

Senate Study Bill 1193 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
COMMERCE BILL BY CHAIRPERSON
BOUSSELOT)

A BILL FOR

- 1 An Act concerning alcoholic beverage control.
- 2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 123.30, subsection 4, Code 2025, is
2 amended to read as follows:

3 4. Notwithstanding any provision of this chapter to the
4 contrary, a person holding a retail alcohol license to sell
5 alcoholic beverages for consumption on the licensed premises
6 may permit a customer to remove one unsealed bottle of wine
7 for consumption off the premises if the customer has purchased
8 and consumed a portion of the bottle of wine on the licensed
9 premises. The licensee or the licensee's agent shall securely
10 reseal such bottle in a bag designed so that it is visibly
11 apparent that the resealed bottle of wine has not been tampered
12 with and provide a dated receipt for the resealed bottle of
13 wine to the customer. A wine bottle resealed pursuant to the
14 requirements of this subsection is subject to the requirements
15 of sections 321.284 and 321.284A. ~~A person holding a retail
16 alcohol license to sell alcoholic beverages for consumption on
17 the licensed premises may permit a customer to carry an open
18 container of wine from the person's licensed premises into
19 another immediately adjacent licensed premises that is covered by
20 a license or permit that authorizes the consumption of wine, a
21 temporarily closed public right-of-way, or a private place.~~

22 Sec. 2. Section 123.30, Code 2025, is amended by adding the
23 following new subsection:

24 NEW SUBSECTION. 5. a. Notwithstanding any provision of this
25 chapter to the contrary, a person holding a retail alcohol
26 license to sell alcoholic beverages for consumption on the
27 licensed premises may permit a customer to carry an alcoholic
28 beverage in an open container from the licensed premises to any
29 of the following immediately adjacent locations:

- 30 (1) A licensed premises authorized to sell the same type of
31 alcoholic beverage for consumption on the licensed premises.
32 (2) A temporarily closed public right-of-way.
33 (3) A private place.

34 b. The licensee of the immediately adjacent licensed
35 premises, or owner of the immediately adjacent private place, may

1 refuse to allow the customer to enter the licensed premises or
2 private place with an alcoholic beverage in an open container.

3 Sec. 3. Section 123.43, Code 2025, is amended by adding the
4 following new subsection:

5 NEW SUBSECTION. 5. For purposes of this section, "premises",
6 in addition to premises as defined in section 123.3, may include
7 any of the following noncontiguous locations, provided that such
8 noncontiguous locations are approved by the alcohol and tobacco
9 tax and trade bureau of the United States department of the
10 treasury:

11 a. Any number of locations which are only separated from the
12 premises as defined in section 123.3 by public waterways, roads,
13 or carrier rights-of-way.

14 b. Any number of locations in the same general location as
15 the premises as defined in section 123.3.

16 c. An additional warehouse or warehouses, located somewhere
17 other than on the premises as defined in section 123.3 or a
18 location described in paragraph "a" or "b".

19 Sec. 4. Section 123.43A, subsection 6, paragraph a, Code
20 2025, is amended to read as follows:

21 a. Notwithstanding any provision of this chapter to the
22 contrary or the fact that a person is the holder of a class
23 "A" native distilled spirits license, a native distillery may
24 be granted a class "C" retail alcohol license as defined in
25 section 123.30 for the same premises licensed under a class
26 "A" native distilled spirits license where the manufacturing
27 of native distilled spirits occurs. A native distillery may
28 be granted not more than ~~two~~ three class "C" retail alcohol
29 licenses. A native distillery may be issued a class "C" retail
30 alcohol license regardless of whether the native distillery is
31 also a manufacturer of beer pursuant to a class "A" beer permit
32 or a manufacturer of native wine pursuant to a class "A" wine
33 permit.

