 alcoholic liquor or beer on the premises where such liquor
12 or beer is sold unless the business of selling food constitutes
13 more than fifty percent of the gross business transacted
14 therein and then only for the purpose of serving or clearing
15 alcoholic beverages or beer from tables as an incident to
16 a meal. This paragraph shall not apply to class C permit
17 holders.

18 g. Allow any person other than the licensee, permittee,
19 or employees of such licensee or permittee, to use or keep
20 on the licensed premises any alcoholic liquor in any bottle
21 or other container which is designed for the transporting
22 of such beverages, except as permitted in section ninety-four
23 (94) of this Act. This paragraph shall not apply to the
24 lodging quarters of a class "B" liquor control licensee or
25 beer permittee, or to common carriers holding a class "D"
26 liquor control license.

27 h. Sell, give, or otherwise supply any alco-
28 holic beverage or beer to any person knowing or having
29 reasonable cause to believe him to be under legal age, or
30 permit any person, knowing or having reasonable
31 cause to believe him to be under legal age, to consume any
32 alcoholic beverage or beer.

33 i. In the case of a retail beer permittee, knowingly allow
34 the mixing or adding of alcohol or any alcoholic beverage
35 to beer or any other beverage in or about his place of

36 business.

37 3. No person under legal age shall misrepresent his or
38 her age for the purpose of purchasing or attempting to pur-

1 chase any alcoholic beverage or beer from any licensee or
2 permittee. If any person under legal age shall misrepresent
3 his or her age, and the licensee or permittee establishes
4 that he made reasonable inquiry to determine whether such
5 prospective purchaser was over legal age, such licensee or
6 permittee shall not be guilty of selling alcoholic liquor
7 or beer to minors.

8 Sec. 50. PENALTIES.

9 1. Any person who violates any of the provisions of section
10 forty-nine (49) of this Act shall be subject to a fine of
11 not to exceed one hundred dollars or to imprisonment for not
12 more than thirty days in the county jail or to both such fine
13 and imprisonment.

14 2. The conviction of any liquor control licensee or beer
15 permittee for a violation of any of the provisions of section
16 forty-nine (49) of this Act
17 shall, subject to subsection
18 three (3) of this section, be grounds for the
19 suspension or revocation of the license or permit by the
20 department or the local authority. However, if any liquor
21 control licensee is convicted of any violation of subsection
22 two (2), paragraphs "a", "d" or "e", of such section, or any
23 beer permittee is convicted of a violation of paragraph "a",
24 the liquor control license or beer permit shall be revoked
25 and shall immediately be surrendered by the holder, and the
26 bond of the license or permit holder shall be forfeited to
27 the department.

28 3. If any licensee, beer permittee, or employee of such
29 licensee or permittee shall be convicted of a violation of
30 section forty-nine (49), subsection two (2), paragraph
31 "h" of this Act, or a retail beer permittee shall be
32 convicted of a violation of paragraph "i" of such
33 subsection, the director or local authority shall,
34 in addition to the other penalties fixed for such violations
35 by this section, assess a penalty as follows:

36 a. Upon a first conviction, the violator's liquor control
37 license or beer permit shall be suspended for a period of
38 fourteen days.

1 b. Upon a second conviction within a period of two years,
2 the violator's liquor control license or beer permit shall
3 be suspended for a period of thirty days.

4 c. Upon a third conviction within a period of five years,
5 the violator's liquor control license or beer permit shall
6 be suspended for a period of sixty days.

7 d. Upon a fourth conviction within a period of five years,
8 the violator's liquor control license or beer permit shall
9 be revoked.

10 Sec. 51. ADVERTISEMENT FOR ALCOHOLIC LIQUOR OR
BEER.

11 1. Except as permitted by federal statutes and regulations,
12 there shall be no public advertisement or advertising of
13 alcoholic liquors in any manner or form within the state.

14 2. No person shall publish, exhibit, or display or permit
15 to be displayed any other advertisement or form of advertise-
16 ment, or announcement, publication, or list of, or con-
17 cerning any alcoholic liquors, or where, or from whom the
18 same may be purchased or obtained, unless permitted so to
19 do by the regulations adopted by the department and then only
20 in strict accordance with such regulations. This subsection
21 shall not apply, however:

22 a. To the department.

23 b. To the correspondence, or telegrams, or general com-
24 munications of the department, or its agents, servants, and
25 employees.

26 c. To the receipt or transmission of a telegram or tele-
27 graphic copy in the ordinary course of the business of agents,
28 servants, or employees of any telegraph company.

29 3. No signs or other matter advertising any brand of beer
30 shall be erected or placed upon the outside of any premises
31 occupied by a licensee or permittee authorized to sell beer
32 at retail. All such signs shall be
33 removed by the owner of same by July 1, 1974.

34 4. Violation of this section shall be a misdemeanor
35 punishable by a fine not exceeding one hundred dollars or

1 imprisonment in the county jail not exceeding thirty days.

2 Sec. 52. PROHIBITED SALE. No person not expressly autho-
3 rized by this Act to deal in alcoholic liquors shall within
4 the state keep for sale or offer for sale anything which is
5 capable of being mistaken for a package containing alcoholic
6 liquor and is either labeled or branded with the name of any
7 kind of alcoholic liquor, whether the same contains any
8 alcoholic liquor or not.

9 Sec. 53. LIQUOR CONTROL FUND.

10 1. There shall be established within the office of the
11 treasurer of state a fund to be known as the beer and liquor
12 control fund. The fund shall consist of any moneys appro-
13 priated by the general assembly for deposit in the fund and
14 moneys received from the sale of alcoholic liquors, from the
15 issuance of permits and licenses, and of moneys and receipts
16 received by the department from any other source.

17 2. The state comptroller shall periodically transfer from
18 the beer and liquor control fund to the general fund of the
19 state those revenues of the department which are not neces-
20 sary for the purchase of liquor for resale by the department,
21 or for remittances to local authorities or other sources as
22 required by this Act, or for other obligations and expenses
23 of the department which are paid from such fund.

24 3. The treasurer of state shall semiannually distribute
25 a sum of money equal to ten percent of the gross sales made
26 by the state liquor stores to the cities and towns of the
27 state. Such amount shall be distributed to the cities and
28 towns of the state in proportion to the population that each
29 incorporated city or town bears to the total population of
30 all incorporated cities and towns of the state as computed
31 by the latest federal census. A city or town may have one
32 special federal census taken each decade, and the population
33 figure thus obtained shall be used in apportioning amounts
34 under this subsection beginning the calendar year following
35 the year in which the special census is certified by the

1 secretary of state. Such apportionment shall be made
2 semiannually as of July first and January first of each year.
3 Warrants for the same shall be issued by the state comptroller
4 upon certification of the treasurer of state and mailed to
5 the city clerk of each incorporated city and town of the state
6 and shall be made payable to such incorporated city or town
7 and shall be subject to expenditure under the direction of
8 the city council or other governing bodies of such incorporated
9 city or town for any lawful municipal purpose. It shall be
10 a lawful municipal purpose for cities and towns to allocate
11 a portion of the above funds for the purpose of financing
12 the activities of a city or town commission or committee on
13 alcoholism, such commission or committee to be appointed by
14 the mayor or by the council or both. The commission or
15 committee may use any funds so allocated for the treatment,
16 rehabilitation, and education of alcoholics in Iowa.

17 4. In any case where a city or town has been incorporated
18 since the last federal census, the mayor and council shall
19 certify to the treasurer of state the actual population of
20 such incorporated city or town as of date of incorporation
21 and its apportionment of funds under this section shall be
22 based upon such certification until the next federal census
23 enumeration. Any community which has dissolved its corporation
24 shall not receive any apportionment of funds under this section
25 for any period after said corporation has been dissolved.

26 5. In any case where a city or town has annexed any ter-
27 ritory since the last available federal census or special
28 federal census, the mayor and council shall certify to the
29 treasurer of state the actual population of such annexed ter-
30 ritory as determined by the last certified federal census
31 of said territory and the apportionment of funds under this
32 section shall be based upon the population of said city or
33 town as modified by the certification of the population of
34 the annexed territory until the next federal or special federal
35 census enumeration.

1 6. In any case where two or more cities or towns have
2 consolidated, the apportionment of funds under this section
3 shall be based upon the population of the city or town
4 resulting from said consolidation and shall be determined
5 by combining the population of all cities and towns involved
6 in the consolidation as determined by the last available
7 federal census or special federal census enumeration for said
8 consolidating city or town.

9 7. The treasurer of state shall credit to the military
10 service tax fund described in chapter four hundred twenty-
11 six A (426A) of the Code, a sum of money equal to five percent
12 of the gross amount of sales made by the state liquor stores
13 in the cities and towns of the state. Any amount thus credited
14 shall be allocated to the various taxing districts of the
15 state as reimbursement for losses of revenue due to exemption
16 or remission of property taxes which would be imposed upon
17 property upon which soldiers' exemptions or soldiers' tax
18 credits are provided under such terms as the general assembly
19 may provide.

20 Sec. 54. DRAWING APPROPRIATION. Department appropria-
21 tions shall be paid by the treasurer of state upon the orders
22 of the director, in such amounts and at such times as the
23 director deems necessary to carry on operations in accordance
24 with the terms of this Act.

25 Sec. 55. ANNUAL REPORT. The council shall cause to be
26 prepared an annual report to the governor of the state, end-
27 ing with June 30 of each year, showing fully the results of
28 the operations of the department covering the period since
29 the last previous report. Such report shall show:

30 1. Amount of profit or loss from state liquor store opera-
31 tions.

32 2. Number of state liquor stores opened, the number closed,
33 and the number operating on last day included in report.

34 3. Amount of fees received from such stores, separately
35 and in gross.

1 The current balance of the beer and liquor control
2 fund, and the amount transferred from such fund to the
3 treasurer of state during the period covered by the report.

4 5. All other funds on hand and the source from which
5 derived.

6 6. The total quantity and particular kind of alcoholic
7 liquor sold.

8 7. The increase or decrease of liquor sales from the
9 previous reporting period.

10 8. The number of liquor control licenses and beer permits
11 issued, by class, the number in effect on the last day in-
12 cluded in the report, and the number which have been suspended
13 or revoked during the period covered by the report.

14 9. Amount of fees paid to the department from liquor con-
15 trol licenses and beer permits, in gross, and the amount of
16 liquor control license fees returned to local subdivisions
17 of government as provided under this Act.

18 Sec. 56. NATIVE WINES. Notwithstanding any other provi-
19 sion of this Act, but subject to rules and regulations of
20 the department, manufacturers of native wines from grapes,
21 cherries, other fruit juices, or honey may sell, keep, or
22 offer for sale and deliver the same in such quantities as
23 may be permitted by the director for consumption off the
24 premises.

25 A manufacturer of native wines shall not sell such wines
26 otherwise than as permitted by this section or allow any wine
27 so sold, or any part thereof, to be drunk upon the premises
28 of such manufacturer. Any person may manufacture native wine
29 for consumption on his own premises.

30 For the purposes of this section "manufacturer" includes
31 only those persons who process the fruit or honey, ferment,
32 and bottle native wines in Iowa.

33 Sec. 57. EXAMINATION OF ACCOUNTS. The financial condi-
34 and transactions of all offices, departments, stores, tion
35 warehouses, and deposits of the department shall be examined

1 at least once each year by the state auditor and at shorter
2 periods if requested by the director, governor, or executive
3 council.

4 Sec. 58. AUDITING. All provisions of sections eleven
5 point six (11.6), eleven point seven (11.7), eleven point
6 ten (11.10), eleven point eleven (11.11), eleven point fourteen
7 (11.14), eleven point eighteen (11.18), eleven point twenty-
8 one (11.21), and eleven point twenty-three (11.23) of the
9 Code, relating to auditing of financial records of governmental
10 subdivisions which are not inconsistent herewith are hereby
11 made applicable to the department and its offices, stores,
12 warehouses, and depots.

13 Sec. 59. BOOTLEGGING. Any person who, by himself, or
14 through another acting for him, shall keep or carry on his
15 person, or in a vehicle, or leave in a place for another to
16 secure, any alcoholic liquor or beer with intent to sell or
17 dispense of such liquor or beer by gift or otherwise in
18 violation of law, or who shall, within this state, in any
19 manner, directly or indirectly, solicit, take, or accept any
20 order for the purchase, sale, shipment, or delivery of such
21 alcoholic liquor or beer in violation of law, or aid in the
22 delivery and distribution of any alcoholic liquor or beer
23 so ordered or shipped, or who shall in any manner procure
24 for, sell, or give any alcoholic liquor or beer to any person
25 under legal age, for any purpose except as authorized and
26 permitted in this Act, shall be a bootlegger and be subject
27 to the general penalties provided by this Act.

28 Sec. 60. NUISANCES. The premises where the unlawful
29 manufacture or sale, or keeping with intent to sell, use,
30 or give away, of alcoholic liquors or beer is carried on,
31 and any vehicle or other means of conveyance used in
32 transporting such liquor or beer in violation of law, and
33 the furniture, fixtures, vessels and contents, kept or used
34 in connection with such activities are nuisances and shall
35 be abated as provided in this Act.

1 Sec. 61. PENALTY. Any person who erects, establishes,
2 or uses any premises for any of the purposes prohibited in
3 section sixty (60) of this Act, is guilty of nuisance and
4 shall be subject to the general penalties provided by this
5 Act.

6 Sec. 62. INJUNCTION. Actions to enjoin nuisances shall
7 be brought in equity in the name of the state by the county
8 attorney who shall prosecute the same to judgment.

9 Sec. 63. TEMPORARY WRIT. In such action, the court shall,
10 upon the presentation of a petition therefor, allow a tempo-
11 rary writ of injunction without bond, if it shall be made
12 to appear to the satisfaction of the court by evidence in
13 the form of affidavits, depositions, oral testimony or
14 otherwise, that the nuisance complained of exists.

15 Sec. 64. NOTICE. Three days' notice in writing shall
16 be given the defendant of the hearing of the application,
17 and if then continued at his instance the writ as prayed shall
18 be granted as a matter of course.

19 Sec. 65. SCOPE OF INJUNCTION. When an injunction has
20 been granted, it shall be binding upon the defendant through-
21 out the state and any violation of the provisions of this
22 Act anywhere within the state shall be punished as a contempt
23 as herein provided.

24 Sec. 66. TRIAL OF ACTION. Any action brought hereunder
25 shall be accorded priority over other business pending before
26 the district court.

27 Sec. 67. GENERAL REPUTATION. In all actions to enjoin
28 a nuisance or to establish a violation of the injunction,
29 evidence of the general reputation of the premises described
30 in the petition or information shall be admissible for the
31 purpose of proving the existence of the nuisance or the viola-
32 tion of the injunction.

33 Sec. 68. CONTEMPT. In the case of a violation of any
34 injunction granted under the provisions of this Act, the court
35 may summarily try and punish the defendant pursuant to the

1 general penalties provided by this Act. The proceedings shall
2 be commenced by filing with the clerk of the court an
3 information under oath setting out the alleged facts
4 constituting such violation, upon which the court shall cause
5 a warrant to issue under which the defendant shall be arrested.

6 Sec. 69. TRIAL OF CONTEMPT ACTION. The trial shall be
7 as in equity and may be had upon depositions, or either party
8 may demand the production and oral examination of the
9 witnesses.

10 Sec. 70. INJUNCTION AGAINST BOOTLEGGER. A bootlegger
11 as defined in this Act may be restrained by injunction from
12 doing or continuing to do any of the acts prohibited herein,
13 and all the proceedings for injunctions, temporary and
14 permanent, and for punishments for violation of the same as
15 prescribed herein, shall be applicable to such person, and
16 the fact that an offender has no known or permanent place
17 of business, or base of supplies, or quits the business after
18 the commencement of an action, shall not prevent a temporary
19 or permanent injunction, as the case may be, from issuing.

20 Sec. 71. CONDITIONS. In no case shall a bootlegger
21 injunction proceeding, as provided in this Act, be maintained
22 unless it be shown to the court that efforts in good faith
23 have been made to discover the base of supplies or place where
24 the defendant charged as a bootlegger conducts his unlaw-
25 ful business or receives or manufactures the alcoholic liquor
26 or beer, of which he is charged with bootlegging.

27 Sec. 72. ORDER OF ABATEMENT. If the existence of a
28 nuisance is established in a civil or criminal action, an
29 order of abatement shall be entered as a part of the judgment
30 in the case. Such order shall direct the confiscation of
31 all alcoholic liquor or beer by the state; the removal from
32 the premises involved of all fixtures, furniture, vessels,
33 or movable property used in any way in conducting the unlawful
34 business; the sale of all such removed property as well as
35 any vehicle or other means of conveyance which has been abated,

1 such sale to be conducted in the manner provided for the sale
2 of chattels under execution; and the effective closing of
3 the premises against use for the purpose of manufacture, sale,
4 or consumption of alcoholic liquor or beer for a period of
5 one year, unless sooner released by the court.

6 Sec. 73. USE OF ABATED PREMISES. If any person uses a
7 premises closed pursuant to an abatement order in violation
8 of such order he shall be punished for contempt as provided
9 in this Act.

10 Sec. 74. FEES. For removing and selling the movable
11 property, the officer shall be entitled to charge and receive
12 the same fees as he would for levying upon and selling like
13 property on execution; and for closing the premises and keep-
14 ing them closed a reasonable sum shall be allowed by the
15 court.

