

Reprinted 4/6/79

State Government: Hansen of O'Brien, Chair; Johnson of Woodbury and Dieleman.

FEB 15 1979

HOUSE FILE 357

STATE GOVERNMENT

By BRANDT

Do Pass per 3440 3/15 (p. 983)

Passed House, Date 4-4-79 (p. 1339) Passed Senate, Date _____
Vote: Ayes 74 Nays 21 Vote: Ayes _____ Nays _____
Approved 4/21/80

A BILL FOR

1 An Act relating to the acceptance of checks by vendors of
2 state liquor stores.

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

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HOUSE FILE 357

H-3484

- 1 Amend House File 357 as follows:
- 2 1. Page 1, by striking lines 11 through 35.
- 3 2. Page 2, by striking lines 1 and 2.

H-3484 FILED *Lost 4/4 (p. 1339)*
MARCH 19, 1979

BY THOMPSON of Polk
DIELEMAN of Marion

HOUSE FILE 357

H-3440

- 1 Amend House File 357 as follows:
- 2 1. Page 2, by striking lines 3 and 4.

H-3440 FILED *Adopted 4/4 (p. 1338)*
MARCH 15, 1979

BY COMMITTEE ON STATE GOVERNMENT
Crawford, Chairperson

357

1 Section 1. Section one hundred twenty-three point twenty-
2 four (123.24), unnumbered paragraph one (1), Code 1979, is
3 amended to read as follows:

3446

4 1. In the conduct and management of state liquor stores,
5 the director is empowered to employ a person who shall be
6 known as a "vendor" who shall, subject to the directions of
7 the director, observe all provisions of this chapter and the
8 rules and regulations of the department. No vendor of any
9 state liquor store shall sell alcoholic liquor to any person
10 except for cash or traveler's check.

3484

11 Sec. 2. Section one hundred twenty-three point twenty-
12 four (123.24), unnumbered paragraph two (2), Code 1979, is
13 amended by striking the paragraph and inserting in lieu thereof
14 the following:

15 2. a. Notwithstanding the preceding paragraph, a vendor
16 may accept from a class "A", "B", "C" or "D" liquor control
-17 licensee, a cashier's check or a check issued by the licensee,
18 in payment of alcoholic liquor purchased for resale. In the
19 event a check is subsequently dishonored, the vendor shall
20 cause a notice of nonpayment and penalty to be served upon
21 the licensee or upon any person in charge of the licensed
22 premises. The notice shall state that if payment or
23 satisfaction for the dishonored check is not made within ten
24 days of the service of notice, the licensee's liquor control
25 license shall be suspended by the procedures of section one
26 hundred twenty-three point thirty-nine (123.39) of the Code.
27 The notice of nonpayment and penalty shall be in a form
28 prescribed by the director, and shall be served by a peace
29 officer.

30 b. If upon notice and hearing under the procedures speci-
31 fied in section one hundred twenty-three point thirty-nine
-32 (123.39) of the Code, the director determines that the licensee
33 failed to satisfy the obligation for which the check was is-
34 sued within ten days after the notice of nonpayment and penalty
35 was served on the licensee as provided in paragraph a of this

1 subsection, the director shall suspend the licensee's liquor
2 control license for a period of thirty days.

3 Sec. 3. This Act is effective January first following
4 its enactment.

5 EXPLANATION

6 This bill would permit state liquor stores to accept
7 traveler's checks for purchases of liquor to the public and
8 liquor control licensees. Section 2 of the bill also permits
9 the state liquor stores to accept cashiers checks from liquor
10 licensees who purchase alcoholic liquor for resale. The
11 former provision regulated only the acceptance of personal
12 checks. The bill provides a ten-day grace period in which
13 liquor control licensees can make payment on dishonored checks
14 issued by the licensee for the payment of alcoholic liquor
15 purchased for resale. Presently under section 123.24 of the
16 Code, if a licensee's check is "subsequently dishonored for
17 good cause the director shall immediately suspend the
18 licensee's liquor control license for a period of thirty
19 days".

20 The bill also deletes section 123.24's language that exempts
21 suspensions under the section from the provisions of the Iowa
22 administrative procedure Act.

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House File 357

State Government
Carr, Chairperson
Schwengels
Bisenius

*at 4/9
Amend per 5342.
Do Pass 2/10 (p.807)*

HOUSE FILE 357

By BRANDT

(As Amended and Passed by the House)

Passed House, Date 4/8/80 (p.1419) Passed Senate, Date 3/27/80 (p.1130)

Vote: Ayes 76 Nays 15 Vote: Ayes 42 Nays 0

Approved April 21, 1980

A BILL FOR

1 An Act relating to the acceptance of checks by vendors of
2 state liquor stores.

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

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* Language Stricken

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1 Section 1. Section one hundred twenty-three point twenty-
2 four (123.24), unnumbered paragraph one (1), Code 1979, is
3 amended to read as follows:

4 1. In the conduct and management of state liquor stores,
5 the director is empowered to employ a person who shall be
6 known as a "vendor" who shall, subject to the directions of
7 the director, observe all provisions of this chapter and the
8 rules and regulations of the department. No vendor of any
9 state liquor store shall sell alcoholic liquor to any person
10 except for cash or traveler's check.