34 Sec. 5. Section 123.45, subsection 3, paragraph b, Code 2025,
35 is amended to read as follows:

1 b. Notwithstanding any other provision of this chapter or the
2 fact that a person is the holder of a class "A" beer permit, a
3 native brewery may be granted a class "C" retail alcohol license
4 or a special class "C" retail alcohol license, both as defined
5 in section 123.30, for the same premises licensed under a class
6 "A" beer permit where the manufacturing of beer occurs. A
7 native brewery may be granted not more than ~~two~~ three class "C"
8 retail alcohol licenses or ~~two~~ special class "C" retail alcohol
9 licenses. A native brewery may be issued a class "C" retail
10 alcohol license or a special class "C" retail alcohol license
11 regardless of whether that person is also a manufacturer of
12 native distilled spirits pursuant to a class "A" native distilled
13 spirits license or a manufacturer of native wine pursuant to a
14 class "A" wine permit.

15 Sec. 6. Section 123.127, subsection 2, paragraph g, Code
16 2025, is amended by striking the paragraph.

17 Sec. 7. Section 123.130, subsection 1, paragraph a, Code
18 2025, is amended to read as follows:

19 a. Any person holding a class "A" beer permit issued by
20 the department shall be authorized to manufacture and sell, or
21 sell at wholesale, beer for consumption off the premises, such
22 sales within the state to be made only to persons holding a
23 subsisting class "A" beer permit, or retail alcohol licenses,
24 excluding a special class "B" retail native wine license, issued
25 in accordance with the provisions of this chapter. However, a
26 person holding a class "A" beer permit issued by the department
27 who also holds a brewer's notice issued by the alcohol and
28 tobacco tax and trade bureau of the United States department of
29 the treasury shall be authorized to sell, at wholesale, no more
30 than ~~thirty~~ thirty-eight thousand barrels of beer on an annual
31 basis for consumption off the premises to ~~a licensee~~ licensees
32 authorized under this chapter to sell beer at retail.

33 Sec. 8. Section 123.130, subsection 2, Code 2025, is amended
34 to read as follows:

35 2. Pursuant to section 123.45, subsection 3, a native brewery

1 may be granted not more than ~~two~~ three class "C" retail alcohol
2 licenses or not more than ~~two~~ three special class "C" retail
3 alcohol licenses.

4 Sec. 9. Section 123.173, subsection 2, Code 2025, is amended
5 to read as follows:

6 2. A class "A" wine permit allows the holder to manufacture
7 and sell, or sell at wholesale, in this state, wine. The
8 holder of a class "A" wine permit may manufacture in this state
9 wine having an alcoholic content greater than seventeen percent
10 by weight or twenty-one and twenty-five hundredths percent of
11 alcohol by volume for shipment outside this state. All class "A"
12 premises shall be located within the state. However, a native
13 winery holding a class "A" wine permit issued by the department
14 who also holds a basic permit issued by the alcohol and tobacco
15 tax and trade bureau of the United States department of the
16 treasury shall be authorized to sell, at wholesale, no more than
17 one hundred fifty thousand gallons of wine on an annual basis for
18 consumption off the premises to licensees authorized under this
19 chapter to sell wine at retail.

20 Sec. 10. Section 123.175, subsection 2, paragraph g, Code
21 2025, is amended by striking the paragraph.

22 Sec. 11. Section 123.176, subsection 5, paragraph a, Code
23 2025, is amended to read as follows:

24 a. Notwithstanding any other provision of this chapter or the
25 fact that a person is the holder of a class "A" wine permit,
26 a person engaged in the business of manufacturing native wine
27 may be granted a class "C" retail alcohol license or special
28 class "C" retail native wine license as defined in section 123.30
29 for the same premises licensed under a class "A" wine permit
30 where the manufacturing of native wine occurs. A manufacturer
31 of native wine may be granted not more than ~~two~~ three class "C"
32 retail alcohol licenses or special class "C" retail native wine
33 licenses. A manufacturer of native wine may be issued a class
34 "C" retail alcohol license or special class "C" retail native
35 wine license regardless of whether the manufacturer is also a

1 manufacturer of beer pursuant to a class "A" beer permit or a
2 manufacturer of native distilled spirits pursuant to a class "A"
3 native distilled spirits license.