16 Sec. 75. PROCEEDS OF SALE. The proceeds of the sale of
17 personal property in abatement proceedings shall be applied
18 first in payment of the costs of the action and abatement,
19 and second to the satisfaction of any fine and costs adjudged
20 against the proprietor of the premises and keeper of said
21 nuisance, and the balance, if any, shall be paid to the
22 defendant.

23 Sec. 76. ABATEMENT OF NUISANCE. If the owner of the
24 abated premises appears and pays all costs of the proceeding
25 and files a bond with sureties to be approved by the clerk
26 in the full value of the property, to be ascertained by the
27 court, conditioned that he will immediately abate the nuisance
28 and prevent the same from being established or kept on such
29 premises within a period of one year thereafter, the court
30 may order such premises to be delivered to the owner and
31 cancel the order of abatement so far as it may relate to the
32 property.

33 Sec. 77. ABATEMENT BEFORE JUDGMENT. If the action is
34 in equity and the owner of the premises pays the costs of
35 the action and files the bond prior to the entry of judgment

1 and the abatement order, such action shall be abated as to
2 the premises only.

3 Sec. 78. EXISTING LIENS. The release of the property
4 under the provisions of either section seventy-six (76) or
5 seventy-seven (77) of this Act shall not release it from any
6 judgment lien, penalty, or liability, to which it may be
7 subject by law.

8 Sec. 79. ABATEMENT BOND A LIEN. Undertakings of bonds
9 for abatement shall immediately after filing by the clerk
10 of the district court be docketed and entered upon the lien
11 index as required for judgments in civil cases, and from the
12 time of such entries shall be liens upon real estate of the
13 persons executing the same, with like effect as judgments
14 in civil actions.

15 Sec. 80. ATTESTED COPIES FILED. Attested copies of such
16 undertakings may be filed in the office of the clerk of the
17 district court of the county in which the real estate is
18 situated in the same manner and with like effect as attested
19 copies of judgments, and shall be immediately docketed and
20 indexed in the same manner.

21 Sec. 81. FORFEITURE OF BOND. If the owner of a property
22 who has filed an abatement bond as provided in this Act fails
23 to abate the liquor or beer nuisance on the premises covered
24 by the bond, or fails to prevent the maintenance of any liquor
25 or beer nuisance on said premises at any time within a period
26 of one year after entry of the abatement order, the court
27 shall, after a hearing in which such fact is established,
28 direct an entry of such violation of the terms of the owner's
29 bond, to be made on the record and the undertaking of his
30 bond thereupon forfeited.

31 Sec. 82. PROCEDURE. A proceeding to forfeit an abatement
32 bond shall be commenced by filing with the clerk of the court,
33 by the county attorney of the county where the bond is filed,
34 an application under oath to forfeit such bond, setting out
35 the alleged facts constituting the violation of the terms

1 of the bond, upon which the court shall direct by order
2 attached to such application that a notice be issued by the
3 clerk of the district court directed to the principal and
4 sureties on the bond to appear at a certain date fixed to
5 show cause why such bond should not be forfeited and judgment
6 entered for the penalty fixed therein.

7 Sec. 83. METHOD OF TRIAL. The trial shall be to the court
8 and as in equity, and be governed by the same rules of evidence
9 as contempt proceedings.

10 Sec. 84. JUDGMENT. If the court after hearing finds a
11 liquor or beer nuisance has been maintained on the premises
12 covered by the abatement bond and that liquor or beer has
13 been sold or kept for sale on the premises contrary to law
14 within one year from the date of the giving of such bond,
15 then the court shall order the forfeiture of the bond and
16 enter judgment for the full amount of such bond against the
17 principal and sureties thereof, and the lien on the real
18 estate created pursuant to section seventy-nine (79) of this
19 Act shall be decreed foreclosed and the court shall provide
20 for a special and general execution for the enforcement of
21 such decree and judgment.

22 Sec. 85. APPEAL. Appeal may be taken as in equity cases
23 and the cause be triable de novo except that if the state
24 appeals it need not file an appeal or supersedeas bond.

25 Sec. 86. COUNTY ATTORNEY TO PROSECUTE. It shall be the
26 duty of the county attorney to prosecute in the name of the
27 state all forfeitures of abatement bonds and the foreclosures
28 of same.

29 Sec. 87. PROMPT SERVICE. It shall be a misdemeanor for
30 any peace officer to delay service of original notices, writs
31 of injunction, writs of abatement, or warrants for contempt
32 in any equity case filed for injunction or abatement by the
33 state.

34 Sec. 88. EVIDENCE. On the issue whether a party knew
35 or ought to have known of such nuisance, evidence of the

1 general reputation of the place shall be admissible.

2 Sec. 89. COUNTS. Informations or indictments under this
3 Act may allege any number of violations of its provisions
4 by the same party, but the several charges must be set out
5 in separate counts, and the accused may be convicted and
6 punished upon each one as on separate informations or
7 indictments, and a separate judgment shall be rendered on
8 each count under which there is a finding of guilty.

9 Sec. 90. PENALTIES GENERALLY. Unless other penalties
10 are herein provided, any person, **except a person under**
11 **legal age**, who violates any of the
12 provisions of this Act, or who makes a false statement
13 concerning any material fact in submitting an application
14 for a permit or license, shall be punished by a fine of not
15 more than one thousand
16 dollars, or by imprisonment in the county jail for not
17 more than one year, or by both such fine
18 and imprisonment. **Any person under legal age who violates**
19 **any of the provisions of this Act shall upon conviction be**
20 **punished by a fine not to exceed one thousand dollars or by**
21 **imprisonment in the county jail not to exceed thirty days.**

22 Sec. 91. SECOND AND SUBSEQUENT CONVICTION. Any
23 person
24 who has been convicted, in a criminal action, in any court
25 of record, of a violation of any of the following:

- 26 1. Any provisions of this Act.
- 27 2. Any provision of the prior laws of this state relating
28 to intoxicating liquors or beer which were in force prior
29 to the enactment of this Act.
- 30 3. Any provision of the laws of the United States or of
31 any other state relating to intoxicating liquors or beer,
32 and who is thereafter convicted of a subsequent criminal
33 offense against any provision of this Act shall be punished
34 as follows:
 - 35 a. For his second conviction, by a fine of not less than
five hundred dollars nor more than one thousand dollars, and

36 by imprisonment in the county jail or the state penitentiary
37 for not less than six months nor more than one year.
38 b. For his third and each subsequent conviction, by a
39 fine of not less than one thousand dollars nor more than three

1 thousand dollars and imprisonment in the state penitentiary
2 for not more than three years.

3 Sec. 92. DUTY OF ENFORCEMENT DIVISION AND LOCAL
LAW

4 ENFORCEMENT AUTHORITIES. In every county the enforcement
5 division shall constitute the primary beer and liquor law
6 enforcement authority for the department. The department
7 of public safety, county attorney, the sheriff and his
8 deputies, and the police department of every city, including
9 the day and night marshal of any incorporated town, shall
10 be supplementary aids to such enforcement division.

11 Any neglect, misfeasance, or malfeasance shown by any peace
12 officer included in this section shall be sufficient cause
13 for his removal as provided by law.

14 Nothing in this section shall be construed to affect the
15 duties or responsibilities of any county attorney or peace
16 officer with respect to law enforcement.

17 Sec. 93. CIVIL LIABILITY APPLICABLE TO SALE OR GIFT
OF
18 ALCOHOLIC LIQUOR OR BEER BY LICENSEES AND PERMIT-
TEES. Any

19 person, or the wife, child, parent, guardian, employer, or
20 other dependent of such person, who is injured in person or
21 property or means of support by any intoxicated person or
22 resulting from the intoxication of any such person shall,
23 in addition to any right of action he may have against such
24 intoxicated person, have a right action for damages,
25 severally or jointly, against any liquor control licensee
26 or class "B" beer permittee who sells or gives any alcoholic
27 liquor or beer to any such person while he is intoxicated,
28 or serves any such person to a point where such person is
29 intoxicated. Such action shall be for damages actually
30 sustained by one person up to the amount of fifty thousand
31 dollars, or by more than one person in the aggregate amount
32 of one hundred thousand dollars, for any one incident,
33 regardless of the number of defendants joined in the action.
34 The right to recovery conferred by this section shall not
35 extend to an intoxicated person injured as a result of such

1 intoxication, but shall extend to the wife, child, parent,
2 guardian, employer, or other dependent of such intoxicated
3 person.

4 The injured person shall give written notice to the
5 licensee or permittee by certified mail, return receipt
6 requested, indicating time, place and occurrence, within
7 six months of the occurrence of the injury of his
8 intention to bring an action under this section. Actions
9 under this section shall be filed within two years from
10 the date of the occurrence of the injury complained of.

11 Every liquor control licensee and class "B" beer permittee
12 shall furnish proof of financial responsibility to the
13 director, either by obtaining a liability insurance policy
14 or by posting bond in an amount and conditioned as required
15 by the director.

16 Sec. 94. PREMISES MUST BE LICENSED—EXCEPTION AS TO
17 CONVENTIONS AND SOCIAL GATHERINGS. It is unlawful for any
18 person to allow the dispensing or consumption of intoxicating
19 liquor, except sacramental wines and beer, in any establish-
20 ment unless such establishment is licensed under this Act.

21 However, bona fide conventions or meetings may bring their
22 own legal
23 liquor onto the licensed premises if the liquor is served
24 to delegates or guests without cost. All other provisions
25 of this Act shall be applicable to such premises. The
26 provisions of this section shall have no application to private
27 social gatherings of friends or relatives in a private home
28 or a private place which is not of a commercial nature nor
29 where goods or services may be purchased or sold nor any
30 charge or rent or other thing of value is exchanged for the
31 use of such premises for any purpose other than for sleeping
32 quarters.

33 Sec. 95. TAX ON BEVERAGES SOLD FOR CONSUMPTION ON
THE

1 PREMISES.

2 1. There is imposed on every person licensed to sell
3 alcoholic beverages for consumption on the premises where
4 sold, a special tax equivalent to fifteen percent of the price
5 established by the department on all alcoholic beverages for
6 general sale to the public. Such tax shall be paid by all
7 licensees at the point of purchase from the state on all
8 alcoholic beverages intended or used for resale for consumption
9 on the premises of retail establishments. Such tax shall
10 be in lieu of any other sales tax applied at the state store
11 and shall be shown as a separate item on special sales slips
12 provided by the department for purchases by licensees.

13 2. Except as allowed under section ninety-four (94) of
14 this Act no licensee shall knowingly keep on the licensed
15 premises nor use for resale purposes any alcoholic liquor
16 on which the special tax has not been paid to the state.
17 The conviction of a violation of this section shall cause
18 the license held to automatically be revoked and the license
19 shall immediately be surrendered by the holder, and the bond
20 of the license holder shall be forfeited to the department.

21 3. Each bottle of alcoholic liquor purchased by a licensee
22 shall bear an identification marker applied at the place of
23 purchase.

24 Sec. 96. COVERED INTO GENERAL FUND. All revenues,
25 the portion of license fees remitted to the local authorities,
26 arising under the operation of the provisions of this Act
27 shall become part of the state general fund. except

28 Sec. 97. LABELING SHIPMENTS. It shall be unlawful for
29 any common carrier or for any person to transport or convey
30 by any means, whether for compensation or not, within this
31 state, any intoxicating liquors, unless the vessel or other
32 package containing such liquors shall be plainly and correctly
33 identified, showing the quantity and kind of liquors contained
34 therein, the name of the party to whom they are to be
35 delivered, and the name of the shipper, or unless such informa-

1 tion is shown on a bill of lading or other document accompany-
2 ing the shipment. No person shall be authorized to receive
3 or keep such liquors unless the same be marked or labeled
4 as required by this section. The violation of any provision
5 of this section by any common carrier, or any agent or employee
6 of any carrier, or by any person, shall be punished under
7 the provisions of this Act.

8 Liquors conveyed, carried, transported, or delivered in
9 violation of this section, whether in the hands of the carrier
10 or someone to whom they shall have been delivered, shall be
11 subject to seizure and condemnation, as liquors kept for
12 illegal sale.

13 Sec. 98. FALSE STATEMENTS. If any person, for the purpose
14 of procuring the shipment, transportation, or conveyance of
15 any intoxicating liquors within this state, shall make to
16 any person, company, corporation, or common carrier, or to
17 any agent thereof, any false statements as to the character
18 or contents of any box, barrel, or other vessel or package
19 containing such liquors; or shall refuse to give correct and
20 truthful information as to the contents of any such box,
21 barrel, or other vessel or package so sought to be transported
22 or conveyed; or shall falsely mark, brand, or label such box,
23 barrel, or other vessel or package in order to conceal the
24 fact that the same contains intoxicating liquors; or shall
25 by any device or concealment procure or attempt to procure
26 the conveyance or transportation of such liquors as herein
27 prohibited, he shall be fined for each offense one hundred
28 dollars and costs of prosecution, and be committed to the
29 county jail until such fine and costs are paid.

30 Sec. 99. PACKAGES IN TRANSIT. Any peace officer of the
31 county under process or warrant to him directed shall have
32 the right to open any box, barrel, or other vessel or package
33 for examination, if he has reasonable ground for believing
34 that it contains intoxicating liquors, either before or while
35 the same is being so transported or conveyed.

1 **Sec. 100. RECORD OF SHIPMENTS.** It shall be the duty of
2 all common carriers, or corporations, or persons who shall
3 for hire carry any intoxicating liquors into the state, or
4 from one point to another within the state, for the purpose
5 of delivery, and who shall deliver such intoxicating liquor
6 to any person, company, or corporation, to keep, at each
7 station or office where it employs an agent or other person
8 to make delivery of freight and keep records relative thereto,
9 a record book, wherein such carrier shall, promptly upon
10 receipt and prior to delivery, enter in ink, in legible
11 writing, in full, the name of the consignor of each shipment
12 of intoxicating liquor to be delivered from or through such
13 station, from where shipped, the date of arrival, the quantity
14 and kind of liquor, so far as disclosed by lettering on the
15 package or by the carrier's records, and to whom and where
16 consigned, and the date delivered.

17 **Sec. 101. INSPECTION OF SHIPPING RECORDS.** The record
18 book required by section one hundred (100) of this Act shall,
19 during business hours, be open to inspection by any peace
20 or law enforcing officer. It shall be a misdemeanor to refuse
21 such inspection.

22 **Sec. 102. RECORD RECEIPT UPON DELIVERY.** No shipment
23 billed in whole or in part as intoxicating liquor shall be
24 delivered to the consignee until such consignee upon such
25 record book enters in ink, in legible writing, his full name
26 and residence or place of business, giving the name of the
27 town or city, and the street name and number if any, and
28 certifies that such liquor is for his own lawful purposes.

29 **Sec. 103. UNLAWFUL DELIVERY.** It shall be a misdemeanor
30 for any corporation, common carrier, person, or any agent
31 or employee thereof:

32 1. To deliver any intoxicating liquors to any person other
33 than to the consignee.

34 2. To deliver any intoxicating liquors without having
35 the same receipted for as provided in section one hundred

1 two (102) of this Act.

2 3. To deliver any intoxicating liquors where there is
3 reasonable ground to believe that such liquor is intended
4 for unlawful use.

5 Sec. 104. IMMUNITY FROM DAMAGE. In no case shall any
6 corporation, common carrier, person, or agent thereof,
7 be liable in damage for complying with any requirement of
8 this Act.

9 Sec. 105. FEDERAL STATUTES. The requirements of this
10 Act relative to the shipment and delivery of intoxicating
11 liquors and the records to be kept thereof shall be construed
12 in harmony with federal statutes relating to interstate
13 commerce in such liquors.

14 Sec. 106. UNNECESSARY ALLEGATIONS. In any indictment
15 or information under this Act, it shall not be necessary:

16 1. To set out exactly the kind or quantity of intoxicating
17 liquors manufactured, sold, given in evasion of the statute,
18 or kept for sale.

19 2. To set out the exact time of manufacture, sale, gift,
20 or keeping for sale.

21 3. To negative any exceptions contained in the statute creat-
22 ing or defining the offense, which may be proper ground of defense.

23 But proof of the violation by the accused of any provision
24 of this Act, the substance of which violation is briefly set
25 forth, within the time mentioned in said indictment or informa-
26 tion, shall be sufficient to convict such person.

27 Sec. 107. FORMER CONVICTION. In any prosecution for a
28 second or subsequent offense, as provided in this Act, it
29 shall not be requisite to set forth in the indictment or
30 information the record of a former conviction, but it shall
31 be sufficient briefly to allege such conviction.

32 Sec. 108. SECOND CONVICTION DEFINED. The second or
33 subsequent convictions provided for in this Act shall be
34 convictions on separate informations or indictments, and,
35 unless shown in the information or indictment, the charge

1 shall be held to be for a first offense.

2 Sec. 109. RECORD OF CONVICTION. On the trial of any cause
3 in which the accused is charged with a second or subsequent
4 offense, a duly authenticated copy of the former judgment
5 in any court in which such conviction was had shall be
6 competent and prima facie evidence of such former convic-
7 tion.

8 Sec. 110. PROOF OF SALE. It shall not be necessary in
9 every case to prove payment in order to prove a sale within
10 the meaning and intent of this Act.

11 Sec. 111. PURCHASER AS WITNESS. The person purchasing
12 any intoxicating liquor sold in violation of this Act shall
13 in all cases be a competent witness to prove such sale.

14 Sec. 112. PEACE OFFICER AS WITNESS. Every peace officer
15 shall give evidence, when called upon, of any facts within
16 his knowledge tending to prove a violation of the provisions
17 of this Act.

