

Senate File 2374 - Reprinted

SENATE FILE 2374

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SF 2350)

(SUCCESSOR TO SSB 3140)

(As Amended and Passed by the Senate March 29, 2022)

A BILL FOR

1 An Act relating to alcoholic beverage control and licensing,
2 providing for fees, and including effective date provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

RETAIL ALCOHOL LICENSES

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Section 1. Section 123.30, Code 2022, is amended by striking the section and inserting in lieu thereof the following:

123.30 Retail alcohol licenses — classes.

1. *a.* A retail alcohol license may be issued to any person who is of good moral character as defined by this chapter.

b. As a condition for issuance of a retail alcohol license or wine or beer permit, the applicant must give consent

to members of the fire, police, and health departments and

the building inspector of cities; the county sheriff or

deputy sheriff; members of the department of public safety;

representatives of the division and of the department of

inspections and appeals; certified police officers; and

any official county health officer to enter upon areas of

the premises where alcoholic beverages are stored, served,

or sold, without a warrant during business hours of the

licensee or permittee to inspect for violations of this

chapter or ordinances and regulations that cities and boards

of supervisors may adopt. However, a subpoena issued under

section 421.17 or a warrant is required for inspection of

private records, a private business office, or attached living

quarters. Persons who are not certified peace officers shall

limit the scope of their inspections of licensed premises

to the regulatory authority under which the inspection is

conducted. All persons who enter upon a licensed premises to

conduct an inspection shall present appropriate identification

to the owner of the establishment or the person who appears

to be in charge of the establishment prior to commencing

an inspection; however, this provision does not apply to

undercover criminal investigations conducted by peace officers.

c. As a further condition for the issuance of a class "E"

retail alcohol license, the applicant shall post a bond in

a sum of not less than five thousand nor more than fifteen

thousand dollars as determined on a sliding scale established

1 by the division; however, a bond shall not be required if all
2 purchases of alcoholic liquor from the division by the licensee
3 are made by means that ensure that the division will receive
4 full payment in advance of delivery of the alcoholic liquor.

5 d. A class "E" retail alcohol license may be issued to a
6 city council for premises located within the limits of the city
7 if there are no class "E" retail alcohol licensees operating
8 within the limits of the city and no other applications for a
9 class "E" license for premises located within the limits of
10 the city at the time the city council's application is filed.
11 If a class "E" retail alcohol license is subsequently issued
12 to a private person for premises located within the limits of
13 the city, the city council shall surrender its license to the
14 division within one year of the date that the class "E" retail
15 alcohol licensee begins operating, liquidate any remaining
16 assets connected with the liquor store, and cease operating the
17 liquor store.

18 2. A retail alcohol license shall not be issued for premises
19 which do not constitute a safe and proper place or building
20 and which do not conform to all applicable laws, ordinances,
21 resolutions, and health and fire regulations. A licensee
22 shall not have or maintain any interior access to residential
23 or sleeping quarters unless permission is granted by the
24 administrator in the form of a living quarters permit.

25 3. Retail alcohol licenses issued under this chapter shall
26 be of the following classes:

27 a. Class "B".

28 (1) (a) A class "B" retail alcohol license may be
29 issued and shall authorize the holder to purchase wine from
30 a class "A" wine permittee only and beer from a class "A"
31 beer permittee only, and to sell wine and beer in original
32 unopened containers at retail to patrons for consumption off
33 the licensed premises.

34 (b) The holder of a class "B" retail alcohol license may
35 sell wine to class "C", special class "C", class "D", and class

1 "F" retail alcohol licensees for resale for consumption on
2 the premises. Such wine sales shall be in quantities of less
3 than one case of any wine brand but not more than one such
4 sale shall be made to the same retail alcohol licensee in a
5 twenty-four-hour period.

6 (c) The holder of a class "B" retail alcohol license may
7 sell beer to class "C", special class "C", class "D", and class
8 "F" retail alcohol licensees for resale for consumption on
9 the premises. Such beer sales shall be in quantities of not
10 more than five cases of beer, high alcoholic content beer, and
11 canned cocktails, but not more than one such sale shall be
12 made to the same retail alcohol licensee in a twenty-four-hour
13 period. A class "A" beer permittee shall be held harmless
14 concerning any beer resold as authorized by this subparagraph
15 division.

