HOUSE FILE 2445 BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO HSB 594)

A BILL FOR

- 1 An Act relating to the issuance of five-day retail alcohol and
- 2 native wine licenses, and providing fees.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 123.34, subsection 3, paragraphs a and c, 2 Code 2024, are amended to read as follows: a. The director may issue five-day class "C", special class 3 4 "C", class "D", and class "F" retail alcohol licenses, and 5 five-day special class "C" retail native wine licenses. The fee for the five-day retail alcohol license is 6 C. 7 one-eighth of the annual fee for that class of license, except 8 that the fee for a five-day special class "C" retail native 9 wine license is fifty dollars. Sec. 2. Section 123.43A, subsection 6, Code 2024, is amended 10 11 to read as follows: 12 6. a. Notwithstanding any provision of this chapter to the 13 contrary or the fact that a person is the holder of a class 14 "A" native distilled spirits license, a native distillery may 15 be granted a class "C" retail alcohol license as defined in 16 section 123.30 for the same premises licensed under a class "A" 17 native distilled spirits license where the manufacturing of 18 native distilled spirits occurs. A native distillery may be 19 granted not more than two class "C" retail alcohol licenses. 20 A manufacturer of native distilled spirits distillery may be 21 issued a class "C" retail alcohol license regardless of whether 22 the manufacturer native distillery is also a manufacturer of 23 beer pursuant to a class "A" beer permit or a manufacturer of 24 native wine pursuant to a class "A" wine permit. b. Notwithstanding any provision of this chapter to the 25 26 contrary or the fact that a person is the holder of a class 27 "A" native distilled spirits license, a native distillery 28 may be granted a five-day class "C" retail alcohol license 29 as described in section 123.34 for premises other than the 30 premises licensed under a class "A" native distilled spirits 31 license where the manufacturing of native distilled spirits 32 occurs. A native distillery may be granted not more than six 33 five-day class "C" retail alcohol licenses during a calendar 34 year. A native distillery may be issued a five-day class 35 "C" retail alcohol license regardless of whether the native

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1 distillery is also a manufacturer of beer pursuant to a class

2 <u>"A" beer permit or a manufacturer of native wine pursuant to a</u> 3 class "A" wine permit.

4 Sec. 3. Section 123.45, subsection 3, Code 2024, is amended 5 to read as follows:

6 3. <u>a.</u> A person engaged in the wholesaling of beer or wine 7 may sell only disposable glassware, which is constructed of 8 paper, paper laminated, or plastic materials and designed 9 primarily for personal consumption on a one-time usage 10 basis, to retailers for use within the premises of licensed 11 establishments, for an amount which is greater than or equal 12 to an amount which represents the greater of either the amount 13 paid for the disposable glassware by the supplier or the amount 14 paid for the disposable glassware by the wholesaler. Also, 15 notwithstanding

16 b. Notwithstanding any other provision of this chapter 17 or the fact that a person is the holder of a class "A" beer 18 permit, a native brewery may be granted not more than two a 19 class "C" retail alcohol licenses license or not more than two 20 a special class "C" retail alcohol licenses license, both as 21 defined in section 123.30, for the same premises licensed under 22 a class "A" beer permit where the manufacturing of beer occurs. 23 A native brewery may be granted not more than two class "C" 24 retail alcohol licenses or two special class "C" retail alcohol 25 licenses. A native brewery may be issued a class "C" retail 26 alcohol license or a special class "C" retail alcohol license 27 regardless of whether that person is also a manufacturer 28 of native distilled spirits pursuant to a class "A" native 29 distilled spirits license or a manufacturer of native wine 30 pursuant to a class "A" wine permit.

