

House File 459 - Introduced

HOUSE FILE 459
BY JONES

A BILL FOR

- 1 An Act concerning native distilled spirits listed and sold by the
- 2 department of revenue.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 123.10, subsection 3, Code 2025, is
2 amended to read as follows:

3 3. Regulating the purchase of alcoholic liquor generally
4 and the furnishing of the liquor to class "E" retail alcohol
5 licensees under this chapter, and determining the classes,
6 varieties, and brands of alcoholic liquors to be kept in state
7 warehouses. However, the director shall not delist a native
8 distillery's native distilled spirits based solely on a failure
9 to meet sales guidelines once the director determines to list the
10 native distillery's native distilled spirits.

11 EXPLANATION

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

14 Under current law, the director of revenue (director) has
15 authority to regulate the purchase of alcoholic liquor generally
16 and to determine the classes, varieties, and brands of alcoholic
17 liquors to be kept in state warehouses. The department of
18 revenue (department) is the sole wholesaler of all brands
19 and types of alcoholic liquor, including native distilled
20 spirits, sold in the state. Native distilleries are businesses
21 with operating stills located in the state that produce and
22 manufacture native distilled spirits. Native distilled spirits
23 may be purchased through a bailment system by the department,
24 then listed and sold to class "E" retail alcohol licensees.
25 Class "E" retail alcohol licensees sell alcoholic beverages for
26 off-premises consumption to individuals and sell at wholesale to
27 class "C" retail alcohol licensees for resale to individuals for
28 on-premises consumption.

29 This bill limits the director's authority to delist a native
30 distillery's native distilled spirits based solely on a failure
31 to meet sales guidelines once the director determines to list
32 and sell the native distillery's native distilled spirits in the
33 state to class "E" retail alcohol licensees.