16 (2) A special class "B" retail native wine license shall
17 authorize the holder to purchase wine from a native winery
18 holding a class "A" wine permit and to sell native wine only at
19 retail for consumption off the licensed premises.

20 b. Class "C".

21 (1) (a) A class "C" retail alcohol license may be issued to
22 a commercial establishment but must be issued in the name of
23 the individuals who actually own the entire business.

24 (b) The holder of a class "C" retail alcohol license shall
25 be authorized to purchase alcoholic beverages as follows:

26 (i) Alcoholic liquors in original unopened containers from
27 class "E" retail alcohol licensees only.

28 (ii) Wine from class "A" wine permittees.

29 (iii) Wine from class "B" retail alcohol licensees or class
30 "E" retail alcohol licensees in quantities of less than one
31 case of any wine brand in a twenty-four-hour period, but not
32 more than one such purchase shall be made by the licensee in a
33 twenty-four-hour period.

34 (iv) Beer from class "A" beer permittees.

35 (v) Beer from class "B" retail alcohol licensees or class

1 "E" retail alcohol licensees in quantities of not more than
2 five cases of beer, high alcoholic content beer, and canned
3 cocktails, but not more than one such purchase shall be made by
4 the licensee in a twenty-four-hour period. A class "A" beer
5 permittee shall be held harmless concerning any beer resold as
6 authorized by this subparagraph subdivision.

7 (c) The holder of a class "C" retail alcohol license
8 shall be authorized to sell alcoholic beverages to patrons by
9 the individual drink for consumption on the premises only.
10 However, alcoholic liquor, wine, and beer in original unopened
11 containers may also be sold for consumption off the premises.
12 In addition, mixed drinks or cocktails may also be sold for
13 consumption off the premises subject to the requirements of
14 section 123.49, subsection 2, paragraph "d".

15 (d) The holder of a class "C" retail alcohol license may
16 also hold a special class "A" beer permit for the premises
17 licensed under a class "C" retail alcohol license for the
18 purpose of operating a brewpub pursuant to this chapter.

19 (2) (a) A special class "C" retail alcohol license may be
20 issued to a commercial establishment.

21 (b) The holder of a special class "C" retail alcohol license
22 shall be authorized to purchase alcoholic beverages as follows:

23 (i) Wine from class "A" wine permittees.

24 (ii) Wine from class "B" retail alcohol licensees or class
25 "E" retail alcohol licensees in quantities of less than one
26 case of any wine brand in a twenty-four-hour period, but not
27 more than one such purchase shall be made by the licensee in a
28 twenty-four-hour period.

29 (iii) Beer from class "A" beer permittees.

30 (iv) Beer from class "B" retail alcohol licensees or class
31 "E" retail alcohol licensees in quantities of not more than
32 five cases of beer, high alcoholic content beer, and canned
33 cocktails, but not more than one such purchase shall be made by
34 the licensee in a twenty-four-hour period. A class "A" beer
35 permittee shall be held harmless concerning any beer resold as

1 authorized by this subparagraph subdivision.

2 (c) The holder of a special class "C" retail alcohol
3 license shall be authorized to sell wine and beer to patrons
4 by the individual drink for consumption on the premises only.
5 However, wine and beer in original unopened containers may also
6 be sold for consumption off the premises.

7 (d) The license issued to holders of a special class "C"
8 retail alcohol license shall clearly state on its face that the
9 license is limited.

10 c. Class "D".

11 (1) A class "D" retail alcohol license may be issued
12 to a railway corporation, to an air common carrier, and to
13 passenger-carrying boats or ships for hire with a capacity of
14 twenty-five persons or more operating in inland or boundary
15 waters, and shall authorize the holder to sell or furnish
16 alcoholic beverages to passengers for consumption only on
17 trains, watercraft as described in this section, or aircraft,
18 respectively. Each license is valid throughout the state.
19 Only one license is required for all trains, watercraft, or
20 aircraft operated in the state by the licensee. However, if a
21 watercraft is an excursion gambling boat licensed under chapter
22 99F, the owner shall obtain a separate class "D" retail alcohol
23 license for each excursion gambling boat operating in the
24 waters of this state.