4 EXPLANATION

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

7 This bill relates to alcoholic beverage control.

8 Under current law, a person holding a retail alcohol license
9 to sell alcoholic beverages for consumption on the licensed
10 premises may permit a customer to carry an open container of
11 wine from the person's licensed premises into another immediately
12 adjacent licensed premises that is covered by a license or permit
13 that authorizes the consumption of wine, a temporarily closed
14 public right-of-way, or a private place. The bill allows a
15 licensee to permit a customer to carry any alcoholic beverage in
16 an open container to an immediately adjacent licensed premises
17 authorized to sell the same type of alcoholic beverage for
18 consumption on the licensed premises, a temporarily closed public
19 right-of-way, or a private place. The bill allows the licensee
20 of the immediately adjacent licensed premises, or owner of
21 the immediately adjacent private place, to refuse to allow the
22 customer to enter the licensed premises or private place with an
23 open container.

24 Under current law, Code section 123.3 defines "licensed
25 premises" or "premises" to mean all rooms, enclosures, contiguous
26 areas, or places susceptible of precise description satisfactory
27 to the director of revenue where alcoholic beverages, wine, or
28 beer is sold or consumed under authority of a retail alcohol
29 license, wine permit, or beer permit. A single licensed premises
30 may consist of multiple rooms, enclosures, areas, or places if
31 they are wholly within the confines of a single building or
32 contiguous grounds. For purposes of an application for and
33 issuance of a class "A" native distilled spirits license, the
34 bill modifies the term "premises" to include, in addition to the
35 definition in Code section 123.3, any number of locations which

1 are only separated from the premises by public waterways, roads,
2 or carrier rights-of-way, any number of locations in the same
3 general location as the premises, and an additional warehouse
4 or warehouses located elsewhere, if approved by the alcohol and
5 tobacco tax and trade bureau of the United States department of
6 the treasury (bureau).

7 Under current law, the following retail alcohol licenses may
8 be issued to native manufacturers for the same premises where
9 manufacturing occurs: a native distillery may be granted not
10 more than two class "C" retail alcohol licenses, a native brewery
11 may be granted not more than two class "C" retail alcohol
12 licenses or two special class "C" retail alcohol licenses, and
13 a native winery may be granted not more than two class "C"
14 retail alcohol licenses or two special class "C" retail native
15 wine licenses. A class "C" retail alcohol license allows for
16 the sale and on-premises consumption of alcoholic liquor, wine,
17 or beer and the sale of alcoholic liquor, wine, and beer in
18 original unopened containers for consumption off the premises.
19 A special class "C" retail alcohol license allows for the sale
20 and consumption of wine and beer on the premises and the sale
21 of wine and beer in original unopened containers for consumption
22 off the premises. A special class "C" retail native wine license
23 allows beer and native wine to be sold for on- or off-premises
24 consumption. The bill allows native manufacturers to be issued
25 not more than three of the currently authorized retail alcohol
26 licenses.

27 Under current law, a class "A" beer permit holder who also
28 holds a brewer's notice issued by the bureau, also known as a
29 native brewery, is authorized to sell, at wholesale, no more
30 than 30,000 barrels of beer on an annual basis to off-premises
31 licensees. The bill increases this to no more than 38,000
32 barrels of beer.

33 The bill imposes a limit on a class "A" wine permit holder who
34 also holds a basic permit issued by the bureau, also known as a
35 native winery, of no more than 150,000 gallons of wine annually

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1 that may be sold at wholesale to off-premises retailers of wine.
2 The bill eliminates the \$10,000 bond requirement for class "A"
3 beer permit holders and the \$5,000 bond requirement for class "A"
4 wine permit holders.

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