

**House File 2200 - Introduced**

HOUSE FILE 2200  
BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO HSB 587)

**A BILL FOR**

1 An Act relating to prohibited activities in the administration of  
2 alcoholic beverage control by the department of revenue, and  
3 including effective date provisions.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 123.5, subsection 3, Code 2026, is amended  
2 to read as follows:

3 3. Members of the commission shall be chosen on the basis of  
4 managerial ability and experience as business executives. Not  
5 more than two members of the commission may ~~be the holder of or~~  
6 ~~have an interest in a permit or license to manufacture alcoholic~~  
7 ~~liquor, wine, or beer or to sell alcoholic liquor, wine, or~~  
8 ~~beer at wholesale or retail~~ directly or indirectly; individually;  
9 as a member of a partnership or an association; as a member,  
10 owner, or stockholder, except as an institutional investor, of a  
11 corporation or other entity; or as a relative to an individual  
12 by blood or marriage within the second degree, do any of the  
13 following:

14 a. Hold a permit or license to manufacture alcoholic  
15 beverages or sell alcoholic beverages at wholesale or retail.

16 b. Have an interest in the manufacture of or dealing in  
17 alcoholic beverages or in an enterprise or industry in which  
18 alcoholic beverages are required.

19 c. Receive a commission or profit on the purchase or sale of  
20 alcoholic beverages by any person.

21 d. Have an interest in or mortgage or deed of trust on any  
22 land or building where alcoholic beverages are manufactured for  
23 sale, offered for sale, or sold, or in any personal property used  
24 in the manufacture or sale of alcoholic beverages.

25 Sec. 2. Section 123.5, Code 2026, is amended by adding the  
26 following new subsections:

27 NEW SUBSECTION. 3A. In addition to the requirements of  
28 chapter 68B, members of the commission shall not directly or  
29 indirectly use the office of the member to influence, persuade,  
30 or induce any person to adopt their political views or to favor  
31 any particular candidate for an elective or appointive public  
32 office.

33 NEW SUBSECTION. 6. This section does not prohibit a  
34 commission member from lawfully purchasing and keeping alcoholic  
35 beverages in the possession of the commission member.

1     Sec. 3. Section 123.13, Code 2026, is amended by striking the  
2 section and inserting in lieu thereof the following:

3     **123.13 Prohibitions — director and employees.**

4     1. For purposes of this section, "director" means the  
5 director of revenue but does not include the director's designee.

6     2. The requirements of this section are in addition to the  
7 requirements of chapter 68B.

8     3. The director shall not directly or indirectly;  
9 individually; as a member of a partnership or an association;  
10 as a member, owner, or stockholder, except as an institutional  
11 investor, of a corporation or other entity; or as a relative to  
12 an individual by blood or marriage within the second degree, do  
13 any of the following:

14     a. Have an interest in the manufacture of or dealing in  
15 alcoholic beverages or in an enterprise or industry in which  
16 alcoholic beverages are required.

17     b. Receive a commission or profit from the purchase or sale  
18 of alcoholic beverages by any person.

19     c. Have an interest in or mortgage or deed of trust on any  
20 land or building where alcoholic beverages are manufactured for  
21 sale, offered for sale, or sold, or in any personal property used  
22 in the manufacture or sale of alcoholic beverages.

23     4. An employee of the department shall not license, permit,  
24 or participate in the licensing or permitting of a person,  
25 business, or organization that requires a license or permit under  
26 the laws and rules governing alcoholic beverages, if the employee  
27 has an ownership interest related to that person, business, or  
28 organization, or is in a position to exercise any control over  
29 the purchasing of alcoholic beverages through a position of  
30 employment with the person, business, or organization.

31     5. An employee of the department shall not enforce any law  
32 or rule governing alcoholic beverages against a person, business,  
33 or organization that requires a license or permit under the  
34 laws and rules governing alcoholic beverages, if the employee  
35 has an ownership interest related to that person, business,

1 or organization, or is in a position to exercise any control  
2 over the purchase of alcoholic beverages through a position of  
3 employment with the person, business, or organization.

4 6. The director or an employee of the department violating  
5 this section or any other provision of this chapter shall, in  
6 addition to any other penalties provided by law, be subject  
7 to disciplinary action up to and including discharge from  
8 employment.

9 7. This section does not prohibit the director or an employee  
10 of the department from lawfully purchasing and keeping alcoholic  
11 beverages in the possession of the director or the employee.

12 Sec. 4. EFFECTIVE DATE. This Act, being deemed of immediate  
13 importance, takes effect upon enactment.

14 EXPLANATION

15 The inclusion of this explanation does not constitute agreement with  
16 the explanation's substance by the members of the general assembly.

17 This bill relates to prohibited activities in the  
18 administration of alcoholic beverage control by the department of  
19 revenue (IDR).

20 The bill specifies that not more than two members of  
21 the alcoholic beverages commission (member) shall directly or  
22 indirectly have an interest in alcohol-related enterprises,  
23 except as institutional investors. The bill prohibits a  
24 member from influencing, persuading, or inducing others to adopt  
25 political views of the member or favor any particular elective or  
26 appointive candidates.

27 The bill prohibits the director of revenue from having  
28 any interest in alcohol-related enterprises, except as an  
29 institutional investor.

30 The bill prohibits an IDR employee from licensing, permitting,  
31 or participating in the licensing or permitting of a person,  
32 business, or organization under the laws governing alcoholic  
33 beverages, if the employee has an ownership interest related to  
34 that person, business, or organization, or is in a position to  
35 exercise any control over the purchasing of alcoholic beverages

1 through a position of employment with the person, business,  
2 or organization. The bill also prohibits an IDR employee  
3 from enforcing any law or rule governing alcoholic beverages  
4 against a person, business, or organization, if the employee  
5 has an ownership interest related to that person, business, or  
6 organization, or is in a position to exercise any control over  
7 the purchasing of alcoholic beverages through a position of  
8 employment with the person, business, or organization.

9 The bill provides the director of revenue or an IDR employee  
10 who violates the bill shall, in addition to any other penalties  
11 provided by law, be subject to disciplinary action up to and  
12 including discharge from employment.

13 The bill does not prohibit a member, the director of revenue,  
14 or an IDR employee from lawfully purchasing and keeping an  
15 alcoholic beverage in the person's possession.

16 The bill takes effect upon enactment.