25 (2) A class "D" retail alcohol licensee who operates a train
26 or a watercraft intrastate only, or an excursion gambling boat
27 licensed under chapter 99F, shall be authorized to purchase
28 alcoholic beverages as follows:

29 (a) Alcoholic liquors in original unopened containers from
30 class "E" retail alcohol licensees only.

31 (b) Wine from class "A" wine permittees.

32 (c) Wine from class "B" retail alcohol licensees or class
33 "E" retail alcohol licensees in quantities of less than one
34 case of any wine brand in a twenty-four-hour period, but not
35 more than one such purchase shall be made by the licensee in a

1 twenty-four-hour period.

2 (d) Beer from class "A" beer permittees.

3 (e) Beer from class "B" retail alcohol licensees or class
4 "E" retail alcohol licensees in quantities of not more than
5 five cases of beer, high alcoholic content beer, and canned
6 cocktails, but not more than one such purchase shall be made by
7 the licensee in a twenty-four-hour period. A class "A" beer
8 permittee shall be held harmless concerning any beer resold as
9 authorized by this subparagraph division.

10 d. Class "E".

11 (1) A class "E" retail alcohol license may be issued and
12 shall authorize the holder to purchase alcoholic liquor in
13 original unopened containers from the division only, wine
14 from a class "A" wine permittee only, and beer from a class
15 "A" beer permittee only; to sell alcoholic liquor, wine, and
16 beer in original unopened containers at retail to patrons for
17 consumption off the licensed premises; and to sell alcoholic
18 liquor and high alcoholic content beer at wholesale to other
19 retail alcohol licensees, provided the holder has filed with
20 the division a basic permit issued by the alcohol and tobacco
21 tax and trade bureau of the United States department of the
22 treasury.

23 (2) A holder of a class "E" retail alcohol license may hold
24 other retail alcohol licenses, but the premises licensed under
25 a class "E" retail alcohol license shall be separate from other
26 licensed premises, though the separate premises may have a
27 common entrance.

28 (3) The holder of a class "E" retail alcohol license may
29 sell wine to class "C", special class "C", class "D", and class
30 "F" retail alcohol licensees for resale for consumption on
31 the premises. Such wine sales shall be in quantities of less
32 than one case of any wine brand but not more than one such
33 sale shall be made to the same retail alcohol licensee in a
34 twenty-four-hour period.

35 (4) The holder of a class "E" retail alcohol license may

1 sell beer to class "C", special class "C", class "D", and class
2 "F" retail alcohol licensees for resale for consumption on
3 the premises. Such beer sales shall be in quantities of not
4 more than five cases of beer, high alcoholic content beer, and
5 canned cocktails, but not more than one such sale shall be
6 made to the same retail alcohol licensee in a twenty-four-hour
7 period. A class "A" beer permittee shall be held harmless
8 concerning any beer resold as authorized by this subparagraph.

9 (5) The division may issue a class "E" retail alcohol
10 license for premises covered by a retail alcohol license
11 for on-premises consumption under any of the following
12 circumstances:

13 (a) If the premises are in a county having a population
14 under nine thousand five hundred in which no other class "E"
15 retail alcohol license has been issued by the division, and no
16 other application for a class "E" retail alcohol license has
17 been made within the previous twelve consecutive months.

18 (b) If, notwithstanding any provision of this chapter to the
19 contrary, the premises covered by a retail alcohol license is a
20 grocery store that is at least five thousand square feet.

21 e. Class "F".

22 (1) A class "F" retail alcohol license may be issued to a
23 club and shall authorize the holder to sell alcoholic beverages
24 to bona fide members and their guests by the individual drink
25 for consumption on the premises only.

26 (2) The holder of a class "F" retail alcohol license shall
27 be authorized to purchase alcoholic beverages as follows:

28 (a) Alcoholic liquors in original unopened containers from
29 class "E" retail alcohol licensees only.

30 (b) Wine from class "A" wine permittees.

31 (c) Wine from class "B" retail alcohol licensees or class
32 "E" retail alcohol licensees in quantities of less than one
33 case of any wine brand in a twenty-four-hour period, but not
34 more than one such purchase shall be made by the licensee in a
35 twenty-four-hour period.

1 (d) Beer from class "A" beer permittees.