18 Sec. 113. JUDGMENT LIEN. For all fines and costs assessed
19 or judgments rendered of any kind against any person for a
20 violation of any provision of this Act, or costs paid by the
21 county on account of such violation, the personal and real
22 property of the violator, whether exempt or not, except the
23 homestead, as well as the premises and property, personal
24 and real, occupied and used for the unlawful purpose, with
25 the knowledge of the owner or his agent, by the violator,
26 shall be liable, and the same shall be a lien on such real
27 estate until paid.

28 Sec. 114. ENFORCEMENT OF LIEN. Costs paid by the county
29 for the prosecution of actions or proceedings, civil or
30 criminal, under this Act, as well as the fines inflicted or
31 judgments rendered, may be enforced against the property upon
32 which the lien attaches by execution, or by action against
33 the owner of the property to subject it to the payment thereof.

34 Sec. 115. DEFENSE. In any prosecution under this Act
35 for the unlawful transportation of intoxicating liquors it

1 shall be a defense that the character and contents of the
2 shipment or thing transported were not known to the accused
3 or to his agent or employee.

4 Sec. 116. RIGHT TO RECEIVE LIQUORS. The consignee of
5 intoxicating liquors shall, on demand of the carrier transport-
6 ing such liquors, furnish the carrier, at the place of
7 delivery, with legal proof of the consignee's legal right
8 to receive such liquors at the time of delivery, and until
9 such proof is furnished the carrier shall be under no legal
10 obligation to make delivery nor be liable for failure to
11 deliver.

12 Sec. 117. DELIVERY TO SHERIFF. If such proof is not
13 furnished the carrier within ten days after demand, the carrier
14 may deliver such liquors to the sheriff of the county embracing
15 the place of delivery, and such delivery shall absolve the
16 carrier from all liability pertaining to such liquors.

17 Sec. 118. DESTRUCTION. The sheriff shall, on receipt
18 of such liquors from the carrier, report the receipt to the
19 district court of his county, and the court shall proceed
20 to summarily enter an order for the destruction of such
21 liquors.

22 Sec. 119. PRIMA FACIE EVIDENCE. In all actions, civil
23 or criminal, under the provisions of this Act, the finding
24 of intoxicating liquors or of instruments or utensils used
25 in the manufacture of intoxicating liquors, or materials which
26 are being used, or are intended to be used in the manufacture
27 of intoxicating liquors, in the possession of or under the
28 control of any person, under and by authority of a search
29 warrant or other process of law, and which shall have been
30 finally adjudicated and declared forfeited by the court, shall
31 be prima facie evidence of maintaining a nuisance or boot-
32 legging, or of illegal transportation of intoxicating liquors,
33 as the case may be, by such person.

34 Sec. 120. ATTEMPT TO DESTROY. The destruction of or
35 attempt to destroy any liquid by any person while in the

1 presence of peace officers or while a property is being
2 searched by a peace officer, shall be prima facie evidence
3 that such liquid is intoxicating liquor and intended for
4 unlawful purposes.

5 Sec. 121. VENUE. In any prosecution under this Act for
6 the unlawful sale of alcoholic liquor or beer a sale of
7 alcoholic liquor or beer which requires a shipment or delivery
8 of such liquor or beer shall be deemed to be made in the
9 county in which such delivery is made by the carrier to the
10 consignee, his agent, or employee.

11 In any prosecution under this Act for the unlawful trans-
12 portation of intoxicating liquor, the offense shall be held
13 to have been committed in any county in which such liquor
14 is received for transportation, through which it is
15 transported, or in which it is delivered.

16 DIVISION II

17 BEER PROVISIONS

18 Sec. 122. PERMIT OR LICENSE REQUIRED. No person shall
19 manufacture for sale or sell beer at wholesale or retail
20 unless a permit is first obtained as provided in this division
21 or, a liquor control license authorizing the retail sale of
22 beer is first obtained as provided in division I of this Act.
23 No liquor control license holder shall be required to hold
24 a separate class "B" beer permit or to post a separate bond.

25 Sec. 123. EFFECT ON LIQUOR CONTROL LICENSEES. All
26 cable provisions of this division relating to class "B" beer
27 permits shall apply to liquor control licensees in the purchas-
28 ing, storage, handling, serving, and sale of beer.

29 Sec. 124. PERMITS—CLASSES. Permits for the manufacture
30 and sale, or sale of beer shall be divided into three classes,
31 and shall be known as either class "A", "B", or "C" permits.
32 A class "A" permit shall allow the holder to manufacture and
33 sell beer at wholesale. The holder of a class "A" permit
34 may manufacture beer of more than four percent of alcohol
35 by weight for shipment outside this state only. A class "B"

1 permit shall allow the holder to sell beer at retail for
2 consumption on or off the premises. A class "C" permit shall
3 allow the holder to sell beer at retail for consumption off
4 the premises.

5 Sec. 125. ISSUANCE OF PERMITS. The director shall issue
6 class "A", "B", and "C" beer permits and may suspend or revoke
7 such permits for cause as provided in this Act.

8 Sec. 126. PROHIBITED INTEREST. It shall be unlawful for
9 any person or persons to be either directly or indirectly
10 interested in more than one class of beer permit.

11 Sec. 127. CLASS "A" APPLICATION. A class "A" permit shall
12 be issued by the director to any person who:

13 1. Submits a written application for such permit, which
14 application shall state under oath:

15 a. The name and place of residence of the applicant and
16 the length of time he has lived at such place of residence.

17 b. That he is a citizen of the state of Iowa.

18 c. The place of birth of the applicant, and if the appli-
19 cant is a naturalized citizen, the time and place of such
20 naturalization.

21 d. The location of the premises where the applicant intends
22 to operate.

23 e. The name of the owner of the premises and if such owner
24 is not the applicant, that such applicant is the actual lessee
25 of the premises.

26 2. Establishes:

27 a. That he is a person of good moral character as defined
28 by this Act.

29 b. That the premises where he intends to operate conform
30 to all laws and health and fire regulations applicable thereto.

31 3. Furnishes a bond in the form prescribed and to be
32 furnished by the department, with good and sufficient sureties
33 to be approved by the director conditioned upon the faithful
34 observance of this Act, in the penal sum of five thousand
35 dollars, payable to the state.

1 4. Gives consent to members of the fire, police and health
2 departments and the building inspector of cities and towns;
3 the county sheriff, deputy sheriff, and state agents, and
4 any official county health officer to enter upon the premises
5 without a warrant to inspect for violations of the provisions
6 of this Act or ordinances and regulations that local authori-
7 ties may adopt.

8 Sec. 128. CLASS "B" APPLICATION. A class "B" permit shall
9 be issued by the director to any person who:

10 1. Submits a written application for such permit, which
11 application shall state under oath:

12 a. All the information required of a class "A" applicant
13 by section one hundred twenty-seven (127), subsection one
14 (1), of this Act.

15 b. That the premises for which the permit is sought is
16 and will continue to be equipped with sufficient tables and
17 seats to accommodate twenty-five persons at one time, and
18 is located within a business district or an area now or
19 hereafter zoned as a business district.

20 2. Fulfills the requirements of section one hundred twenty-
21 seven (127), subsection two (2), of this Act, relating to
22 class "A" applicants.

23 3. Furnishes a bond in the same form and manner as pre-
24 scribed for a class "A" applicant by section one hundred
25 twenty-seven (127), subsection three (3), of this Act, except
26 that the amount of the bond shall be five hundred dollars.
27 Such bond shall be further conditioned that the permittee
28 and his surety, as part of the class "B" permit, shall consent
29 to forfeiture of the principal sum of said bond in event of
30 suspension or revocation of the permit as a result of charges
31 filed and hearing held as provided by this Act.

32 4. Consents to inspection as required in section one hun-
33 dred twenty-seven (127), subsection four (4), of this Act.

34 Sec. 129. CLASS "C" APPLICATION. No class "C" permit
35 shall be issued to any person except the owner or proprietor

1 of a grocery or pharmacy.

2 "Grocery store" means any retail establishment, the
3 principal business of which consists of the sale of food or
4 food products for consumption off the premises.

5 "Pharmacy" means a drug store in which drugs and medicines
6 are exposed for sale and sold at retail, or in which prescrip-
7 tions of licensed physicians and surgeons, dentists or veter-
8 inarians are compounded and sold by a registered pharmacist.

9 A class "C" permit shall be issued by the director to any
10 person who is the owner or proprietor of a grocery store or
11 pharmacy, who:

12 1. Submits a written application for such permit, which
13 application shall state under oath all the information required
14 of a class "A" applicant by section one hundred twenty-seven
15 (127), subsection one (1), of this Act.

16 2. Establishes that he is a person of good moral character
17 as defined by this Act.

18 3. Furnishes a bond in the same form and manner as pre-
19 scribed for a class "A" applicant by section one hundred
20 twenty-seven (127), subsection three (3), of this Act, except
21 that the amount of the bond shall be five hundred dollars.

22 4. Consents to inspection as required in section one hun-
23 dred twenty-seven (127), subsection four (4), of this Act.

24 5. States the number of square feet of interior floor
25 space which comprises the retail sales area of the premises
26 for which the permit is sought.

27 Sec. 130. AUTHORITY UNDER CLASS "A" PERMIT. Any person
28 holding a class "A" permit issued by the department shall
29 be authorized to manufacture and sell, or sell at wholesale,
30 beer for consumption off the premises, such sales within the
31 states to be made only to persons holding subsisting class
32 "A", "B" or "C" permits, or liquor control licenses issued
33 in accordance with the provisions of this Act.

34 Sec. 131. AUTHORITY UNDER CLASS "B" PERMIT. Subject to
35 the provisions of this Act, any person holding a class "B"

1 Sec. 134. FEES.

2 1. The annual permit fee for a class "A" permit shall
3 be fixed by the commission at either five hundred dollars,
4 seven hundred fifty dollars, or one thousand dollars, to
5 be graduated on the basis of the relative volume of
6 business of the permittee as compared with other
7 permittees of the same class and for the same time period.

8 2. The annual permit fee for a class "B" permit shall
9 be graduated according to population as follows:

10 a. For premises located within the corporate limits
11 of cities with a population of over ten thousand, three
12 hundred dollars.

13 b. For premises located within the corporate limits
14 of cities or towns of over fifteen hundred but less than
15 ten thousand, two hundred dollars.

16 c. For premises located within the corporate limits
17 of towns with a population of under fifteen hundred, one
18 hundred dollars.

19 d. For premises located outside the corporate limits
20 of any city or town, a sum equal to that charged in the
21 incorporated city or town located nearest the premises to
22 be operated under the permit, and in case there is doubt
23 as to which of two or more differing corporate limits are
24 the nearest, the permit fee which is the largest shall
25 prevail.

26 3. The annual permit fee for a class "C" permit shall
27 be graduated on the basis of the amount of interior floor
28 space which comprises the retail sales area of the premises
29 covered by the permit, as follows:

30 a. Up to one thousand five hundred square feet, the
31 sum of seventy-five dollars.

32 b. Over one thousand five hundred square feet and up
33 to two thousand square feet the sum of one hundred dollars.

34 c. Over two thousand and up to five thousand square feet,
35 the sum of two hundred dollars.

36 d. Over five thousand square feet, the sum of three hundred
37 dollars.

38 4. The annual permit fee for a special class "B" permit,
39 issued under section one hundred thirty-three (133) of this
40 Act, shall be one hundred dollars, and three dollars for each
41 duplicate permit, which fees shall be paid to the department.
42 The department shall issue duplicates of such permits from
43 time to time as applied for by each such company.

44 Sec. 135. BREWERS CERTIFICATE OF COMPLIANCE.

45 1. Any manufacturer, brewer, bottler, importer, or vendor
46 of beer or any agent thereof desiring to ship, sell, or have
47 beer brought into this state for resale by a class "A"
48 permittee shall first make application for and shall be issued
49 a brewer's certificate of compliance by the director for such
50 purpose. Such certificate of compliance shall expire at the
51 end of one year from the date of issuance and shall be renewed
52 for a like period upon application to the director unless
53 otherwise revoked for cause. Each application for a
54 certificate of compliance or renewal thereof shall be
55 accompanied by a fee of one hundred dollars payable to the

1 department. Each holder of a certificate of compliance shall
2 furnish such information and in such form as the director
3 may require.

4 2. At the time of applying for a certificate of compliance,
5 each applicant shall file with the department a list of all
6 class "A" permittees with whom it intends to do business and
7 shall designate the geographic area in which its products
8 are to be distributed by such permittee. The listing of class
9 "A" permittees and geographic area as filed with the department
10 may be amended from time to time by the holder of a certificate
11 of compliance.

12 3. All class "A" permit holders shall sell only those
13 brands of beer which are manufactured, brewed, bottled,
14 shipped, or imported by a person holding a current certificate
15 of compliance. Any employee or agent working for or
16 representing the holder of a certificate of compliance within
17 this state shall register his name and address with the
18 department, which names and addresses shall be filed with
19 the department's copy of the certificate of compliance issued.

20 4. It shall be unlawful for any holder of a certificate
21 of compliance or his agent, or any class "A" permit holder
22 or his agent, to grant to any retail beer permit holder,
23 directly or indirectly, any rebates, free goods, or quantity
24 discounts on beer which are not uniformly offered to all
25 retail permittees.

26 5. Notwithstanding any other penalties provided by this
27 Act, any holder of a certificate of compliance or any class
28 "A" permit holder who shall violate any of the provisions
29 of this section shall be subject to a fine not to exceed one
30 thousand dollars or suspension of his certificate or permit
31 for a period not to exceed sixty days or both such fine and
32 suspension.

33 Sec. 136. BARREL TAX. In addition to the annual permit
34 fee to be paid by all class "A" permittees under the provi-
35 sions of this Act there shall be levied and collected from

1 such permittees on all beer manufactured for sale or sold
2 in this state at wholesale and on all beer imported into this
3 state for sale at wholesale and sold in this state at whole-
4 sale, a tax of three and seventy-two hundredths dollars for
5 every barrel containing thirty-one gallons, and at a like
6 rate for any other quantity or for the fractional part of
7 a barrel. However, no tax shall be levied or collected on
8 beer shipped outside this state by a class "A" permittee or
9 sold by one class "A" permittee to another class "A" permittee.

10 All revenue derived from the barrel tax shall accrue to
11 the state general fund.

12 All of the provisions of this Act relating to the adminis-
13 tration of the barrel tax on beer shall apply to this section.

14 Sec. 137. REPORT OF BARREL SALES—PENALTY. Every person

15 holding a class "A" permit shall on or before the tenth day
16 of each calendar month commencing on the tenth day of the
17 calendar month following the month in which such person is
18 issued a permit, make a report under oath to the department
19 upon forms to be furnished by the department for such purpose
20 showing the exact number of barrels of beer, or fractional
21 parts thereof, sold by such permit holder during the preceding
22 calendar month. Such report shall also state such information
23 as the director may require, and such permit holders shall
24 at the time of filing said report pay to the department the
25 amount of tax due at the rate fixed in section one hundred
26 thirty-six (136) of this Act.

27 A penalty of ten percent of the amount of the tax shall
28 be added thereto if the report is not filed and the tax paid
29 within the time required by this section.

30 Sec. 138. BOOKS OF ACCOUNT REQUIRED. Each class "A"
31 mittee shall keep proper books of account and records showing per-
32 the amount of beer sold by him, which books of account shall
33 be at all times open to inspection by the director. Each
34 class "B" and class "C" permittee shall keep proper books
35 of account and records showing each purchase of beer made

1 by him, and the date and the amount of each purchase and the
2 name of the person from whom each purchase was made, which
3 books of account and records shall be at all times open to
4 inspection by the director.

5 Sec. 139. SEPARATE LOCATIONS—CLASS "A". Every class
6 "A" permittee having more than one place of business shall
7 be required to have a separate permit for each separate place
8 of business maintained by such permittee wherein such beer
9 is stored, warehoused, or sold.

10 Sec. 140. SEPARATE LOCATIONS—CLASS "B" or "C". Every
11 person holding a class "B" or class "C" permit having more
12 than one place of business where such beer is sold shall be
13 required to have a separate license for each separate place
14 of business, except as otherwise provided by this Act.

15 Sec. 141. KEEPING LIQUOR WHERE BEER IS SOLD. No
16 liquor for beverage purposes shall be used, or kept for any
17 purpose in the place of business of class "B" permittees,
18 or on the premises of such class "B" permittees, at any time.
19 A violation of any provision of this section shall be grounds
20 for suspension or revocation of the permit pursuant to section
21 fifty (50), subsection three (3), of this Act. This
22 section shall not apply in any manner or in any way, to any
23 railway car of any dining car company, sleeping car company,
24 railroad company or railway company, having a special class
25 "B" permit; to the premises of any hotel or motel for which
26 a class "B" permit has been issued, other than that part of
27 such premises regularly used by the hotel or motel for the
28 principal purpose of selling beer or food to the general
29 public; or to drug stores regularly and continuously employing
30 a registered pharmacist, from having alcohol in stock for
31 medicinal and compounding purposes.

32 Sec. 142. PURCHASE FROM NONPERMIT HOLDER. It shall be
33 unlawful for the holder of any class "B" or class "C" permit
34 issued under the provisions of this Act to sell beer, except
35 beer purchased from a person holding a subsisting class "A"

1 permit issued in accordance with the provisions of this Act,
2 and/or on which the tax provided in section one hundred thirty-
3 six (136) of this Act, has been paid. However, the provisions
4 of this section shall not apply to the holders of special
5 class "B" permits issued under section one hundred thirty-
6 three (133) of this Act, for sales in cars engaged in
7 interstate commerce nor to class "D" liquor control licensees
8 as provided in this Act.

