

House Study Bill 21 - Introduced

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON COWNIE)

A BILL FOR

1 An Act concerning penalties for sale of alcohol to minors by
2 alcohol beverage licensees and permittees and providing for
3 an alcohol compliance employee training program.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 123.50, subsection 3, paragraphs b
2 through d, Code 2011, are amended to read as follows:

3 b. A second violation within two years shall subject the
4 licensee or permittee to either a thirty-day suspension ~~and~~
5 or a civil penalty in the amount of one thousand five hundred
6 dollars. The licensee or permittee may select the penalty to
7 be applied under this paragraph.

8 c. A third violation within three years shall subject the
9 licensee or permittee to a ~~sixty-day~~ thirty-day suspension and
10 a civil penalty in the amount of one thousand five hundred
11 dollars.

12 d. A ~~fourth~~ fifth violation within ~~three~~ four years shall
13 result in revocation of the license or permit.

14 Sec. 2. Section 123.50, subsection 3, Code 2011, is amended
15 by adding the following new paragraph:

16 NEW PARAGRAPH. 0c. A fourth violation within three
17 years shall subject the licensee or permittee to a sixty-day
18 suspension and a civil penalty in the amount of one thousand
19 five hundred dollars.

20 Sec. 3. Section 123.50, Code 2011, is amended by adding the
21 following new subsection:

22 NEW SUBSECTION. 5. If an employee of a licensee or
23 permittee violates section 123.49, subsection 2, paragraph
24 "h", the licensee or permittee shall not be assessed a penalty
25 under subsection 3, and the violation shall be deemed not to
26 be a violation of section 123.49, subsection 2, paragraph
27 "h", for the purpose of determining the number of violations
28 for which a penalty may be assessed pursuant to subsection
29 3, if the employee holds a valid certificate of completion
30 of the alcohol compliance employee training program pursuant
31 to section 123.50A at the time of the violation. A licensee
32 or permittee may assert only once in a four-year period the
33 bar under this subsection against assessment of a penalty
34 pursuant to subsection 3, for a violation of subsection 123.49,
35 subsection 2, paragraph "h", that takes place at the same place

1 of business location.

2 Sec. 4. NEW SECTION. 123.50A Alcohol compliance employee
3 training program.

4 1. The division shall develop an alcohol compliance
5 employee training program, not to exceed two hours in length
6 for employees and prospective employees of licensees and
7 permittees, to inform the employees about state and federal
8 liquor laws and regulations regarding the sale of alcoholic
9 liquor, wine, or beer to persons under legal age, and
10 compliance with and the importance of laws regarding the sale
11 of alcoholic liquor, wine, or beer to persons under legal age.

12 2. The alcohol compliance employee training program shall
13 be made available to employees and prospective employees of
14 licensees and permittees at no cost to the employee, the
15 prospective employee, or the licensee or permittee, and in a
16 manner which is as convenient and accessible to the extent
17 practicable throughout the state so as to encourage attendance.
18 Contingent upon the availability of specified funds for
19 provision of the program, the division shall schedule the
20 program on at least a monthly basis and the program shall be
21 available at a location in at least a majority of counties.

22 3. Upon completion of the alcohol compliance employee
23 training program, an employee or prospective employee shall
24 receive a certificate of completion, which shall be valid for
25 a period of two years, unless the employee or prospective
26 employee is convicted of a violation of section 123.49,
27 subsection 2, paragraph "h", in which case the certificate shall
28 be void.

29 4. The division shall also offer periodic continuing
30 employee training and recertification for employees who have
31 completed initial training and received an initial certificate
32 of completion as part of the alcohol compliance employee
33 training program.

34 EXPLANATION

35 This bill concerns penalties applicable to liquor control

1 licensees and beer and wine permittees for sales of alcohol
2 to minors. The bill also establishes an alcohol compliance
3 employee training program.

4 The bill modifies the civil penalties applicable to liquor
5 control licensees and beer and wine permittees for underage
6 sales of alcohol.

7 The bill provides that for a second violation within two
8 years, the licensee or permittee is subject to either a 30-day
9 suspension or a civil penalty in the amount of \$1,500 and
10 provides that the licensee or permittee may select the penalty
11 to be applied. Current law provides that the penalty is both a
12 30-day suspension and a fine.

13 As to a third violation within three years, the bill modifies
14 current law by providing that the licensee or permittee is
15 subject to a 30-day suspension instead of the current 60-day
16 suspension.

17 As to a fourth violation within three years, the bill
18 provides that the licensee or permittee is subject to a
19 60-day suspension and a civil penalty in the amount of \$1,500.
20 Current law provides for revocation of the license or permit.
21 However, the bill does provide for revocation of the license or
22 permit for a fifth violation within four years.

23 The bill also provides that the civil penalties applicable
24 to a licensee or permittee for underage sales of alcohol
25 shall not apply if the employee of the licensee or permittee
26 who sold alcohol to the underage person has a certificate
27 of completion from the alcohol compliance employee training
28 program established by the bill. A licensee or permittee shall
29 only be able to assert this bar to imposition of a penalty once
30 in a four-year period.

31 The bill requires the alcohol beverages division to
32 establish an alcohol compliance employee training program. The
33 program shall be of no more than two hours in length and shall
34 inform employees about state and federal laws relative to sale
35 of alcohol to underage persons. The bill provides that the

1 program shall be conducted at no cost and shall be held in a
2 manner that is accessible to persons throughout the state. The
3 bill provides that a certificate of completion, valid for two
4 years, shall be issued to a person who completes the program.
5 The bill also provides that the division establish programs
6 for recertifying employees and providing continuing employee
7 training.