2 (e) Beer from class "B" retail alcohol licensees or class
3 "E" retail alcohol licensees in quantities of not more than
4 five cases of beer, high alcoholic content beer, and canned
5 cocktails, but not more than one such purchase shall be made by
6 the licensee in a twenty-four-hour period. A class "A" beer
7 permittee shall be held harmless concerning any beer resold as
8 authorized by this subparagraph division.

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

28 Sec. 2. Section 123.31, Code 2022, is amended by striking
29 the section and inserting in lieu thereof the following:

30 **123.31 Retail alcohol licenses — application.**

31 1. A person applying for a retail alcohol license shall
32 submit a completed application electronically, or in a manner
33 prescribed by the administrator, which shall set forth under
34 oath the following:

35 a. The name and place of residence of the applicant.

1 *b.* The names and addresses of all persons or, in the case of
2 a corporation, limited liability company, or any other similar
3 legal entity, the officers, directors, and persons owning or
4 controlling ten percent or more of the capital stock thereof,
5 having a financial interest, by way of loan, ownership, or
6 otherwise, in the business.

7 *c.* The location of the premises where the applicant intends
8 to operate.

9 *d.* The name of the owner of the premises and if the owner of
10 the premises is not the applicant, whether the applicant is the
11 actual lessee of the premises.

12 *e.* When required by the administrator, and in such form and
13 containing such information as the administrator may require,
14 a description of the premises where the applicant intends to
15 use the license, to include a sketch or drawing of the premises
16 and, if applicable, the number of square feet of interior floor
17 space which comprises the retail sales area of the premises.

18 *f.* Whether any person specified in paragraph "b" has ever
19 been convicted of any offense against the laws of the United
20 States, or any state or territory thereof, or any political
21 subdivision of any such state or territory.

22 *g.* Any other information as required by the administrator.

23 2. The retail alcohol license shall only be issued to an
24 applicant who establishes all of the following:

25 *a.* That the applicant has submitted a completed application
26 as required by subsection 1.

27 *b.* That the applicant is a person of good moral character as
28 provided in section 123.3, subsection 40.

29 *c.* That the applicant is a citizen of the state of Iowa
30 or, if a corporation, that the applicant is authorized to do
31 business in the state.

32 *d.* That the premises where the applicant intends to use the
33 license conforms to all applicable laws, health regulations,
34 and fire regulations, and constitutes a safe and proper place
35 or building and that the applicant shall not have or maintain

1 any interior access to residential or sleeping quarters unless
2 permission is granted by the administrator in the form of a
3 living quarters permit.

4 e. That the applicant gives consent to a person, pursuant
5 to section 123.30, subsection 1, to enter upon the premises
6 without a warrant during the business hours of the applicant
7 to inspect for violations of the provisions of this chapter or
8 ordinances and regulations that local authorities may adopt.

9 Sec. 3. NEW SECTION. 123.31A Authority under class "B",
10 class "C", special class "C", and class "E" retail alcohol
11 license.

12 1. The holder of a class "B", class "C", special class "C",
13 or class "E" retail alcohol license shall be allowed to sell
14 beer and wine to consumers at retail for consumption off the
15 premises. The sales made pursuant to this section shall be
16 made in original containers except as provided in subsection 3.

17 2. Every person holding a class "B", class "C", special
18 class "C", or class "E" retail alcohol license having more
19 than one place of business where beer and wine is sold which
20 places do not constitute a single premises within the meaning
21 of section 123.3, subsection 29, shall be required to have a
22 separate license for each separate place of business, except as
23 otherwise provided by this chapter.

24 3. Subject to the rules of the division, sales made pursuant
25 to this section may be made in a container other than the
26 original container only if all of the following requirements
27 are met:

28 a. The beer or wine is transferred from the original
29 container to the container to be sold on the licensed premises
30 at the time of sale.

31 b. The person transferring the beer or wine from the
32 original container to the container to be sold shall be
33 eighteen years of age or older.

34 c. The container to be sold shall be no larger than
35 seventy-two ounces.

1 *d.* The container to be sold shall be securely sealed by
2 a method authorized by the division that is designed so that
3 if the sealed container is reopened or the seal tampered with,
4 it is visibly apparent that the seal on the container of beer
5 or wine has been tampered with or the sealed container has
6 otherwise been reopened.