9 It shall be unlawful for any person not holding a class
10 "A" permit to import beer into this state for the purpose
11 of sale or resale.

12 Sec. 143. DISTRIBUTION OF FUNDS. The revenues obtained
13 from permit fees and the barrel tax collected under the pro-
14 visions of this Act shall be distributed as follows:

15 1. All permit fees collected under the provisions of this
16 Act by any local authority at the time application for a
17 permit is made shall be refunded such permit fee by the
18 department at the time the permit is issued, excepting that
19 fifty dollars of each class "C" beer permit fee shall remain
20 with the department and be placed in a special fund by the
21 director to be used in paying unbudgeted expenses incurred
22 in issuing licenses and permits and in enforcing the provisions
23 of this Act.

24 2. All permit fees and taxes collected by the department
25 under this division shall accrue to the state general fund,
26 except as otherwise provided.

1 Sec. 148. Section ninety-seven A point (97A.1), sub-
2 section two (2), Code 1971, is amended as follows:

3 2. "Peace officer" or "peace officers" shall mean all
4 members of the division of highway safety and uniformed force
5 and criminal investigation and bureau of identification in
6 the department of public safety, except clerical workers,
7 who have passed a satisfactory physical and mental examination
8 and have been duly appointed as members of the state department
9 of public safety in accordance with the provisions of section
10 80.15 and the division of drug law enforcement in the
11 department of public safety except clerical workers, *and*
12 *agents of the enforcement division of the beer and liquor*
13 *control department, except clerical workers.*

14 Sec. 149. Chapters one hundred twenty-three (123), one
15 hundred twenty-three C (123C), one hundred twenty-four (124),
16 one hundred twenty-five (125), one hundred twenty-six (126),
17 one hundred twenty-eight (128), one hundred twenty-nine (129),
18 one hundred thirty (130), one hundred thirty-one (131), one
19 hundred thirty-two (132), one hundred thirty-three (133),
20 and one hundred thirty-four (134), Code 1971, are repealed.

21 EXPLANATION

22 The contents of this bill are summarized as follows:

23 1. The Iowa Liquor Control Commission has been renamed
24 the Iowa Beer and Liquor Control Department. This change
25 has been made for the purpose of reflecting the department's
26 jurisdiction over beer permits as well as liquor licenses,
27 and to illustrate the substantial change in organization
28 effected by the bill.

29 2. The present three-member, full-time Liquor Control
30 Commission has been replaced by a five-member, part time Beer
31 and Liquor Control Council which is to function as a policy
32 making and advisory body. Council members will receive a
33 retainer of \$2500 per year, plus expenses and at least three
34 members will be chosen on the basis of managerial ability
35 and experience as business executives. These changes

1 substantially conform to recommendations of the Governor's
2 Economy Committee (see #2, P. 103 of G.E.C. Report).

3 3. The Iowa Beer and Liquor Control Council will appoint
4 a director at a salary of \$25,000 per annum who will direct
5 and supervise the day to day operations of the department
6 and execute department policy as established by the Council.
7 The director's actions have been made subject to review by
8 the Council. This provision also implements a recommenda-
9 tion of the Governor's Economy Committee (see #1, p. 102 of
10 G.E.C. Report).

11 4. The position of Secretary to the Commission (new
12 Council) has been eliminated, and the duties of such Sec-
13 retary will be reassigned by the director to various department
14 personnel (see #3, P. 103 of G.E.C. Report).

15 5. The current Code provision permitting the appointment
16 of special distributors in small towns has been eliminated
17 as impractical. No special distributor has ever been appointed
18 under this provision, so persons in small towns will pre-
19 sumably continue to obtain their liquor from communities large
20 enough to support a state liquor store. (Represents partial
21 implementation of #11, P. 104-5 of G.E.C. Report.)

22 6. Since an applicant for a liquor control license must
23 presently be the holder of a retail beer permit, provision
24 has been made for combining the liquor license and beer per-
25 mit under one license, with a commensurate across the board
26 increase of \$300 for each such license except for commercial
27 establishments in towns of 1500 or less population, where
28 the increase is only \$200. Beer permits presently cost between
29 \$100 and \$300, therefore increased revenues will be obtained
30 by communities or counties where the licensed establishment
31 is located. This provision makes implementation of
32 recommendation #28, p. 106 of G.E.C. Report automatic, i.e.,
33 the beer permit will be automatically suspended when the
34 liquor license is suspended, and vice versa since they will
35 be under the same license.

- 1 7. Chapters 130-134 of the present Code, concerning special
- 2 liquor permits for pharmacists, wholesale druggists, manu-
- 3 facturers and clergymen have been repealed as unnecessary.
- 4 The issuance of such special permits is to be accomplished
- 5 under the new bill by a specific grant of authority to issue
- 6 and to promulgate rules in regard to such issuance.
- 7 8. Chapter 123C of the present Code, regarding liquor
- 8 sales disclosure has been repealed since it was declared to
- 9 be unconstitutional by the Attorney General. A substitute
- 10 provision has been drafted and appears in section 19 of the
- 11 bill.
- 12 9. Chapter 129 of the present Code, regarding dram shop
- 13 liability, has been repealed and a substitute provision has
- 14 been drafted which limits such liability. A recent Iowa
- 15 Supreme Court decision granting auto casualty insurers full
- 16 subrogation rights against dram shop insurers makes this
- 17 limitation necessary.
- 18 10. A large portion of the present Code provisions relating
- 19 to beer have been consolidated and coordinated with like pro-
- 20 visions relating to alcoholic liquor.

Senate 4
March 8, 1971

HOUSE FILE 172
FISCAL NOTE

Date prepared March 4, 1971

Requested by Senator Gaudineer.

Prepared in regard to H.F. 172, pertaining to Section 14, Sub-section 2, relating to the reorganization of the Iowa Liquor Control Commission, etc. Following is the fiscal effect in dollars of the legislative proposal as required by Rule 31.

Based on the last biennial actuarial valuation of the Iowa Peace Officers' Retirement System, dated December 31, 1968, it is estimated that the State should contribute to the fund each year 27.98% of the payroll covered by the system. However, the state is contributing at a rate of 16%.

The current ages of the liquor enforcement agents who would be placed under the Peace Officers' Retirement System are as follows:

Number	Age
2	Vacant
2	32
1	37
1	40
2	42
1	45
3	56
4	57
1	63

The following is the estimated additional annual cost to the State to place the enforcement agents in the Liquor Control Commission under the Peace Officers' Retirement System:

	State's Contribution 16%	Actuarial Recommended Contribution 27.98%
17 Agents	<u>\$21,700</u>	<u>37,900</u>
Less State's current contrib. to IPERS	<u>(4,200)</u>	<u>(4,200)</u>
Estimated additional cost.	<u>\$17,500</u>	<u>23,700</u>

The Peace Officers' Retirement System required a contribution of \$12,140,008 on December 31, 1968, to be on a sound actuarial basis.

No estimate is available as to the amount which the State will deposit to the Peace Officers' Retirement System at the time the agents become covered by this system. It would take an actuarial study to the determine the amount which the State should contribute to the system in order to add the liquor enforcement agents to the system on a sound actuarial basis.

Filed
March 5, 1971

By GERRY D. RANKIN
Legislative Fiscal Director

1 Amend House File 172 as amended, passed by the House
2 and reprinted, page 40, by adding the following new sub-
3 section after line 19:

4 The treasurer of state shall semiannually distribute
5 a sum of money equal to four percent of the gross sales
6 made by the state liquor stores, one-half of which shall
7 be paid to the Iowa commission on alcoholism, and one-
8 half shall be paid to each county treasurer in the amount
9 determined by dividing the total population of each
10 county by the total population of the state according to
11 the latest federal decennial census. Such apportionment
12 shall be made semiannually as of July 1 and January 1 of
13 each year. Warrants for the same shall be issued by the
14 state comptroller upon certification of the treasurer of
15 state and the apportionment shares mailed to the
16 treasurer of each county and to the Iowa commission on
17 alcoholism. This appropriation shall be used for the
18 following purposes: the rehabilitation of alcoholics
19 pursuant to the provisions of chapter one hundred twenty-
20 three B (123B) of the Code and the implementation of new
21 alcoholic treatment procedures and services. The
22 expenditure of funds by the county board of supervisors
23 shall be approved by the Iowa commission on alcoholism,
24 as shall all new alcoholism rehabilitation programs using
25 or having access to these funds. The provisions of

Page 2

1 section eight point thirty-three (8.33) of the Code shall
2 apply to these funds and any unused funds shall revert to
3 the general fund of the state.

Filed - *Lat 4/19*
February 25, 1971

By TAPSCOTT
SMITH
KYHL
DODERER

HOUSE FILE 172

1 Amend House File 172, as amended, passed, and re-
2 printed by the House, as follows:

3 1. Page 2, by striking lines 21 through 28, in
4 clusive, and inserting in lieu thereof the following:

5 "1. 'Commission' means the commission created
6 by this Act under the name of the "Iowa beer and
7 liquor control commission'."

8 2. Page 2, line 35, by striking the word "depart-
9 ment" and inserting in lieu thereof the word "commis-
10 sion".

11 3. Page 3, line 35, by striking the word "director"
12 and inserting in lieu thereof the word "commission".

13 4. Page 4, line 28, by striking the word "depart-
14 ment" and inserting in lieu thereof the word "commis-
15 sion".

16 5. Page 5, line 22, by striking the word "depart-
17 ment" and inserting in lieu thereof the word "commis-
18 sion".

19 6. Page 6, line 30, by striking the word "depart-
20 ment" and inserting in lieu thereof the word "commis-
21 sion".

22 7. Page 7, by striking lines 10 through 35, in-
23 clusive.

24 8. By striking pages 8, 9, 10, and 11, and insert-
25 ing in lieu thereof the following new sections:

Page 2

1. 1. "COMMISSION CREATED. There is hereby created
2 a commission composed of three electors of this state
3 to be known and designated as the Iowa beer and liquor
4 control commission, not more than two of whom shall
5 belong to the same political party, and no two of
6 whom shall, at the time of appointment, reside in
7 the same congressional district. The commission shall
8 be held strictly accountable for the enforcement of
9 the provisions of this Act."

10 2. "APPOINTMENT--TERM. The members of the first
11 commission shall be appointed by the governor, sub-
12 ject to approval of the senate by a majority vote
13 of the members, as follows: One for a term to expire
14 July 1, 1935; one for a term to expire July 1, 1937;
15 and one for a term to expire July 1, 1939. Said terms
16 shall begin immediately upon the appointment, approval
17 and qualification.

18 Thereafter, the term of each member of said commis-
19 sion shall be six years; and the governor shall,
20 within sixty days following the organization of each
21 regular session of the general assembly, appoint,
22 with the approval of two-thirds of the members of
23 the senate, a successor to the member of said
24 commission whose term of office will expire July 1
25 next following."

Page 3

1 3. "VACANCIES. Any vacancy or vacancies on said
2 commission which may occur when the general assembly
3 is not in session shall be filled by appointment by
4 the governor, which appointment shall expire at the
5 end of thirty days following the organization of the
6 next general assembly. Prior to the expiration of
7 said period of thirty days, the governor shall trans-
8 mit to the senate for its approval an appointment
9 for the unexpired portion of the regular term. Any
10 vacancy or vacancies occurring when the general
11 assembly is in session shall be filled in the same
12 manner as regular appointments are made, and before
13 the end of such session, and for the unexpired portion
14 of the regular term."

15 4. "BONDS. The commissioners shall post a bond
16 or bonds, at the expense of the state, with such
17 sureties as the executive council shall approve to
18 guarantee to the state the proper handling and account-
19 ing of such moneys and merchandise and other properties
20 as may be required in the administration of this Act.
21 It shall be the duty of the commission to secure the
22 all agents, servants, and employees of the commission
23 holding positions of trust a bond or bonds with such
24 sureties as the commission will approve adequate to
25 guarantee to the state the proper handling and account-

Page 4

1 ing of all moneys, merchandise and other properties."

2 5. "ORGANIZATION--SALARY--ASSISTANTS. The commis-
3 sion shall, on July 1 of each year, select one of its
4 members as chairman, who shall serve in such capacity
5 for the succeeding year. Each member of the commis-
6 sion shall devote his entire time to the duties of
7 his office, and his salary shall be as fixed by the
8 general assembly. Said commission may employ a sec-
9 retary and such other assistants and employees as
10 may reasonable be necessary, and at such salary each
11 as may be fixed by the state division of personnel."

12 6. "EXPENSES. Members of the commission and said
13 secretary, assistants and employees shall be allowed
14 their actual and necessary expenses while traveling
15 on busines of the commission outside of their place
16 of residence; provided, however, that an itemized
17 account of **such** expenses shall be verified by the
18 member, secretary, assistant or employee making claim
19 for payment and shall be approved by a majority of
20 the members of the commission. If such account is
21 paid, the same shall be filed in the office of said
22 commission and be and remain a part of its permanent
23 records. All expenses and salaries of commissioners
24 and employees shall be paid from appropriations for

25 such purposes and the commission shall be subject

Page 5

1 To the budget requirements of chapter eight (8) of
2 the Code.:

3 7. "Removal. Any member, secretary, officer or
4 employee of said commission shall be removable for
5 any of the causes and in the manner provided by chapter
6 sixty-six (66) of the Code relating to removal from
7 office; such removal shall not be in lieu of any other
8 punishment that may be prescribed by the laws of the
9 state of Iowa."

10 8. "EXEMPTION FROM SUIT. The commission, or any
11 member of the commission, shall not be personally
12 liable for any action at law for damages sustained
13 by any person because of any action performed or done
14 by the commission, or any member of the commission,
15 in the performance of their respective duties in the
16 administration and in the carrying out of the purposes
17 and provisions of this Act."

18 9. "PROHIBITION ON MEMBERS AND EMPLOYEES. No
19 member, officer or employee of said commission shall,
20 while holding such office or position, hold any other
21 office or position under the laws of this state or
22 of any other state or of the United States, and shall
23 not engage in any occupation or business inconsistent
24 or interfering with the duties of such employment;
25 and no such member, officer or employee shall, while

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1 holding such office or position, serve on or under
2 or be a member of any committee of any political
3 party, and shall not, directly or indirectly use
4 his influence to induce any other officer or officers,
5 employee or employees, elector or electors of this
6 state to adopt his political views or to favor any
7 particular candidate for office, nor shall any such
8 member, officer or employee contribute in any manner,
9 directly or indirectly, any money or other things
10 of value to or for any person or persons, committee
11 or committees, for campaign or election purposes.
12 Any such member, officer or employee who violates
13 any of the terms or provisions of this section shall
14 be deemed guilty of corruption."

15 10. "PLACE OF BUSINESS. The principal place of
16 business of the commission shall be in the city of
17 Des Moines, and the executive council shall provide
18 suitable quarters or offices for the commission in
19 Des Moines."

20 11. "POWERS. The commission shall have the fol-
21 lowing functions, duties and powers:

22 1. To buy, import, and have in its possession
23 for sale and sell liquors in the manner set forth

24 in this Act.

25 2. To establish, maintain or discontinue state

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1 liquor stores and to determine the cities and towns
2 in which state liquor stores shall be located. How-
3 ever, no liquor store shall be established within
4 three hundred feet of any school building used for
5 school purposes or any church used as such.

6 3. To grant and refuse, or cancel for cause, per-
7 mits for the purchase of liquor.

8 4. To rent, lease, or equip any building or any
9 land necessary to carry out the purposes of this Act.

10 5. To lease all plants and lease or buy equipment
11 it may consider necessary and useful in carrying into
12 effect the objects and purposes of this Act.

13 6. To appoint vendors, clerks, or other employees
14 required for the operation of carrying out of this
15 Act and to dismiss the same, but not without cause
16 deemed by the commission in its discretion as
17 sufficient; to fix their salaries or remuneration;
18 assign them their title, duties and powers.

19 7. To issue and grant permits, including beer
20 permits, liquor control licenses and other licenses;
21 and to revoke all such licenses and permits for cause.

22 8. To determine the nature, form and capacity
23 of all packages containing liquor kept or sold under
24 this Act.

25 9. To license, inspect and control the manufacture

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1 of alcoholic liquors and regulate the entire liquor
2 industry in the state. The commission shall create
3 an enforcement division and shall appoint a director,
4 who shall be an attorney licensed to practice in the
5 state of Iowa, and five assistant directors, at least
6 two of whom shall be accountants. The director of
7 the enforcement division shall employ needed clerical
8 help, and such other assistants and agents as are
9 necessary to carry out the enforcement of the laws
10 on beer and liquor control. The enforcement division
11 shall enforce the provisions of title six (VI) of
12 the Code.

13 10. To employ a chemist, maintain a laboratory,
14 to test, label and certify to all alcoholic liquors
15 sold in Iowa.

16 11. To establish and maintain in its own name
17 in the state treasury a special account, hereinafter
18 known as the liquor control Act fund, in an amount
19 necessary for use of the commission, said amount to
20 be determined by the state comptroller.

21 12. To hear appeals from any order denying an
22 application for a liquor control license.

23 13. To perform such other duties and responsi-
24 bilities as may be required under this Act."

25 12. "RULES AND REGULATIONS.

Page 9

1 1. The commission may make such rules and regula-
2 tions not inconsistent with this Act which to the
3 commission may seem expedient or necessary for carrying
4 out the provisions of this Act and for the efficient
5 administration thereof.

