

**House File 2325 - Introduced**

HOUSE FILE 2325  
BY COMMITTEE ON STATE  
GOVERNMENT

(SUCCESSOR TO HF 2074)

**A BILL FOR**

1 An Act permitting a city to create social districts allowing  
2 for the possession or consumption of alcoholic beverages in  
3 certain public places.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 123.30, subsection 5, paragraph a, Code  
2 2026, is amended by adding the following new subparagraph:

3 NEW SUBPARAGRAPH. (4) A social district, if the holder of  
4 the retail alcohol license is a participating licensee within a  
5 social district and in compliance with the ordinance adopted  
6 under section 414.34.

7 Sec. 2. Section 123.46, subsection 2, Code 2026, is amended  
8 to read as follows:

9 2. a. A person shall not use or consume alcoholic liquor,  
10 wine, or beer upon the public streets or highways. A person  
11 shall not use or consume alcoholic liquor in any public  
12 place except premises covered by a retail alcohol license.  
13 A person shall not possess or consume alcoholic liquors,  
14 wine, or beer on public school property or while attending a  
15 public or private school-related function. A person shall not  
16 be intoxicated in a public place. A person violating this  
17 subsection is guilty of a simple misdemeanor.

18 b. Notwithstanding paragraph "a", a person may possess  
19 or consume alcoholic liquor, wine, or beer upon the public  
20 streets, highways, or public places within a social district  
21 if the possession or consumption complies with the ordinance  
22 adopted under section 414.34.

23 Sec. 3. NEW SECTION. 414.34 **Social districts.**

24 1. As used in this section:

25 *a. "Marked container"* means a nonglass container that  
26 identifies the retail alcohol licensee providing the alcoholic  
27 liquor, beer, or wine in the container to the consumer within  
28 the social district.

29 *b. "Retail alcohol licensee"* means the holder of a class "C"  
30 or special class "C" license issued under section 123.30.

31 *c. "Social district"* means a defined area in which the  
32 possession and consumption of alcoholic liquor, wine, and  
33 beer is allowed on public streets, sidewalks, and other  
34 public spaces within the boundaries of the district that are  
35 consistent with this section.

1 2. A city may define an area by ordinance that designates a  
2 social district for use by retail alcohol licensees.

3 3. An ordinance adopted pursuant to this section must  
4 include all of the following:

5 a. A legal description or map of the district.

6 b. The days and hours the possession and consumption of  
7 alcoholic liquor, wine, and beer are permitted on public  
8 streets, sidewalks, and other public places within the  
9 district.

10 c. Requirements for marked container use and identification.

11 d. Participation requirements for retail alcohol licensees  
12 within the district.

13 e. Enforcement provisions and penalties for violations.

14 f. Procedures for the revocation or suspension of all of the  
15 following:

16 (1) The participation of retail alcohol licensees for  
17 violations.

18 (2) The social district itself for public safety concerns  
19 or other matters.

20 4. An ordinance adopted by a city shall not be construed to  
21 authorize any of the following:

22 a. Consumption of an alcoholic beverage in a motor vehicle  
23 or on the public streets, sidewalks, and other public spaces  
24 during the times when the ordinance is not in effect.

25 b. Possession or consumption of an alcoholic beverage in  
26 a manner contrary to the provisions of chapter 123 except as  
27 otherwise provided by an ordinance adopted pursuant to this  
28 section.

29 c. A prohibition on any participating retail alcohol  
30 licensee or other establishment located within the social  
31 district from denying entry to the premises of the licensee or  
32 establishment to persons who possess alcoholic beverages from  
33 other participating retail alcohol licensees.

34 EXPLANATION

35 The inclusion of this explanation does not constitute agreement with

1           the explanation's substance by the members of the general assembly.

2       This bill permits a city to create social districts  
3 (district) allowing for the possession or consumption of  
4 alcoholic beverages in certain public places.

5       A city may define by ordinance an area which may be used  
6 by holders of class "C" or special class "C" retail alcohol  
7 licenses in a district. A class "C" license allows commercial  
8 establishments like bars and restaurants to sell alcoholic  
9 liquor, wine, and beer, and a special class "C" license allows  
10 such establishments to sell just wine and beer.

11       The bill defines a "district" to mean a defined area that  
12 allows for the possession and consumption of alcoholic liquor,  
13 wine, and beer on public roadways, sidewalks, and other public  
14 spaces within the boundaries of the district.

15       An ordinance adopted pursuant to the bill is required to  
16 include the following: (1) a legal description or map of the  
17 district, (2) the days and hours the possession and consumption  
18 of alcoholic beverages is permitted, (3) the requirements for  
19 containers containing alcoholic beverages consumed in the  
20 district and the use of such containers, (4) the requirements  
21 for retail alcohol licensees participating in the district,  
22 (5) enforcement provisions, and (6) revocation and suspension  
23 provisions for the retail alcohol licensees and the district.

24       The bill specifies an ordinance shall not be construed to  
25 authorize the consumption of alcoholic beverages in a motor  
26 vehicle or on public streets, sidewalks, and other public  
27 spaces during the times when the ordinance is not in effect;  
28 authorize the possession or consumption of alcoholic beverages  
29 in a manner contrary to the provisions of Code chapter 123  
30 (alcohol beverage control); or prohibit a participating retail  
31 alcohol licensee in the district or other establishment in the  
32 district from denying entry to persons who possess alcohol from  
33 other participating retail alcohol licensees in the district.