7 4. A container of beer or wine other than the original
8 container that is sold and sealed in compliance with the
9 requirements of subsection 3 and the division's rules shall
10 not be deemed an open container subject to the requirements
11 of sections 321.284 and 321.284A if the sealed container is
12 unopened and the seal has not been tampered with, and the
13 contents of the container have not been partially removed.

14 5. *a.* The holder of a class "C" or special class "C" retail
15 alcohol license, or the licensee's agents or employees, shall
16 not sell beer or wine to other retail alcohol license holders
17 knowing or having reasonable cause to believe that the beer
18 will be resold in another licensed establishment.

19 *b.* A holder of any retail alcohol permit shall not sell wine
20 except wine which is purchased from a person holding a class
21 "A" wine permit and on which the tax imposed by section 123.183
22 has been paid.

23 Sec. 4. NEW SECTION. 123.31B Authority under special class
24 "B" retail native wine license.

25 1. A person holding a special class "B" retail native wine
26 license may sell native wine only at retail for consumption off
27 the premises. Native wine shall be sold for consumption off
28 the premises in original containers.

29 2. A special class "B" retail native wine licensee having
30 more than one place of business where wine is sold shall obtain
31 a separate license for each place of business.

32 Sec. 5. REPEAL. Sections 123.128, 123.129, 123.131,
33 123.132, 123.140, 123.178, 123.178A, and 123.178B, Code 2022,
34 are repealed.

35 Sec. 6. EFFECTIVE DATE. This division of this Act takes

1 effect January 1, 2023.

2 DIVISION II

3 ALCOHOLIC BEVERAGE CONTROL FEES

4 Sec. 7. Section 123.23, subsection 1, Code 2022, is amended
5 to read as follows:

6 1. Any manufacturer, distiller, or importer of alcoholic
7 liquors shipping, selling, or having alcoholic liquors brought
8 into this state for resale by the state shall, as a condition
9 precedent to the privilege of so trafficking in alcoholic
10 liquors in this state, annually make application for and hold
11 a distiller's certificate of compliance which shall be issued
12 by the administrator for that purpose. No brand of alcoholic
13 liquor shall be sold by the division in this state unless
14 the manufacturer, distiller, importer, and all other persons
15 participating in the distribution of that brand in this state
16 have obtained a certificate. The certificate of compliance
17 shall expire at the end of one year from the date of issuance
18 and shall be renewed for a like period upon application to the
19 administrator unless otherwise suspended or revoked for cause.
20 Each completed application for a certificate of compliance
21 or renewal shall be submitted electronically, or in a manner
22 prescribed by the administrator, and shall be accompanied by
23 a fee of ~~fifty~~ two hundred dollars payable to the division.
24 However, **this subsection** need not apply to a manufacturer,
25 distiller, or importer who ships or sells in this state no more
26 than eleven gallons or its case equivalent during any fiscal
27 year as a result of "special orders" which might be placed,
28 as defined and allowed by divisional rules adopted under this
29 chapter.

30 Sec. 8. Section 123.36, Code 2022, is amended by striking
31 the section and inserting in lieu thereof the following:

32 **123.36 Retail alcohol license fees.**

33 1. The following fees shall be paid to the division annually
34 for retail alcohol licenses issued under section 123.30:

35 a. Class "B" retail alcohol license fees shall be determined

1 as follows:

2 (1) For premises located within the corporate limits of a
3 city with a population of two thousand five hundred or less, a
4 fee determined as follows:

5 (a) For a premises with a square footage of one thousand
6 five hundred or less, seventy-five dollars.

7 (b) For a premises with a square footage of more than one
8 thousand five hundred but not more than two thousand, one
9 hundred fifty dollars.

10 (c) For a premises with a square footage of more than two
11 thousand but not more than five thousand, two hundred fifty
12 dollars.

13 (d) For a premises with a square footage over five thousand,
14 three hundred fifty dollars.

15 (2) For premises located within the corporate limits of a
16 city with a population of more than two thousand five hundred
17 but less than fifteen thousand, a fee determined as follows:

18 (a) For a premises with a square footage of one thousand
19 five hundred or less, one hundred fifty dollars.

20 (b) For a premises with a square footage of more than one
21 thousand five hundred but not more than two thousand, two
22 hundred fifty dollars.