6 2. Without attempting or intending to limit the
7 power of the commission as to the provisions contained
8 in subsection one (1) hereof, it is declared that
9 the commission may and it does have the power to make
10 regulations in the manner set forth in the foregoing
11 subsection and that said powers shall extend to and
12 include the following:

13 a. Prescribing the duties of the secretary, of-
14 ficers, clerks, servants, agents, or employees of
15 the commission and regulating their conduct while
16 in the discharge of their duties.

17 b. Regulating the management, equipment and mer-
18 chandise of state liquor stores, and warehouses in
19 and from which liquors are transported, kept or sold
20 and prescribing the books and records to be kept
21 therein.

22 c. Regulating the purchase of liquor generally
23 and the furnishing of liquor to state liquor
24 stores established under this Act determining the
25 classes, varieties, and brands of alcoholic liquors

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1 to be kept in state warehouses or for sale at any
2 state liquor store.

3 d. Prescribing forms or information blanks to
4 be used for the purpose of this Act and the terms
5 and conditions under which permits and licenses may
6 be issued or granted.

7 e. Prescribing the nature and character of proof
8 to be furnished to establish legal age.

9 f. Providing for the issuing and distributing
10 of price lists showing the price to be paid by
11 purchasers for each brand, class or variety of liquors
12 kept for sale under this Act by the commission. Each
13 licensee holding a liquor control license and
14 dispensing liquors at retail shall establish prices
15 based on serving one ounce of intoxicating liquor
16 per sale.

17 g. Prescribing what official seals or labels
18 should be attached to the packages of liquor sold
19 under this Act including the various kinds of official
20 seals or labels for the different classes or varieties
21 or brands of liquors.

22 h. Prescribing the kind, quantity, and character
23 of liquors which may be purchased or sold including
24 the quantity which may be purchased or sold at any

25 one time or within any specified period of time.

Page 11

1 i. Prescribing the duties of the commission em-
2 ployees authorized to issue permits or licenses.

3 j. Prescribing, subject to this Act, the days
4 and hours during which state liquor stores shall be
5 kept open for the purpose of the sale or dispensing
6 of liquors.

7 k. Prescribing, subject to this Act, the records
8 of sales to holders of special permits and licenses
9 and for the report of same to the commission.

10 l. Prescribing the place and the manner in which
11 liquor may be lawfully kept or stored by the licensed
12 manufacturer under this Act.

13 m. Prescribing the time, manner, means, and method
14 by which distillers, brewers, vendors, or others hav-
15 ing permission under this Act may deliver or transport
16 liquors and prescribing the time, manner, means, and
17 methods by which liquor under this Act may be lawfully
18 conveyed, carried or transported.

19 n. Prescribing, subject to the provisions of this
20 Act, the conditions and qualifications necessary for
21 the obtaining of licenses and the books and records
22 to be kept and the remittance to be made by those
23 holding licenses and determining the number of persons,
24 firms, or corporations who shall be entitled to li-
25 censes and providing for the inspection of the records

Page 12

1 of all such licenses.

2 o. Prescribing the conditions and qualifications
3 necessary for the obtaining of special liquor and
4 beer permits under this Act.

5 p. Prescribing the purchase of liquor and furnish-
6 ing liquor to state liquor stores under this Act.

7 3. The commission shall prepare, print, and furnish
8 all forms required under this Act."

9 9. By striking the words "director" or "depart-
10 ment", as the case may be, and inserting in lieu
11 thereof the word "commission" on page 12, lines 15,
12 17, 22, 26, 27, 33, and 35; on page 13, lines 6, 7,
13 and 28; on page 16A, lines 10, 21, and 22; on page
14 17A, lines 19, 21, 23, 24, 28, 30, 32, and 35; on
15 page 18, lines 3, 5, 15, 22, 25, and 26; on page 19,
16 lines 11, 12, 13, and 14; on page 20, lines 6, 19,
17 28, and 34; on page 21, lines 1, 4, 8, and 17; on
18 page 22, lines 3, 8, 13, and 24; on page 23, lines
19 7, 8, 19, 21, and 30; on page 24, lines 10, 17, 24,
20 25, 29, and 35; on page 25, lines 2, 6, 8, 13, 21,
21 and 31; on page 26, lines 6, 11, 13, 19, 29, and 35;
22 on page 28, lines 15 and 22; on page 29, lines 20,
23 21, and 22; on page 30, lines 4, 26, and 35; on page
24 31A, line 7; on page 31B, lines 36, 40, and 45; on
25 page 32, lines 1, 5, 9, 13, and 21; on page 36A, lines

Page 13

1 20 and 27; on page 37, lines 19, 22, and 24; on page
2 38, lines 16, 19, 20, and 23; on page 40, lines 20,
3 22, 23, and 28; on page 41, lines 14, 20, 23, and
4 35; on page 42, lines 2 and 11; on page 50, lines
5 13 and 15; on page 51, lines 5, 12, and 20; on page
6 58, lines 5, 12, 32, and 33; on page 59, line 9; on
7 page 60, lines 9 and 28; on page 61, lines 17, 18,
8 23, 32, and 33; on page 62B, lines 41, 42, 49, and
9 52; on page 63, lines 1, 2, 5, 9, 18, and 19; on page
10 64, lines 18, 19, 23, 24, and 33; on page 65, line
11 4; on page 66, lines 18, 20, 21, and 24; on page 67,
12 line 28; on page 68, line 13.

13 10. Page 13, line 18, by striking the words "de-
14 partment hearing board" and inserting in lieu thereof
15 the word "commission".

16 11. Page 13, line 22, by striking the words "hear-
17 ing board" and inserting in lieu thereof the word
18 "commission".

19 12. Page 13, by striking lines 29 through 35,
20 inclusive.

21 13. Page 14, by striking lines 1 through 35, in-
22 clusive.

23 14. Page 15, by striking lines 1 through 35, in-
24 clusive.

25 15. Page 16A, by striking lines 1 through 9, in-

Page 14

1 clusive.

2 16. Page 25, line 5, by striking the words "HEAR-
3 ING BOARD" and inserting in lieu thereof the word
4 "COMMISSION".

5 17. Page 25, lines 7 and 8, by striking the words
6 "hearing board, established pursuant to section fifteen
7 (15) of this Act,".

8 18. Page 25, by striking the words "hearing board"
9 and inserting in lieu thereof the word "commission"
10 in lines 9 and 10, 15 and 16, 18, 24, and 28.

11 19. Page 29, line 9, by striking the words "di-
12 rector may in his" and inserting in lieu thereof the
13 words "commission may in its".

14 20. Page 32, lines 20 and 21, by striking the
15 words "council member of department" and inserting
16 in lieu thereof the word "commissioner, secretary,
17 or commission".

Filed - *Last 4/19*
April 19, 1971

By BRILES, MOWRY, NICHOLSON, MILLER,
COLEMAN and SCHABEN

1 Amend House File 172, page 6, line 22, by inserting
2 after the word "which" the words "is not restricted on
3 the basis of race, creed, color, sex, national origin,
4 or religion, and,"

Filed and Lost
April 19, 1971

By TAPSCOTT and DODERER

1 Amend the Walsh et al amendment to House File 172, filed
2 April 14, 1971, by adding after the period in line 7 the
3 following:
4 "However, no license or permittee shall sell or
5 dispense alcoholic liquor or beer after one a.m. on
6 Sunday unless the business of selling food or other services
7 constitutes more than fifty percent of the gross business
8 transacted on the premises; and for the purposes of interpret-
9 ing this subsection the rental income from accommodations
10 in a hotel or motel shall be excluded."

Filed and Adopted
April 19, 1971

By WALSH

Senate 5
April 16, 1971

HOUSE FILE 172

- 1 Amend the Gaudineer amendment filed April 6, 1971 to House
- 2 File 172, page 3, by striking all of line 1 and inserting
- 3 in lieu thereof the following:
- 4 "f. After July 1, 1971, any person under legal age
- 5 shall not be employed in the sale".

Filed - *adopted 4/19*
April 15, 1971

By POTGETER

HOUSE FILE 172

- 1 Amend the State Government Committee amendment to
- 2 House File 172 as passed and reprinted by the House,
- 3 page 14, line 15, by inserting after the word, "cease."
- 4 the following:
- 5 "Any member whose term expires on June 30, 1971 shall
- 6 not be replaced as provided by law and such member shall
- 7 continue in office through December 31, 1971."

Filed and Adopted
April 15, 1971

By GAUDINEER

HOUSE FILE 172

- 1 Amend House File 172, as amended, passed and reprinted by
- 2 the House, page 14, line 2, by inserting after the word "insti-
- 3 tution" the words ", except that local authorities may by
- 4 ordinance reduce such minimum distance".

Filed - *Adopted 4/19*
April 15, 1971

By ARBUCKLE

HOUSE FILE 172

- 1 Amend the Tapscott et al, amendment filed February
- 2 25, 1971 to House File 172 as follows, line 5, by
- 3 striking the word "four" and inserting in lieu
- 4 thereof the word "two".

Filed - *Adopted 4/19*
April 15, 1971

By TAPSCOTT, SMITH, KYHL and DODERER

Senate 6
April 16, 1971

HOUSE FILE 172

1 Amend House File 172, as amended, passed and re-
2 printed by the House, page 50, by adding after line 15
3 the following new section and renumbering the remaining
4 sections accordingly:
5 "ATTORNEY FEE LIMITED. Fees assessed by an attorney
6 upon his client for services rendered in connection
7 with a civil liability suit under section ninety-three
8 (93) of this Act shall not exceed twenty-five percent
9 of amounts recovered by that client up to fifty thou-
10 sand dollars, and shall not exceed ten percent of
11 amounts recovered in excess of fifty thousand dollars."

Filed - *Lost 4/19*
April 15, 1971

By SCHABEN

HOUSE FILE 172

1 Amend the State Government Committee amendment to
2 House File 172, as passed and reprinted by the House,
3 page 7, by striking lines 18 and 19, and by insert-
4 ing in lieu thereof the words, "or importer of alcoholic
5 liquor or beer subject to this".

Filed and Lost
April 15, 1971

By GAUDINEER

1 Amend the State Government Committee amendment to
2 House File 172, as passed and reprinted by the House,
3 page 7, by striking lines 18 and 19 and by inserting in
4 lieu thereof the following:
5 "or importer, organized as a corporation pursuant
6 to the laws of this state or any other state, and who
7 deals in alcoholic liquor or beer subject to this".

Filed - *Adapted 4/19*
April 16, 1971

By GAUDINEER

SENATE CLIP SHEET
Friday, April 16, 1971

HOUSE FILE 172

1 Amend House File 172 as follows:

2 1. Page 3, line 14, by inserting after the word
3 "section," the words "except wine containing not more
4 than seventeen percent alcohol by weight, and".

5 2. Page 3, line 25, by adding after the period
6 the following:

7 "Unless otherwise specifically provided, the term
8 'beer' shall, for purposes of this Act, include wine
9 containing not more than seventeen percent alcohol
10 by weight."

11 3. Page 63, by adding after line 32 the following
12 new paragraph:

13 "This section shall not be construed as applying
14 to wine containing not more than seventeen percent
15 alcohol by weight."

16 4. Page 67, by adding after line 15 the following
17 new sections and renumbering the remaining sections
18 accordingly:

19 "There shall be levied and collected from all
20 class 'A' permittees selling wine, on all wine man-
21 ufactured for sale or sold in this state at wholesale
22 and on all wine imported into this state for sale
23 at wholesale and sold in this state at wholesale
24 a tax of one dollar for every wine gallon, and at
25 the like rate for any other quantity or for the

Page 2

1 fractional parts of a wine gallon.

2 No tax shall be levied or collected on wine shipped
3 or sold outside this state by a class 'A' permittee.
4 All revenue derived from the tax hereby imposed shall
5 accrue to the state general fund. All of the provi-
6 sions of this Act relating to the administration of
7 the wine tax shall apply to this section."

8 2. "Every person holding a class 'A' permit and
9 selling wine shall on or before the tenth day of each
10 calendar month commencing on the tenth day of the
11 calendar month following the month in which the person
12 is issued a permit, make a report under oath to the
13 department upon forms furnished by the department
14 for the purpose showing the exact number of wine
15 gallons of wine or fractional parts thereof, sold
16 by the permit holder during the preceding calendar
17 month. The report shall also state such other
18 information as the department may require, and the
19 permit holders shall at the time of filing the report
20 pay to the department the amount of tax due at the
21 rate fixed in accordance with the provisions of this
22 Act."

23 3. "A penalty of ten percent of the amount of
24 the tax shall be added thereto if the report is not
25 filed and the tax paid to the department by the tenth
Page 3

1 day of the calendar month."

2 4. "As a condition precedent to a vintner, man-
3 ufacturer, bottler, broker, jobber, importer, or any
4 other person, firm, or corporation selling or shipping
5 wine to a class 'A' permittee, the person, firm, or
6 corporation shall first register with the department
7 on form provided for the purpose containing such
8 information as the department may require."

9 5. "A registration fee of fifty dollars shall
10 accompany each registration and shall be paid by the
11 person so registering. In return for the registra-
12 tion, the department shall issue a certificate of
13 compliance to those registered. Each certificate
14 shall be good for a period of one year from date of
15 issuance unless otherwise revoked as herein provided
16 or surrendered. All holders of the certificate of
17 compliance shall on or before the tenth day of the
18 calendar month commencing on the tenth day of the
19 calendar month following the month in which the person
20 is issued a certificate, make a report under oath
21 to the department upon forms to be furnished by the
22 department for such purpose showing the exact number
23 of cases and gallons and types of wine sold and shipped
24 to individual class 'A' permittees during the preced-
25 ing calendar month along with such other information

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1 as may be required by the department."

2 6. "At the time of applying for a certificate
3 of compliance, each applicant shall file with the
4 department a list of class 'A' permittees with whom
5 it shall do business and shall designate the territory
6 in which its products are to be distributed by the
7 permittee. The listing of class 'A' permittees and
8 territories as filed with the department may be amended
9 from time to time by the holder of a certificate of
10 compliance. However, before the amendments shall
11 become effective, notification shall be made in writing
12 to the department and to the class 'A' permittee
13 affected at least ninety days prior to the change
14 unless the amendments are mutually agreed upon between
15 the holder of a certificate of compliance, the class
16 'A' permittee affected, with the approval of the
17 department upon forms provided by the department of
18 revenue for that purpose."

19 7. "The department is hereby empowered to revoke
20 the certificate upon noncompliance with this section
21 or any other section of this Act and the holder thereof
22 shall be barred from selling or shipping wine to any

23 Class 'A' permittee and class 'A' permittees shall
24 be barred from receiving such wine within this state."
25 8. "No liquor licensee or retail beer permittee

Page 5

1 shall sell wine for off-premise consumption for less
2 than cost adjusted to the nearest cent. Cost, for
3 the purpose of this section, shall be computed by
4 adding a minimum markup of not less than twenty-two
5 percent to the wholesale invoice price for sales by
6 the class 'A' permit holder to the licensee or
7 permittee for the same product or brand in the original
8 shipping carton or case.

9 Deposit charges for the original shipping carton
10 or case, bottles, and containers, shall not be included
11 as part of the cost or included in any computation
12 for determining the minimum retail selling price with
13 respect to any licensee or permittee.

14 The minimum retail selling price of each individual
15 sealed container in an original shipping carton or
16 case shall be computed, to the nearest cent, by divid-
17 ing the number of sealed containers into the minimum
18 retail selling price.

19 For the purpose of uniformity, no class 'A' permit
20 holder shall allow or grant any discount on wine based
21 on quantity sales to the holders of liquor licenses
22 or retail beer permits."

23 9. "The director shall make such rules and regula-
24 tions in relation to the sale of wine as are necessary
25 to carry out the provisions of this Act. Such

Page 6

1 authority shall extend to but not be limited to the
2 following:

3 a. Require the filing or posting of all wine
4 prices between class 'A' permit holders and retailers
5 as provided in this Act and further provide for
6 procedures for the changing of the posted prices and
7 the minimum periods of time for which the posted
8 prices shall remain in effect.

9 b. Prescribe what size packages of wine shall
10 be allowed for filling, importation and further resale
11 by class 'A' permit holders within the state of Iowa.
12 'Package' or 'packages' as used herein means any in-
13 dividual container or receptacle used for holding
14 wine."

15 5. Page 1, amend the title, line 8 by inserting
16 after the word "therefor;" the words "providing for
17 the sale and control of certain wines in the same
18 manner as beer;".

Senate 4
April 16, 1971

HOUSE FILE 172

1 Amend House File 172, as amended, passed and reprinted by the
2 House as follows:
3 1. Page 33A, by striking lines 21 through 35 and inserting
4 in lieu thereof the following:
5 Sec. 47. PERSONS UNDER LEGAL AGE. After July 1, 1971,
6 no person shall sell, give, or otherwise supply alcoholic liquor
7 or beer to any person knowing or having reasonable cause to
8 believe him to be under legal age, and no person or persons
9 under legal age shall individually or jointly have alcoholic
10 liquor or beer in his or their possession or control; except
11 in the case of liquor or beer given or dispensed to a person
12 under legal age within a private home and with the knowledge
13 and consent of the parent or guardian for beverage or medicinal
14 purposes or as administered to him by either a physician or
15 dentist for medicinal purposes and except to the extent that a
16 person under legal age may handle alcoholic beverages and
17 beer during the regular course of his or her employment by a
18 liquor control licensee or beer permittee under this Act.
19 2. Page 35A, by striking line 10, and inserting in lieu thereof
20 the following:
21 "f. After July 1, 1971, any person under legal age shall
22 not be employed in the handling of".

