HOUSE FILE 409 BY BERRY

A BILL FOR

- l An Act relating to revocation and subsequent reissuance of
- 2 alcoholic beverage licenses and permits.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 123.40, Code 2011, is amended to read as
2 follows:

3 123.40 Effect of revocation.

<u>1.</u> Any liquor control licensee, wine permittee, or beer
 permittee whose license or permit is revoked under this chapter
 shall not thereafter be permitted to hold a liquor control
 license, wine permit, or beer permit in the state of Iowa for a
 period of two three years from the date of revocation.

9 <u>2. a.</u> A spouse or <u>other relative of a person whose license</u>
10 <u>or permit has been revoked under this chapter shall not be</u>
11 <u>issued a liquor control license, wine permit, or beer permit</u>
12 <u>with respect to the business subject to revocation for a period</u>
13 <u>of three years from the date of revocation.</u>

14 <u>b.</u> A business associate holding ten percent or more of the 15 capital stock or ownership interest in the business of a person 16 whose license or permit has been revoked shall not be issued 17 a liquor control license, wine permit, or beer permit, and no 18 liquor control license, wine permit, or beer permit shall be 19 issued which covers any business in which such person has a 20 financial interest for a period of two three years from the 21 date of revocation.

22 <u>3.</u> If a license or permit is revoked, the premises which had 23 been covered by the license or permit shall not be relicensed 24 for one year.

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EXPLANATION

This bill relates to restrictions on subsequent reissuance of a liquor control license, wine permit, or beer permit which has been subject to revocation. Currently, a licensee or permittee whose license or permit has been revoked cannot receive another license or permit for two years from the date of revocation. The same restriction applies to a spouse or business associate holding 10 percent or more of the capital stock or ownership interest in the licensee's or permittee's three years and applies to the spouse or relative of the

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l licensee regardless of ownership interest.

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