31 <u>c.</u> Notwithstanding any other provision of this chapter
32 or the fact that a person is the holder of a class "A" beer
33 permit, a native brewery may be granted a five-day class "C" or
34 <u>five-day special class "C" retail alcohol license as described</u>
35 in section 123.34 for premises other than the premises licensed

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1 under a class "A" beer permit where the manufacturing of 2 beer occurs. A native brewery may be granted not more than 3 six five-day class "C" or five-day special class "C" retail 4 alcohol licenses during a calendar year. A native brewery may 5 be issued a five-day class "C" or five-day special class "C" 6 retail alcohol license regardless of whether the native brewery 7 is also a manufacturer of native distilled spirits pursuant to 8 a class "A" native distilled spirits license or a manufacturer 9 of native wine pursuant to a class "A" wine permit. Sec. 4. Section 123.176, subsection 5, Code 2024, is amended 10 11 to read as follows: 12 5. a. Notwithstanding any other provision of this chapter 13 or the fact that a person is the holder of a class "A" wine 14 permit, a person engaged in the business of manufacturing 15 native wine may be granted a class "C" retail alcohol license 16 or special class "C" retail native wine license as defined in 17 section 123.30 for the same premises licensed under a class 18 "A" wine permit where the manufacturing of native wine occurs. 19 A manufacturer of native wine may be granted not more than 20 two class "C" retail alcohol licenses or special class "C" 21 retail native wine licenses. A manufacturer of native wine 22 may be issued a class "C" retail alcohol license or special 23 class "C" retail native wine license regardless of whether the 24 manufacturer is also a manufacturer of beer pursuant to a class 25 "A" beer permit or a manufacturer of native distilled spirits 26 pursuant to a class "A" native distilled spirits license. 27 b. Notwithstanding any other provision of this chapter 28 or the fact that a person is the holder of a class "A" wine 29 permit, a person engaged in the business of manufacturing 30 native wine may be granted a five-day class "C" retail alcohol 31 license or five-day special class "C" retail native wine 32 license as described in section 123.34 for premises other than 33 the premises licensed under a class "A" wine permit where the 34 manufacturing of native wine occurs. A manufacturer of native 35 wine may be granted not more than six five-day class "C" retail

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1 alcohol licenses or five-day special class "C" retail native 2 wine licenses during a calendar year. A manufacturer of native 3 wine may be issued a five-day class "C" retail alcohol license 4 or five-day special class "C" retail native wine license 5 regardless of whether the manufacturer is also a manufacturer 6 of beer pursuant to a class "A" beer permit or a manufacturer 7 of native distilled spirits pursuant to a class "A" native 8 distilled spirits license. 9 EXPLANATION 10 The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly. 11 12 This bill relates to the issuance of five-day retail alcohol 13 and native wine licenses. Under the bill, the director of revenue may issue five-day 14 15 special class "C" retail native wine licenses, for which the 16 fee is \$50. 17 Under current law, a native distillery may be granted a 18 class "C" retail alcohol license. Under the bill, a native 19 distillery may be granted a class "C" retail alcohol license 20 for the same premises licensed under a class "A" native 21 distilled spirits license where the manufacturing of native 22 distilled spirits occurs. Additionally, a native distillery 23 may be granted a five-day class "C" retail alcohol license for 24 other premises. A native distillery may be granted not more 25 than six five-day class "C" retail alcohol licenses during a 26 calendar year. Under the bill, a native brewery may be granted a class 27 28 "C" retail alcohol license or a special class "C" retail 29 alcohol license for the same premises licensed under a class 30 "A" beer permit where the manufacturing of beer occurs. A 31 native brewery may be granted not more than two class "C" 32 retail alcohol licenses or two special class "C" retail alcohol 33 licenses. Additionally, a native brewery may be granted a 34 five-day class "C" or five-day special class "C" retail alcohol 35 license for other premises. A native brewery may be granted

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1 not more than six five-day class "C" or five-day special class 2 "C" retail alcohol licenses during a calendar year. Under current law, a person engaged in the business of 3 4 manufacturing native wine may be granted a class "C" retail 5 alcohol license or special class "C" retail native wine 6 license. Under the bill, a person engaged in the business of 7 manufacturing native wine may be granted a class "C" retail 8 alcohol license or special class "C" retail native wine license 9 for the same premises licensed under a class "A" wine permit 10 where the manufacturing of native wine occurs. Additionally, 11 a person engaged in the business of manufacturing native wine 12 may be granted a five-day class "C" retail alcohol license or 13 five-day special class "C" retail native wine license for other 14 premises. A manufacturer of native wine may be granted not 15 more than six five-day class "C" retail alcohol licenses or 16 five-day special class "C" retail native wine licenses during a 17 calendar year.

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