Filed - Adopted 4/19
April 15, 1971

By POTGETER

HOUSE FILE 172

1 Amend the Committee on State Government amendment
2 filed April 1, 1971 to House File 172 as follows:
3 1. Page 12, by striking in lines 8 and 9 the words
4 "or division of beer and liquor law enforcement".
5 2. Page 12, by striking lines 17 through 22
6 inclusive.
7 3. Page 12, line 23, by inserting before the word
8 "All" the letters and figures "Sec. 148."
9 4. Page 12, line 23 by striking the word "other".
10 5. Page 12, line 23 by striking the words "shall
11 be exempt from such chapter".
12 6. Page 12, line 24 by striking the word "and" and
13 inserting the word "shall".

Filed and Adopted
April 15, 1971

By DODERER, LAMBORN and MESSERLY

Senate 7
April 15, 1971

HOUSE FILE 172

1 Amend House File 172, as amended, passed and reprinted by
2 the House, page 9, line 13, by inserting after the word "council."
3 the following:

4 "The director shall devote full time to the discharge of his
5 duties. He shall not hold any other elective or appointive office
6 under the laws of this state, the United States, or any other
7 state or territory. He shall not accept or solicit, directly or
8 indirectly, contributions or anything of value in behalf of him-
9 self, any political party, or any person seeking an elective or
10 appointive office nor use his official position to advance the
11 candidacy of anyone seeking an elective or appointive office.
12 The director, his spouse, and immediate family shall not have any
13 interest, in any distillery, winery, brewery, importer, permittee
14 or licensee or any business which is subject to license or regu-
15 lation pursuant to this Act."

Filed - *Adopted 4/19*
April 14, 1971

By POTGETER and GAUDINEER

HOUSE FILE 172

1 Amend House File 172, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 33A, lines 3 and 4, by striking the words
4 "directly or indirectly extend any credit for alcoholic
5 beverages or beer or".
6 2. Page 63, by striking lines 4 through 11 inclusive,
7 and renumbering the remaining subsections of section
8 135 to conform with this amendment.

Filed - *Last 4/19*
April 14, 1971

By HILL

HOUSE FILE 172

1 Amend House File 172, as amended, passed and reprinted by
2 the House, page 9, line 3, by inserting after the word "appoint"
3 the words ", with the approval of two-thirds of the senate,".

Filed - *Adopted 4/19*
April 14, 1971

By POTGETER

HOUSE FILE 172

1 Amend the Committee on State Government amendment,
2 filed April 7, 1971, to House File 172, page 10, by
3 striking all of lines 10, 11, and 12 and renumbering
4 the remaining items to conform with this amendment.

Filed - *Last 4/15*
April 14, 1971

By HILL

1 Amend House File 172, as amended, passed, and re-
2 printed by the House, page 34, by striking lines 24
3 and 25 and inserting in lieu thereof the following:
4 "a.m. on Tuesday, Wednesday, Thursday, Friday, and
5 Saturday, between the hours of one a.m. and twelve noon
6 on Sunday, and between the hours of one a.m. and six
7 a.m. on Monday."

Filed - *Lost 4/19*
April 14, 1971

By WALSH, THORSEN, DAVIS, KENNEDY,
GRIFFIN and NICHOLSON

1 Amend House File 172 as amended, passed and reprinted
2 by the House as follows:
3 1. Page 49, by striking lines 17 through 35 and inserting
4 in lieu thereof the following:
5 "Sec. 93. CIVIL LIABILITY APPLICABLE TO SALE OR GIFT OF
6 BEER OR INTOXICANTS BY LICENSEES AND PERMITTEES. Every
7 husband, wife, child, parent, guardian, employer or other
8 person who shall be injured in person or property or means
9 of support by any intoxicated person or resulting from the
10 intoxication of any such person shall have a right of action
11 severally or jointly against any licensee or permittee who
12 shall sell or give any beer or intoxicating liquor to any
13 such person while he is intoxicated, or serve any such person
14 to a point where such person is intoxicated for all damages
15 actually sustained.
16 Every liquor control licensee shall furnish proof of
17 financial responsibility either by the existence of a
18 liability insurance policy or by posting bond in such
19 amount as determined by the commission."
20 2. Page 50, by striking lines 1 through 15, inclusive.

Filed - *Withdrawn 4/19*
April 14, 1971

By STEPHENS

Senate 6
April 13, 1971

HOUSE FILE 172

- 1 Amend House File 172, as amended, passed and reprinted by
- 2 the House as follows:
- 3 1. Page 33A, by striking line 26, and inserting in lieu thereof
- 4 the following: "for medicinal purposes. After July 1, 1971, a
- 5 person".
- 6 2. Page 35A, by striking line 10, and inserting in lieu thereof
- 7 the following:
- 8 "f. After July 1, 1972, any person under legal age shall
- 9 not be employed in the handling of".

Filed - *Withdrawn 4/19*
April 12, 1971

By POTGETER

HOUSE FILE 172

- 1 Amend the Gaudineer amendment filed April 6, 1971 to House
- 2 File 172, page 3, by striking all of line 1 and inserting
- 3 in lieu thereof the following:
- 4 "f. After July 1, 1972, any person under legal age
- 5 shall not be employed in the sale".

Filed - *Withdrawn 4/19*
April 12, 1971

By POTGETER

HOUSE FILE 172

- 1 Amend the State Government Committee amendment filed April 7,
- 2 1971 to House File 172, page 14, by striking all of line 2
- 3 and inserting in lieu thereof the following:
- 4 "Sec. 151. 1. Unless otherwise provided the effective
- 5 date of this Act".

Filed - *Adopted 4-15*
April 12, 1971

By POTGETER

1 Amend House File 172, as amended, passed and reprinted by the
2 House as follows:
3 1. Page 6, by striking line 35, and page 7, by striking
4 lines 1 through 6, inclusive, and inserting in lieu thereof
5 the following:
6 32. "Hotel" or "motel" means a premise licensed by the
7 state department of agriculture and regularly or seasonally
8 kept open in a bona fide manner for the lodging of transien
9 guests, and with twenty or more sleeping rooms.
10 2. Page 22, by striking all of lines 18 and 19 and inserting,
11 in lieu thereof the following: "in the application."

Filed - *Adopted 4/19*
April 12, 1971

By POTGETER

1 Amend the Committee on State Government Amendment to
2 House File 172, as amended, passed, and reprinted by the
3 House, filed April 7, 1971, and found on pages 749
4 through 756 of the Senate Journal, as follows:
5 1. Page 8, by striking lines 11 through 25, inclusive.
6 2. Page 9, by striking lines 1 through 17, inclusive,
7 and inserting in lieu thereof the following:
8 "Page 49, by striking lines 17 through 35, inclusive.
9 Page 50, by striking lines 1 through 15, inclusive,
10 and inserting in lieu thereof the following:
11 'CIVIL LIABILITY APPLICABLE TO SALE OR GIFT OF BEER OR
12 INTOXICANTS BY LICENSEES. Every husband, wife, child,
13 parent, guardian, employer or other person who shall be
14 injured in person or property or means of support by any
15 intoxicated person or resulting from the intoxication of
16 any such person, shall have a right of action, severally
17 or jointly against any licensee or permittee who shall
18 sell or give any beer or intoxicating liquor to any such
19 person while he is intoxicated, or serve any such person
20 to a point where such person is intoxicated for all
21 damages actually sustained.
22 Every liquor control licensee shall furnish proof of
23 financial responsibility either by the existence of a
24 liability insurance policy or by posting bond in such
25 amount as determined by the department.'

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1 3. By renumbering the remaining items accordingly.

Filed - *Adopted 4/15*
April 13, 1971

By DeKOSTER, GAUDINEER, POTGETER,
STEPHENS, TAPSCOTT, GLENN,
KYHL and DODERER

HOUSE FILE 172

- 1 Amend House File 172, as amended, passed and re-
2 printed by the House, as follows:
- 3 1. Page 7, line 27, by striking the word and
4 numbers "July 1, 1971" and inserting in lieu thereof
5 the word and numbers "January 1, 1972".
- 6 2. Page 7, line 32, by striking the words "At
7 least three members" and inserting in lieu thereof
8 the word "Members".
- 9 3. Page 7, line 35 and page 8, line 1, by strik-
10 ing the words "a retainer" and inserting in lieu
11 thereof the words "full compensation for their
12 services".
- 13 4. Page 8, lines 1 and 2, by striking the words
14 "payable in twenty-four equal payments throughout
15 the year".
- 16 5. Page 8, line 18, by inserting after the comma
17 the words "in such amount and".
- 18 6. Page 8, lines 28 and 29, by striking the words
19 and numbers "on July 1, 1971" and inserting in lieu
20 thereof the words and numbers "as soon after January
21 1, 1972 as is possible".
- 22 7. Page 9, line 5, by inserting before the word
23 "twenty-five" the words "not more than".
- 24 8. Page 9, by striking lines 26 and 27 and
25 inserting in lieu thereof the words "Sec. 12. RE-
Page 2
- 1 MOVAL. Any council member shall be removed".
- 2 9. Page 10, by striking lines 2 through 18, inclu-
3 sive, and inserting in lieu thereof the following:
- 4 "Sec. 14. BEER AND LIQUOR LAW ENFORCEMENT.
- 5 1. The division of beer and liquor law enforcement
6 of the department of public safety, created pursuant
7 to section one hundred forty-five (145) of this Act,
8 shall be the primary beer and liquor law enforcement
9 authority for this state.
- 10 2. The other law enforcement divisions of the
11 department of public safety, the county attorney,
12 the county sheriff and his deputies, and the police
13 department of every city, including the day and night
14 marshall of any incorporated town, shall be
15 supplementary aids to the division of beer and liquor
16 law enforcement. Any neglect, misfeasance, or
17 malfeasance shown by any peace officer included in
18 this section shall be sufficient cause for his removal
19 as provided by law. Nothing in this section shall
20 be construed to affect the duties and responsibilities
21 of any county attorney or peace officer with respect
22 to law enforcement.

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4/15
A drafted*

23 3. The division of beer and liquor law enforcement
24 shall be allowed full access to all records, reports,
25 audits, tax reports and all other documents and papers

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1 in the department pertaining to liquor licensees and
2 beer permittees and their business."

3 10. Page 10, by striking lines 28 through 31,
4 inclusive, and inserting in lieu thereof the following:

5 "and one member shall be the commissioner of public
6 safety or his designee. The hearing board shall
7 establish and adopt rules and procedures for conducting
8 departmental hearings under this Act."

9 11. Page 11, by striking lines 16 through 35,
10 inclusive, and inserting in lieu thereof the following:

11 "Council members, officers, and employees of the
12 department shall not, while holding such office or
13 position, hold any other office or position under
14 the laws of this state, or any other state or territory
15 or of the United States; nor engage in any occupation,
16 business, endeavor, or activity which would or does
17 conflict with this duties under this Act; nor, directly
18 or indirectly, use his office or employment to
19 influence, persuade, or induce any other officer,
20 employee, or person to adopt his political views or
21 to favor any particular candidate for an elective
22 or appointive public pffice; nor, directly or
23 indirectly, solicit or accept, in any manner or way,
24 any money or other thing of value for any person
25 seeking an elective or appointive public office, or

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1 to any political party or any group of persons seeking
2 to become a political party. Any officer or employee
3 violating this section or any other provisions of
4 this Act shall, in addition to any other penalties
5 provided by law be subject to suspension or discharge
6 from his employment. Any council member shall, in
7 addition to any other penalties provided by law, be
8 subject to removal from office as provided by law."

9 12. Page 12, line 35, by inserting after the word
10 "department" the words "the name and address of its
11 authorized agent for service of process which shall
12 remain effective until changed for another and".

13 13. Page 13, line 11, by inserting after the word
14 "Act" the words "or of rules and regulations of the
15 department or of any other provision of law".

16 14. Page 13, by inserting after line 28 the
17 following new subsection:

18 "6. The attorney general may also proceed pursuant
19 to the provisions of section seven hundred thirteen
20 point twenty-four (713.24) of the Code in order to
21 gain compliance with subsection three (3) of this
22 section and may obtain an injunction prohibiting any

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Adopted April 15, 1971

23 further violations of this Act or other provisions
24 of law. Any violation of that injunction shall be
25 punished as contempt of court pursuant to chapter

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1 six hundred sixty-five (665) of the Code except that
2 the maximum fine that may be imposed shall not exceed
3 fifty thousand dollars."

4 15. Page 14, lines 13 and 14, by striking the
5 words ", the director and enforcement agents in the
6 enforcement division" and inserting in lieu thereof
7 the words "and the director".

8 16. Page 15, line 22, by striking the word "should"
9 and inserting in lieu thereof the word "shall".

10 17. Page 16A, by striking lines 7 through 9,
11 inclusive.

12 18. Page 16A, line 17, by striking the words
13 "United States" and inserting in lieu thereof the
14 words "territorial limits of any state of the United
15 States and for which the owner has in his possession
16 a valid sales receipt".

17 19. Page 18, by striking lines 18 through 20,
18 inclusive, and renumbering the remaining subsection.

19 20. Page 18, line 30, by striking the words "or
20 depot" and inserting in lieu thereof the words "depot
21 or point of purchase by the state".

22 21. Page 19, line 2, by striking the words "a
23 container which has" and inserting in lieu thereof
24 the words "individual bottles or containers of
25 alcoholic liquor exempted pursuant to section twenty-

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1 two (22) of this Act and individual bottles or
2 containers bearing the identifying mark prescribed
3 in section twenty-six (26) of this Act which have".

4 22. Page 25, line 3, by striking the word
5 "registered" and inserting in lieu thereof the words
6 "restricted certified".

7 23. Page 25, line 14, by striking the word "may"
8 and inserting in lieu thereof the word "shall".

9 24. Page 25, line 18, by striking the word "may"
10 and inserting in lieu thereof the words "shall reduce
11 the period of suspension or".

12 25. Page 26, by striking line 6 and inserting
13 in lieu thereof the words "agents of the division
14 of beer and liquor law enforcement of the department
15 of public safety during".

16 26. Page 28, line 32, by striking all after the
17 word "beer" and lines 33 through 35, inclusive, and
18 on page 29, lines 1 and 2 and inserting in lieu thereof
19 the following:

20 "or require the obtaining of an additional license
21 or permit for such sale in any establishment. Local
22 authorities may, by ordinance, provide for the
23 licensing of individuals, as a condition precedent

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G. J. T. 4/1

Div. 2

24 to his employment, for the sale, serving, or handling
25 of alcoholic beverages or beer in an establishment
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*Div. 2
Adopted 4/15*

1 operating under a license or permit issued pursuant
2 to this Act."

3 27. Page 30, line 7, by inserting after the word
4 "revoked" the words "or suspended".

5 28. Page 30, line 9, by inserting after the word
6 "revoked" the words "or suspended".

7 29. Page 30, line 25, by striking the words "sixty
8 days" and inserting in lieu thereof the words "one
9 year".

*Div. 1
Adopted 4/15*

10 30. Page 31A, line 24, by inserting after the
11 word "Iowa" the words "for a period of two years from
12 the date of such revocation".

13 31. Page 31A, line 31, by inserting after the
14 word "interest" the words "for a period of two years
15 from the date of such revocation".

16 32. Page 32, line 19, by adding after the period
17 the following: "No manufacturer, vinter, wholesaler,
18 importer, licensee, permittee or any other person
19 dealing in alcoholic liquor or beer subject to this
20 Act shall offer or give any thing of value to any
21 council member, official or employee of the department
22 or directly or indirectly contribute in any manner
23 any money or thing of value to any person seeking
24 a public or appointive office or any recognized
25 political party or a group of persons seeking to

*Div. 3
Adopted
as amended 4/19*

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1 become a recognized political party."

2 33. Page 35A, line 16, by inserting after the
3 letter "C" the word "beer".

4 34. Page 36A, lines 12 and 13, by striking the
5 words "or to both such fine and imprisonment".

6 35. Page 48A, line 15, by striking the word
7 "thuosend" and inserting in lieu thereof the word
8 "thousand".

*Div. 1
Adopted 4/15*

9 36. Page 49, by striking lines 3 through 16, in-
10 clusive.

11 37. Page 49, by striking line 26 and inserting
12 in lieu thereof the words ", retail beer permittee,
13 or any other person who sells or gives any alcoholic".

*Div. 4
Adopted
4/19*

14 38. Page 49, line 32, by striking all after the
15 word "dollars" and all of line 33 and inserting in
16 lieu thereof a period.

17 39. Page 50, lines 5 and 6, by striking the words
18 "by certified mail, return receipt requested," and
19 inserting in lieu thereof the words "or such licensee's
20 or permittee's insurance carrier".

*Div. 1
Adopted 4/15*

21 40. Page 50, line 8, by inserting after the period
22 the following: "Such six month period shall be ex-

23 tended if the injured party is incapacitated at the
24 expiration thereof or unable, through reasonable
25 diligence, to discover the name of the licensee,

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1 permittee, or person until such time as such incapacity
2 is removed or such person has had a reasonable time
3 to discover the name of the licensee, permittee, or
4 person."