11 Sec. 2. Section one hundred twenty-three point twenty-
12 four (123.24), unnumbered paragraph two (2), Code 1979, is
13 amended by striking the paragraph and inserting in lieu thereof
14 the following:

15 2. a. Notwithstanding the preceding paragraph, a vendor
16 may accept from a class "A", "B", "C" or "D" liquor control
5342 - 17 licensee, a cashier's check or a check issued by the licensee,
18 in payment of alcoholic liquor purchased for resale. In the
19 event a check is subsequently dishonored, the vendor shall
20 cause a notice of nonpayment and penalty to be served upon
21 the licensee or upon any person in charge of the licensed
22 premises. The notice shall state that if payment or
23 satisfaction for the dishonored check is not made within ten
24 days of the service of notice, the licensee's liquor control
25 license shall be suspended by the procedures of section one
26 hundred twenty-three point thirty-nine (123.39) of the Code.
27 The notice of nonpayment and penalty shall be in a form
28 prescribed by the director, and shall be served by a peace
29 officer.

30 b. If upon notice and hearing under the procedures speci-
31 fied in section one hundred twenty-three point thirty-nine
5342 - 32 (123.39) of the Code, the director determines that the licensee
33 failed to satisfy the obligation for which the check was is-
34 sued within ten days after the notice of nonpayment and penalty
35 was served on the licensee as provided in paragraph a of this

1 subsection, the director shall suspend the licensee's liquor
2 control license for a period of thirty days.

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HOUSE FILE 357

S-5342

1 Amend House File 357 as amended, passed and
2 reprinted by the House as follows:
3 1. Page 1, by striking line 17 and inserting in
4 lieu thereof the following: "licensee, a cashier's
5 check which shows the licensee is the remitter or
6 a check issued by the licensee,".
7 2. Page 1, line 32, by inserting after the word
8 "Code" the words "and pursuant to the provisions of
9 chapter seventeen A (17A) concerning a contested case
10 hearing".
11 3. Page 2, by striking line 2 and inserting in
12 lieu thereof the following: "control license for
13 not less than three days but not more than thirty
14 days."

S-5342 FILED
MARCH 11, 1980

BY COMMITTEE ON STATE GOVERNMENT
JACK NYSTROM, CHAIRPERSON

3/27 p. 1129)

SENATE AMENDMENT TO
HOUSE FILE 357

H-5779

1 Amend House File 357 as amended, passed and
2 reprinted by the House as follows:
3 1. Page 1, by striking line 17 and inserting in
4 lieu thereof the following: "licensee, a cashier's
5 check which shows the licensee is the remitter or
6 a check issued by the licensee,".
7 2. Page 1, line 32, by inserting after the word
8 "Code" the words "and pursuant to the provisions of
9 chapter seventeen A (17A) concerning a contested case
10 hearing".
11 3. Page 2, by striking line 2 and inserting in
12 lieu thereof the following: "control license for
13 not less than three days but not more than thirty
14 days."

H-5779 FILED
MARCH 31, 1980

RECEIVED FROM THE SENATE

House concerned 4/8 (p. 1419)

HOUSE FILE 357

AN ACT

RELATING TO THE ACCEPTANCE OF CHECKS BY VENDORS OF STATE
LIQUOR STORES.

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

Section 1. Section one hundred twenty-three point twenty-four (123.24), unnumbered paragraph one (1), Code 1979, is amended to read as follows:

1. In the conduct and management of state liquor stores, the director is empowered to employ a person who shall be known as a "vendor" who shall, subject to the directions of the director, observe all provisions of this chapter and the rules and regulations of the department. No vendor of any state liquor store shall sell alcoholic liquor to any person except for cash or traveler's check.

Sec. 2. Section one hundred twenty-three point twenty-four (123.24), unnumbered paragraph two (2), Code 1979, is amended by striking the paragraph and inserting in lieu thereof the following:

2. a. Notwithstanding the preceding paragraph, a vendor may accept from a class "A", "B", "C" or "D" liquor control licensee, a cashier's check which shows the licensee is the remitter or a check issued by the licensee, in payment of alcoholic liquor purchased for resale. In the event a check is subsequently dishonored, the vendor shall cause a notice of nonpayment and penalty to be served upon the licensee or upon any person in charge of the licensed premises. The notice shall state that if payment or satisfaction for the dishonored check is not made within ten days of the service of notice, the licensee's liquor control license shall be suspended by the procedures of section one hundred twenty-three point thirty-nine (123.39) of the Code. The notice

of nonpayment and penalty shall be in a form prescribed by the director, and shall be served by a peace officer.

b. If upon notice and hearing under the procedures specified in section one hundred twenty-three point thirty-nine (123.39) of the Code and pursuant to the provisions of chapter seventeen A (17A) concerning a contested case hearing, the director determines that the licensee failed to satisfy the obligation for which the check was issued within ten days after the notice of nonpayment and penalty was served on the licensee as provided in paragraph a of this subsection, the director shall suspend the licensee's liquor control license for not less than three days but not more than thirty days.

WILLIAM H. HARBOR
Speaker of the House

TERRY E. BRANSTAD
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 357, Sixty-eighth General Assembly.

BRUCE GRAHAM
Assistant Chief Clerk of the House

Approved 4/21/, 1980

ROBERT D. RAY
Governor