5 41. Page 50, by striking lines 14 and 15 and
6 inserting in lieu thereof the following:

7 "from a company licensed to do business in this
8 state or by posting bond in the minimum limits herein
9 set. Any such insurance policy shall not be canceled
10 until the director has been given at least ten days
11 written notice thereof by restricted certified mail.
12 Each licensee and permittee shall post proof of
13 financial responsibility as herein required as a
14 condition to obtaining and keeping a license or permit
15 pursuant to this Act. Actual notice of a claim to
16 an insurance company shall obviate the requirement
17 of giving written notice."

18 42. Page 54, by striking lines 27 through 31,
19 inclusive.

20 43. Page 55, line 6, by striking the words "and
21 prima facie".

22 44. Page 56, line 20, by inserting after the word
23 "destruction" the words "or forfeiture to the state".

24 45. Page 56, line 22, by striking the words "prima
25 facie".

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1 46. Page 56, line 31, by striking the words "prima
2 facie" and by inserting in lieu thereof the word
3 "competent".

4 47. Page 57, line 2, by striking the words "prima
5 facie" and by inserting in lieu thereof the word
6 "competent".

7 48. Page 61, by striking lines 6 through 9, inclu-
8 sive, and inserting in lieu thereof the words "less
9 than twenty-five persons at one time."

10 49. Page 62A, by striking lines 3 through 7, in-
11 clusive, and inserting in lieu thereof the words "be
12 two hundred fifty dollars."

13 50. Page 63, line 3, by inserting after the period
14 the following:

15 "Any brewer whose plant is located in Iowa and
16 who otherwise holds a class 'A' Beer permit to sell
17 beer at wholesale shall be exempt from the fee, but
18 not of the terms and conditions, as herein provided,"

19 51. Page 66, by striking lines 15 through 23,
20 inclusive, and inserting in lieu thereof the following:

21 "1. All retail beer permit fees collected by any
22 local authority at the time application for the permit

23 is made, and remitted with the permit application
24 to the department, shall be refunded by the department
25 to the local authority at the time the permit is is-

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1 sued."

2 52. Page 67, by striking lines 23 through 28,
3 inclusive.

4 53. Page 67, by adding after line 28 the follow
5 ing:

6 "Sec. 145. Chapter eighty (80), Code 1971, is
7 amended by adding the following section thereto:

8 The commissioner of public safety shall establish
9 a division of beer and liquor law enforcement and
10 appoint a chief enforcement officer to head the
11 division and the other agents needed in the division
12 as are necessary to enforce the provisions of Title
13 VI of the Code. All enforcement officers, assistants,
14 and agents of the division, excluding clerical workers,
15 shall be subject to the provisions of section eighty
16 point fifteen (80.15) of the Code."

17 54. Page 68, by striking lines 12 and 13 and
18 inserting in lieu thereof the words "the division
19 of beer and liquor law enforcement of the department
20 of public safety, except clerical workers."

21 55. Page 68, by adding after line 13 the following:

22 "Sec. 147. Section ninety-seven A point three
23 (97A.3), subsection one (1), Code 1971, is amended
24 as follows:

25 1. All members of the division of highway safety

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1 and uniformed force and the division of criminal
2 investigation and bureau of identification in the
3 department of public safety, excepting the members
4 of the clerical force, who are employed by the state
5 of Iowa when this chapter becomes effective, and all
6 persons thereafter employed as members of such
7 divisions in the department of public safety or
8 division of drug law enforcement or division of beer
9 and liquor law enforcement in said department except
10 the members of the clerical force, shall be members
11 of this system. Such members shall not be required
12 to make contributions under any other pension or
13 retirement system of the state of Iowa, anything to
14 the contrary notwithstanding."

15 56. Page 68, by adding after line 13 the follow-
16 ing:

17 "Sec. 148. Only those agents who qualify for
18 appointment under chapter eighty (80) of the Code
19 upon the effective date of this Act who are transferred
20 to the division of beer and liquor law enforcement
21 shall become members of the peace officers retirement
22 system under chapter ninety-seven A (97A) of the Code.
23 All other agents shall be exempt from such chapter

Div
1

24 and remain members of the Iowa public employees
25 retirement system. All agents of the enforcement
Page 13

1 division of the liquor control commission and the
2 appropriation to sustain them are, on the effective
3 date of this Act, transferred to the department of
4 public safety as agents of the division of beer and
5 liquor law enforcement, whether or not they qualify
6 as such under chapter eighty(80) of the Code,
7 notwithstanding the provisions of section one hundred
8 forty-five (145) of this Act. This section shall
9 only be printed in the session laws and not made a
10 permanent part of the Code."

11 57. Page 68, by adding after line 13 the follow-
12 ing:

13 "Sec. 149. Section seven hundred thirteen point
14 twenty-four (713.24), subsection two (2), Code 1971,
15 is amended by adding the following new paragraph:

16 'e. Any violations of this Act or any other provi-
17 sions of law by a manufacturer, distiller, vintner,
18 importer, or any person participating in the
19 distribution of alcoholic liquor or beer as defined
20 in this Act.'"

21 58. Page 68, line 14, by striking the word
22 "Chapters" and inserting in lieu thereof the words
23 and numerals "Section eighty point twenty-five (80.25),
24 and chapters".

25 59. Page 68, by adding after line 20 the follow-
Page 14

1 ing:

2 "Sec. 151. 1. The effective date of this Act
3 shall be January 1, 1972, however, the appointments
4 which are required to be made pursuant to sections
5 six (6) and ten (10) of this Act may be made prior
6 to that date for transitional purposes.

7 2. The Iowa liquor control commission, created
8 pursuant to section one hundred twenty-three point
9 six (123.6) of the Code, shall continue to discharge
10 its duties under Title VI of the Code, and its members
11 be entitled to full salary and other benefits, through
12 December 31, 1971, at which time the commission shall
13 be abolished and all rights, functions, and duties
14 pertaining to the commission and its members shall
15 cease.

16 3. On January 1, 1972 all unexpended funds of
17 the Iowa liquor control commission, from whatever
18 source obtained, all real and personal property
19 including buildings, offices, furniture, fixtures,
20 and supplies of the commission, and all personnel
21 of the commission not otherwise affected by this Act,
22 shall be transferred to the Iowa beer and liquor
23 control department created by this Act. Any

Done

Senate 12
April 8, 1971

24 appropriation previously made to the Iowa liquor
25 control commission shall, after January 1, 1972, be
Page 15

1 deemed to have been made to the Iowa beer and liquor
2 control department.

3 4. This section shall only be printed in the
4 session laws and not made a permanent part of the
5 Code."

6 60. Page 1, amend the title by inserting in line
7 6 after the semicolon the words "creating a division
8 of beer and liquor law enforcement in the department
9 of public safety;".

10 61. By making any renumbering and internal refer-
11 ence changes required by this amendment.

Div. 1

Filed - *Div. 1 - Adopted 4/15*
April 7, 1971 *2 - Inv. - 4/15*

By COMMITTEE ON STATE GOVERNMENT
POTGETER, Chairman

3 - adopted as amended 4/14
4 - adopted 4/19

HOUSE FILE 172

1 Amend House File 172 as amended and passed by the House
2 as follows:
3 1. Page 11, by striking lines 16 through 35 inclusive
4 and by inserting in lieu thereof the following:
5 "Council members, officers, and employees of the
6 department shall not, while holding such office or posi-
7 tion, hold any other office or position under the laws of
8 this state, or any other state or territory of the United
9 States; nor engage in any occupation, business, endeavor,
10 or activity which would or does conflict with his duties
11 under this Act; nor, directly or indirectly, use his office
12 or employment to influence, persuade, or induce any other
13 officer, employee, or person to adopt his political views
14 or favor any particular candidate for an elective or appoint-
15 ive public office; nor, directly or indirectly, solicit
16 or accept, in any manner or way, any money or other thing
17 of value for any person seeking an elective or appointive
18 public office, or to any political party or any group of
19 persons seeking to become a political party. Any officer or
20 employee violating this section or any other provision of
21 this Act shall, in addition to any other penalties provided
22 by law be subject to suspension or discharge from his employ-
23 ment. Any council member shall, in addition to any other
24 penalties provided by law, be subject to removal from office
25 as provided by law."

*Div. 1
William
4/19*

Page 2

1 2. Page 18, line 32, by inserting after the word
2 "Act." the following:
3 "The director shall, by rule and regulation, pre-
4 scribe the kind and type of seal that shall be placed up-
5 on each container, package, carton or box, containing
6 several bottles or other containers of alcoholic liquor
7 being transported within this state. The director shall
8 further prescribe the fee to be paid to the department for
9 such seals and the manner in which they are to be placed
10 upon each container, package, carton or box.

*Div. 2
Loat
4/19*

11 The director shall prescribe by such rule and regula-
12 tion, three methods of cross-checks and identification as
13 between the seal affixed on the container, package, carton
14 or box, and the bill of lading which is completed regard-
15 ing alcoholic liquor being shipped into Iowa for resale by
16 the state.

17 Such containers, packages, cartons, or boxes shall not
18 be required to have this seal, if the individual bottles
19 or containers of alcoholic liquor contained therein have
20 thereon the identifying marker prescribed in section 26 of

Senate 5
April 7, 1971

21 this Act. Alcoholic liquor transported in violation of this
22 section, is contraband, and shall be immediately seized by
23 any peace officer and forfeited to the state."
24 3. Page 35A, by striking lines 10 through 17 inclu-
25 sive, and by inserting in lieu thereof the following:

Page 3

1 "f. Employ any person under legal age in the sale
2 or serving of alcoholic liquor or beer for consumption on
3 the premises where sold unless the person shall be at least
4 18 years old and the business of selling food or other
5 services constitutes more than fifty percent of the gross
6 business transacted therein and then only for the purpose
7 of serving or clearing alcoholic beverages or beer as an
8 incident to a meal. This paragraph shall not apply to
9 Class "C" beer permit holders."

*Dis
con
Last
4/19.*

*Dis. 3
Adopted
4/19
Can
amended*

Filed
April 6, 1971

By GAUDINEER

1 Amend House File 172, as amended, passed and reprinted by the
2 House as follows:
3 1. Page 38, line 26 by adding after the word "to" the words
4 "the general fund of the counties and also to".
5 2. Page 38, line 27 by adding after the word "to" the words
6 "the county general fund and".
7 3. Page 38, line 28 by adding after the word "each" the words
8 "rural area,".
9 4. Page 38, line 30 by adding after the word "all" the words
10 "rural areas,".

Filed - *Last 4/19*
March 29, 1971

By KYHL

HOUSE FILE 172

1 Amend House File 172, as amended, passed and reprinted by the
2 House, page 9, line 5, by inserting before the words
3 "twenty-five" the words "not more than".

Filed - *Withdrawn 4/19*
February 25, 1971

By MESSERLY

HOUSE AMENDMENT TO SENATE AMENDMENT
TO HOUSE FILE 172

- 1 Amend the Senate amendments to House File 172 as
2 follows:
- 3 1. By striking lines 127 through 130.
 - 4 2. By inserting in lieu 225 after the word "licensee"
5 the following: "and class 'B' beer permittee."
 - 6 3. By inserting in lieu 263 after the word "division"
7 the words ", who shall be an attorney licensed to practice
8 in this state,".
 - 9 4. By striking lines 275 and 276 and inserting in lieu
10 thereof the words "Sec. _____. All agents of the".
 - 11 5. By inserting in line 284 after the word "Act"
12 the words ", however, those agents who do not qualify as
13 such under chapter eighty (80) of the Code shall remain
14 members of the Iowa public employees retirement system".
 - 15 6. By adding to House File 172 the following sections
16 after line 16, page 49:
 - 17 (1) Within six months of the occurrence of an injury,
18 the injured person shall give written notice to the licensee
19 or permittee or such licensee's or permittee's insurance
20 carrier of his intention to bring an action under this section,
21 indicating the time, place and circumstances causing the
22 injury. Such six months period shall be extended if the
23 injured party is incapacitated at the expiration thereof or
24 unable, through reasonable diligence, to discover the name
25 of the licensee, permittee, or person causing the injury or

PAGE 2

- 1 until such time as such incapacity is removed or such person
2 has had a reasonable time to discover the name of the
3 licensee, permittee or person causing the injury.
- 4 (2) No right of action for contribution or indemnity
5 shall accrue to any insurer, guarantor or indemnitor of any
6 intoxicated person for any act of such intoxicated person
7 against any licensee or permittee as defined in this Act.
- 8 7. By adding to House File 172 the following section
9 after line 13, page 68.
 - 10 Section ninety-seven A point three (97A.3), subsection
11 one (1), Code 1971, is amended as follows:
 - 12 1. All members of the division of highway safety and
13 uniformed force and the division of criminal investigation
14 and bureau of identification in the department of public
15 safety, excepting the members of the clerical force, who are
16 employed by the state of Iowa when this chapter becomes
17 effective, and all persons thereafter employed as members of
18 such divisions in the department of public safety or division
19 of drug law enforcement or qualified members of the division
20 of beer and liquor law enforcement in said department except
21 the members of the clerical force, shall be members of this
22 system. Such members shall not be required to make
23 under any other pension or retirement system of the state of
24 anything to the contrary notwithstanding. Iowa,

Received from House
May 11, 1971

*Senate concurred
5/14*

HOUSE FILE 172

1 Amend the Senate Amendment to House File 172,
2 appearing on pages 998 through 1004 of the House
3 Journal, as follows:
4 1. By inserting in line 263 after the word
5 "division" the words ", who shall be an attorney
6 licensed to practice in this state,".
7 2. By inserting after line 273 the following and
8 renumbering the remaining items accordingly:
9 "55. Page 68, by adding after line 13 the
10 following:
11 Sec. ____ . Section ninety-seven A point three
12 (97A.3), subsection one (1), Code 1971, is amended
13 as follows:
14 1. All members of the division of highway safety
15 and uniformed force and the division of criminal
16 investigation and bureau of identification in the
17 department of public safety, excepting the members
18 of the clerical force, who are employed by the state
19 of Iowa when this chapter becomes effective, and all
20 persons thereafter employed as members of such
21 divisions in the department of public safety or
22 division of drug law enforcement or qualified members
23 of the division of beer and liquor law enforcement
24 in said department except the members of the clerical
25 force, shall be members of this system. Such members
26 shall not be required to make contributions under
27 any other pension or retirement system of the state
28 of Iowa, anything to the contrary notwithstanding."
29 3. By striking lines 275 and 276 and inserting
30 in lieu thereof the words "Sec. ____ . All agents of
31 the".
32 4. By inserting in line 284 after the word "Act"
33 the words ", however, those agents who do not qualify
34 as such under chapter eighty (80) of the Code shall
35 remain members of the Iowa public employees retirement
36 system".

Filed - *Adopted 5/10*
April 30, 1971

By FISHER of Greene
District 56
DRAKE of Muscatine
District 71

HOUSE FILE 172

1 Amend the Senate amendment to House File 172, line 202
2 by striking the word "eighteen" and inserting in lieu
3 thereof the word "sixteen".

Filed - *Last 5/10*
April 30, 1971

By NORPEL of Jackson
District 52

House 2
April 21, 1971

SENATE AMENDMENT TO HOUSE FILE 172

- 1 Amend House File 172, as amended, passed and reprinted by the
2 House as follows:
- 3 1. Page 6, by striking line 35, and page 7, by striking lines
4 1 through 6, inclusive, and inserting in lieu thereof the
5 following:
6 32. "Hotel" or "motel" means a premise licensed by the
7 state department of agriculture and regularly or seasonally
8 kept open in a bona fide manner for the lodging of transient
9 guests, and with twenty or more sleeping rooms.
 - 10 2. Page 7, line 27, by striking "July 1, 1971" and inserting
11 in lieu thereof "January 1, 1972".
 - 12 3. Page 7, line 32, by striking the words "At least three
13 members" and inserting in lieu thereof the word "Members".
 - 14 4. Page 7, line 35 and page 8, line 1, by striking the
15 words "a retainer" and inserting in lieu thereof the follow-
16 ing: "full compensation for their services".
 - 17 5. Page 8, lines 1 and 2, by striking the words "payable
18 in twenty-four equal payments throughout the year".
 - 19 6. Page 8, line 18, by inserting after the comma the words
20 "in such amount and".
 - 21 7. Page 8, lines 28 and 29, by striking the words and
22 numbers "on July 1, 1971" and inserting in lieu thereof
23 the following: "as soon after January 1, 1972 as is
24 possible".
 - 25 8. Page 9, line 3, by inserting after the word "appoint" the
26 the following: ", with the approval of two-thirds of the
27 senate,".
 - 28 9. Page 9, line 5, by inserting before the word "twenty-five"
29 the words "not more than".
 - 30 10. Page 9, line 13, by inserting after the word "council."
31 the following:
32 "The director shall devote full time to the discharge of
33 his duties. He shall not hold any other elective or appointive
34 office under the laws of this state, the United States, or any
35 other state or territory. He shall not accept or solicit,
36 directly or indirectly, contributions or anything of value in
37 behalf of himself, any political party, or any person seeking
38 an elective or appointive office nor use his official position
39 to advance the candidacy of anyone seeking an elective or
40 appointive office. The director, his spouse, and immediate
41 family shall not have any interest, in any distillery, winery,
42 brewery, importer, permittee or licensee or any business which
43 is subject to license or regulation pursuant to this Act."
 - 44 11. Page 9, by striking lines 26 and 27 and inserting in
45 lieu thereof the following: "Sec. 12. REMOVAL. Any council
46 member shall be removed".
 - 47 12. Page 10, by striking lines 2 through 18, inclusive, and
48 inserting in lieu thereof the following:

49 "Sec. 14. BEER AND LIQUOR LAW ENFORCEMENT.

50 1. The division of beer and liquor law enforcement of
51 the department of public safety, created pursuant to section
52 one hundred forty-five (145) of this Act, shall be the primary
53 beer and liquor law enforcement authority for this state.

54 2. The other law enforcement divisions of the department
55 of public safety, the county attorney, the county sheriff and
56 his deputies, and the police department of every city, includ-
57 ing the day and night marshal of any incorporated town, shall
58 be supplementary aids to the division of beer and liquor law
59 enforcement. Any neglect, misfeasance, or malfeasance shown
60 by any peace officer included in this section shall be
61 sufficient cause for his removal as provided by law. Nothing
62 in this section shall be construed to affect the duties and
63 responsibilities of any county attorney or peace officer with
64 respect to law enforcement.

65 3. The division of beer and liquor law enforcement shall
66 be allowed full access to all records, reports, audits, tax
67 reports and all other documents and papers in the department
68 pertaining to liquor licensees and beer permittees and their
69 business."

70 13. Page 10, by striking lines 28 through 31, inclusive,
71 and inserting in lieu thereof the following:

72 "and one member shall be the commissioner of public safety
73 or his designee. The hearing board shall establish and adopt
74 rules and procedures for conducting departmental hearings
75 under this Act."

76 14. Page 11, by striking lines 16 through 35, inclusive,
77 and inserting in lieu thereof the following:

78 "Council members, officers, and employees of the department
79 shall not, while holding such office or position, hold any
80 other office or position under the laws of this state, or
81 any other state or territory or of the United States; nor
82 engage in any occupation, business, endeavor, or activity
83 which would or does conflict with his duties under this
84 Act; nor, directly or indirectly, use his office or employ-
85 ment to influence, persuade, or induce any other officer,
86 employee, or person to adopt his political views or to
87 favor any particular candidate for an elective or appointive
88 public office; nor, directly or indirectly, solicit or
89 accept, in any manner or way, any money or other thing of
90 value for any person seeking an elective or appointive
91 public office, or to any political party or any group of
92 persons seeking to become a political party. Any officer
93 or employee violating this section or any other provisions
94 of this Act shall, in addition to any other penalties pro-
95 vided by law be subject to suspension or discharge from
96 his employment. Any council member shall, in addition to
97 any other penalties provided by law, be subject to removal
98 from office as provided by law."

99 15. Page 12, line 35, by inserting after the word "depart-
100 ment" the following: "the name and address of its authorized

- 101 agent for service of process which shall remain effective
102 until changed for another and".
- 103 16. Page 13, line 11, by inserting after the word "Act"
104 the words "or of rules and regulations of the department
105 or of any other provision of law".
- 106 17. Page 13, by inserting after line 28 the following new
107 subsection:
- 108 "6. The attorney general may also proceed pursuant to
109 the provisions of section seven hundred thirteen point
110 twenty-four (713.24) of the Code in order to gain compli-
111 ance with subsection three (3) of this section and may
112 obtain an injunction prohibiting any further violations
113 of this Act or other provisions of law. Any violation of
114 that injunction shall be punished as contempt of court
115 pursuant to chapter six hundred sixty-five (665) of the
116 Code except that the maximum fine that may be imposed
117 shall not exceed fifty thousand dollars."
- 118 18. Page 14, line 2, by inserting after the word "institution"
119 the following: ", except that local authorities may by
120 ordinance reduce such minimum distance".
- 121 19. Page 14, lines 13 and 14, by striking the words ", the
122 director and enforcement agents in the enforcement division"
123 and inserting in lieu thereof the words " and the director".
- 124 20. Page 15, line 22, by striking the word "should" and
125 inserting in lieu thereof the word "shall".
- 126 21. Page 16A, by striking lines 7 through 9, inclusive.
- 127 22. Page 16A, line 17, by striking the words "United States"
128 and inserting in lieu thereof the words "territorial limits
129 of any state of the United States and for which the owner
130 has in his possession a valid sales receipt".
- 131 23. Page 18, by striking lines 18 through 20, inclusive,
132 and renumbering the remaining subsection.
- 133 24. Page 18, line 30, by striking the words "or depot"
134 and inserting in lieu thereof the words "depot or point of
135 purchase by the state".
- 136 25. Page 19, line 2, by striking the words "a container
137 which has" and inserting in lieu thereof the words
138 "individual bottles or containers of alcoholic liquor
139 exempted pursuant to section twenty-two (22) of this Act
140 and individual bottles or containers bearing the identify-
141 ing mark prescribed in section twenty-six (26) of this
142 Act which have".
- 143 26. Page 22, by striking all of lines 18 and 19 and insert-
144 ing in lieu thereof the following: "in the application."
- 145 27. Page 25, line 3, by striking the word "registered"
146 and inserting in lieu thereof the words "restricted
147 certified".
- 148 28. Page 25, line 14, by striking the word "may" and
149 inserting in lieu thereof the word "shall".
- 150 29. Page 25, line 18, by striking the word "may" and
151 inserting in lieu thereof the words "shall reduce the
152 period of suspension or".
- 153 30. Page 26, by striking line 6 and inserting in lieu
154 thereof the words "agents of the division of beer and
155 liquor law enforcement of the department of public safety

- 156 during".
- 157 31. Page 30, line 7, by inserting after the word "revoked"
- 158 the words "or suspended".
- 159 32. Page 30, line 9, by inserting after the word "revoked"
- 160 the words "or suspended".
- 161 33. Page 30, line 25, by striking the words "sixty days"
- 162 and inserting in lieu thereof the words "one year".
- 163 34. Page 31A, line 24, by inserting after the word "Iowa"
- 164 the words "for a period of two years from the date of such
- 165 revocation".
- 166 35. Page 31A, line 31, by inserting after the word "interest"
- 167 the words "for a period of two years from the date of such
- 168 revocation".
- 169 36. Page 32, line 19, by adding after the period the
- 170 following: "No manufacturer, vintner, wholesaler, or
- 171 importer, organized as a corporation pursuant to the laws
- 172 of this state or any other state, and who deals in alcoholic
- 173 liquor or beer subject to this Act shall offer or give any
- 174 thing of value to any council member, official or employee
- 175 of the department or directly or indirectly contribute in
- 176 any manner any money or thing of value to any person seek-
- 177 ing a public or appointive office or any recognized
- 178 political party or a group of persons seeking to become
- 179 a recognized political party."
- 180 37. Page 33A, by striking lines 21 through 35 and insert-
- 181 ing in lieu thereof the following:
- 182 Sec. 47. PERSONS UNDER LEGAL AGE. After July 1, 1971,
- 183 no person shall sell, give, or otherwise supply alcohol
- 184 liquor or beer to any person knowing or having reasonable
- 185 cause to believe him to be under legal age, and no person
- 186 or persons under legal age shall individually or jointly
- 187 have alcoholic liquor or beer in his or their possession or
- 188 control; except in the case of liquor or beer given or
- 189 dispensed to a person under legal age within a private home
- 190 and with the knowledge and consent of the parent or guardian
- 191 for beverage or medicinal purposes or as administered to him
- 192 by either a physician or dentist for medicinal purposes and
- 193 except to the extent that a person under legal age may handle
- 194 alcoholic beverages and beer during the regular course of his
- 195 or her employment by a liquor control licensee or beer per-
- 196 mittee under this Act.
- 197 38. Page 35A, by striking lines 10 through 17, inclusive,
- 198 and inserting in lieu thereof the following:
- 199 "f. After July 1, 1971, any person under legal age
- 200 shall not be employed in the sale or serving of alcoholic
- 201 liquor or beer for consumption on the premises where sold
- 202 unless the person shall be at least eighteen years old and
- 203 the business of selling food or other services constitutes
- 204 more than fifty percent of the gross business transacted
- 205 therein and then only for the purpose of serving or clear-
- 206 ing alcoholic beverages or beer as an incident to a meal.
- 207 This paragraph shall not apply to class 'C' beer permit
- 208 holders."

- 209 39. Page 36A, lines 12 and 13, by striking the words
210 "or to both such fine and imprisonment".
- 211 40. Page 49, by striking lines 3 through 16, inclusive.
- 212 41. Page 49, by striking lines 17 through 35, inclusive
213 and page 50 by striking lines 1 through 15, inclusive, and
214 inserting in lieu thereof the following:
215 Sec. _____. CIVIL LIABILITY APPLICABLE TO SALE OR GIFT
216 OF BEER OR INTOXICANTS BY LICENSEES. Every husband, wife,
217 child, parent, guardian, employer or other person who shall
218 be injured in person or property or means of support by any
219 intoxicated person or resulting from the intoxication of any
220 such person, shall have a right of action, severally or
221 jointly against any licensee or permittee who shall sell or
222 give any beer or intoxicating liquor to any such person while
223 he is intoxicated, or serve any such person to a point where
224 such person is intoxicated for all damages actually sustained.
- 225 Every liquor control licensee shall furnish proof of
226 financial responsibility either by the existence of a
227 liability insurance policy or by posting bond in such
228 amount as determined by the department
- 229 42. Page 54, by striking lines 27 through 31, inclusive.
- 230 43. Page 55, line 6, by striking the words "and prima
231 facie".
- 232 44. Page 56, line 20, by inserting after the word
233 "destruction" the words "or forfeiture to the state".
- 234 45. Page 56, line 22, by striking the words "PRIMA FACIE".
- 235 46. Page 56, line 31, by striking the words "prima facie"
236 and inserting in lieu thereof the word "competent".
- 237 47. Page 57, line 2, by striking the words "prima facie"
238 and inserting in lieu thereof the word "competent".
- 239 48. Page 61, by striking lines 6 through 9, inclusive,
240 and inserting in lieu thereof the words "less than
241 twenty-five persons at one time."
- 242 49. Page 62A, by striking lines 3 through 7, inclusive,
243 and inserting in lieu thereof the words "be two hundred
244 fifty dollars."
- 245 50. Page 63, line 3, by inserting after the period the
246 following: "Any brewer whose plant is located in Iowa and
247 who otherwise holds a class 'A' beer permit to sell beer
248 at wholesale shall be exempt from the fee, but not of the
249 terms and conditions, as herein provided."
- 250 51. Page 66, by striking lines 15 through 23, inclusive,
251 and inserting in lieu thereof the following:
252 1. All retail beer permit fees collected by any local
253 authority at the time application for the permit is made
254 and remitted with the permit application to the department,
255 shall be refunded by the department to the local authority
256 at the time the permit is issued.
- 257 52. Page 67, by striking lines 23 through 28, inclusive.
- 258 53. Page 67, by adding after line 28 the following:
259 Sec. 145. Chapter eighty (80), Code 1971, is amended
260 by adding the following section thereto:
261 The commissioner of public safety shall establish a
262 division of beer and liquor law enforcement and appoint a
263 chief enforcement officer to head the division and the

264 other agents needed in the division as are necessary to
265 enforce the provisions of Title VI of the Code. All enforce-
266 ment officers, assistants, and agents of the division,
267 excluding clerical workers, shall be subject to the pro-
268 visions of section eighty point fifteen (80.15) of the
269 Code.

270 54. Page 68, by striking lines 12 and 13 and inserting
271 in lieu thereof the following: "the division of beer and
272 liquor law enforcement of the department of public safety,
273 except clerical workers."

274 55. Page 68, by adding after line 13 the following:

275 Sec. _____. All agents shall remain members of the
276 Iowa public employees retirement system. All agents of the
277 enforcement division of the liquor control commission and
278 the appropriation to sustain them are, on the effective
279 date of this Act, transferred to the department of public
280 safety as agents of the division of beer and liquor law
281 enforcement, whether or not they qualify as such under
282 chapter eighty (80) of the Code, notwithstanding the pro-
283 visions of section one hundred forty-five (145) of this
284 Act. This section shall only be printed in the session
285 laws and not made a permanent part of the Code.

286 56. Page 68, by adding after line 13 the following:

287 Sec. _____. Section seven hundred thirteen point
288 twenty-four (713.24), subsection two (2), Code 1971, is
289 amended by adding the following new paragraph:

290 "e. Any violations of this Act or any other pro-
291 visions of law by a manufacturer, distiller, vintner,
292 importer, or any other person participating in the
293 distribution of alcoholic liquor or beer as defined in
294 this Act."

295 57. Page 68, line 14, by striking the word "Chapters"
296 and inserting in lieu thereof the following: "Section
297 eighty point twenty-five (80.25), and chapters".

298 58. Page 68, by adding after line 20 the following:

299 Sec. _____. 1. Unless otherwise provided the effective
300 date of this Act shall be January 1, 1972, however, the
301 appointments which are required to be made pursuant to
302 sections six (6) and ten (10) of this Act may be made
303 prior to that date for transitional purposes.

304 2. The Iowa liquor control commission, created
305 pursuant to section one hundred twenty-three point six
306 (123.6) of the Code, shall continue to discharge its
307 duties under Title VI of the Code, and its members be
308 entitled to full salary and other benefits, through
309 December 31, 1971, at which time the commission shall be
310 abolished and all rights, functions, and duties pertain-
311 ing to the commission and its members shall cease. Any
312 member whose term expires on June 30, 1971 shall not be
313 replaced as provided by law and such member shall continue
314 in office through December 31, 1971.

315 3. On January 1, 1972 all unexpended funds of the
316 Iowa liquor control commission, from whatever source
317 obtained, all real and personal property, including build-
318 ings, offices, furniture fixtures, and supplies of the

House 8
April 21, 1971

319 commission, and all personnel of the commission not other-
320 wise affected by this Act, shall be transferred to the
321 Iowa beer and liquor control department created by this
322 Act. Any appropriation previously made to the Iowa liquor
323 control commission shall, after January 1, 1972, be
324 deemed to have been made to the Iowa beer and liquor control
325 department.

326 4. This section shall only be printed in the session
327 laws and not made a permanent part of the Code.

328 59. Page 1, amend the title by inserting in line 6 after
329 the semicolon the words "creating a division of beer and
330 liquor law enforcement in the department of public safety;".

331 60. By making any renumbering and internal reference changes
332 required by this amendment.

Received from the Senate
April 20, 1971

*House concurred
in Senate amendment
amended 5/10*

House 5
May 3, 1971

HOUSE FILE 172

1 Amend the Senate amendment to House File 172 by
2 inserting after line 228 the following new sections:
3 1. Within six months of the occurrence of an
4 injury, the injured person shall give written notice
5 to the licensee or permittee or such licensee's or
6 permittee's insurance carrier of his intention to
7 bring an action under this section, indicating the
8 time, place and circumstances causing the injury.
9 Such six months period shall be extended if the
10 injured party is incapacitated at the expiration
11 thereof or unable, through reasonable diligence, to
12 discover the name of the licensee, permittee, or
13 person causing the injury or until such time as
14 such incapacity is removed or such person has had
15 a reasonable time to discover the name of the
16 licensee, permittee or person causing the injury.
17 2. No right of action for contribution or
18 indemnity shall accrue to any insurer, guarantor or
19 indemnitor of any intoxicated person for any act
20 of such intoxicated person against any licensee or
21 permittee as defined in this Act.

Filed - *Adopted 4/30*
April 30, 1971

motion to reconsider filed 5/3
revised 5/10
Adopted 5/10

By SKINNER of Polk
District 74
KELLY of Woodbury
District 22

HOUSE FILE 172

1 Amend the Senate Amendment to House File 172,
2 appearing on pages 998 through 1004 of the House
3 Journal, by striking all of lines 242, 243, and
4 244.

Offered from the
floor and
deferred.
April 30, 1971

Lost 5/10

By LARSON of Story
District 34
KENNEDY of Chickasaw
District 11

HOUSE FILE 172

1 Amend Senate amendment to House File 172 by
2 striking lines 127 through 130.

Filed - *Adopted 5/10*
April 30, 1971

By GOODE of Davis
District 98

1 Amend the Senate amendment to House File 172, as
2 amended, passed by the House, and reprinted, appearing
3 on pages 998 through 1004 of the House Journal, as
4 follows:

5 1. Line 11, by striking the word "January" and
6 inserting in lieu thereof the word "July".

7 2. Line 23, by striking the word "January" and
8 inserting in lieu thereof the word "July".

9 3. Line 182, by striking the number "1971" and
10 inserting in lieu thereof the number "1972".

11 4. Line 199, by striking the number "1971" and
12 inserting in lieu thereof the number "1972".

13 5. Line 300, by striking the word "January" and
14 inserting in lieu thereof the word "July".

15 6. Line 309, by striking the words and numbers
16 "December 31, 1971" and inserting in lieu thereof
17 the words and numbers "June 30, 1972".

18 7. Line 314, by striking the words and numbers
19 "December 31, 1971" and inserting in lieu thereof
20 the words and numbers "June 30, 1972".

21 8. Line 315, by striking the word "January" and
22 inserting in lieu thereof the word "July".

23 9. Line 323, by striking the word "January" and
24 inserting in lieu thereof the word "July".

Filed - *lost 5/10*
May 4, 1971

By FISCHER of Grundy
District 35
ANANIA of Polk
District 65

1 Amend the Senate amendment to House File 172, line
2 225, by inserting after the word "licensee" the
3 following: "and class 'B' beer permittee".

Filed - *Adopted 5/10*
May 4, 1971

By FISHER of Greene
District 56
DRAKE of Muscatine
District 71

1 Amend Senate Amendment to House File 172 by
2 striking lines 230 and 231 and lines 234 through lines 238.

Offered from the
floor and lost.
May 10, 1971

By KNOKE of Pottawattamie
District 79