23 (c) For a premises with a square footage of more than two
24 thousand but not more than five thousand, three hundred fifty
25 dollars.

26 (d) For a premises with a square footage over five thousand,
27 five hundred dollars.

28 (3) For premises located within the corporate limits of
29 a city with a population of fifteen thousand or more, a fee
30 determined as follows:

31 (a) For a premises with a square footage of one thousand
32 five hundred or less, two hundred fifty dollars.

33 (b) For a premises with a square footage of more than one
34 thousand five hundred but not more than two thousand, three
35 hundred fifty dollars.

1 (c) For a premises with a square footage of more than two
2 thousand but not more than five thousand, five hundred dollars.

3 (d) For a premises with a square footage over five thousand,
4 seven hundred fifty dollars.

5 (4) For premises located outside the corporate limits of
6 any city, a fee equal to that charged to a premises with the
7 same square footage in the incorporated city located nearest
8 the premises to be licensed. If there is doubt as to which
9 of two or more differing corporate limits is the nearest, the
10 license fee which is the largest shall prevail. However, if
11 the premises is located in an unincorporated town, for purposes
12 of this paragraph, the unincorporated town shall be treated as
13 if it is a city.

14 b. Special class "B" retail native wine license fees shall
15 be one hundred twenty-five dollars.

16 c. Class "C" retail alcohol license fees shall be determined
17 as follows:

18 (1) Commercial establishments located within the corporate
19 limits of cities of two thousand five hundred population or
20 less, five hundred fifty dollars.

21 (2) Commercial establishments located within the corporate
22 limits of cities of over two thousand five hundred and less
23 than fifteen thousand population, nine hundred dollars.

24 (3) Commercial establishments located within the corporate
25 limits of cities of fifteen thousand population and over, one
26 thousand two hundred fifty dollars.

27 (4) Commercial establishments located outside the corporate
28 limits of any city, a fee equal to that charged in the
29 incorporated city located nearest the premises to be licensed,
30 and in case there is doubt as to which of two or more differing
31 corporate limits is the nearest, the license fee which is the
32 largest shall prevail. However, if a commercial establishment
33 is located in an unincorporated town, for purposes of this
34 paragraph, the unincorporated town shall be treated as if it
35 is a city.

1 *d.* Special class "C" retail alcohol license fees shall be
2 determined as follows:

3 (1) Commercial establishments located within the corporate
4 limits of cities of two thousand five hundred population or
5 less, one hundred fifty dollars.

6 (2) Commercial establishments located within the corporate
7 limits of cities of over two thousand five hundred and less
8 than fifteen thousand population, three hundred dollars.

9 (3) Commercial establishments located within the corporate
10 limits of cities of fifteen thousand population and over, four
11 hundred fifty dollars.

12 (4) Commercial establishments located outside the corporate
13 limits of any city, a fee equal to that charged in the
14 incorporated city located nearest the premises to be licensed,
15 and in case there is doubt as to which of two or more differing
16 corporate limits is the nearest, the license fee which is the
17 largest shall prevail. However, if a commercial establishment
18 is located in an unincorporated town, for purposes of this
19 paragraph, the unincorporated town shall be treated as if it
20 is a city.

21 *e.* Class "D" retail alcohol license fees shall be determined
22 as follows:

23 (1) For watercraft, one hundred fifty dollars.

24 (2) For trains, five hundred dollars.

25 (3) For air common carriers, each company shall pay five
26 hundred dollars.

27 *f.* Class "E" retail alcohol license fees shall be determined
28 as follows:

29 (1) For premises located within the corporate limits of a
30 city with a population of two thousand five hundred or less, a
31 fee determined as follows:

32 (a) For a premises with a square footage of one thousand
33 five hundred or less, seven hundred fifty dollars.

34 (b) For a premises with a square footage of more than one
35 thousand five hundred but not more than two thousand, one

1 thousand five hundred dollars.

2 (c) For a premises with a square footage of more than two
3 thousand but not more than five thousand, two thousand five
4 hundred dollars.

5 (d) For a premises with a square footage over five thousand,
6 three thousand five hundred dollars.

7 (2) For premises located within the corporate limits of a
8 city with a population of more than two thousand five hundred
9 but less than fifteen thousand, a fee determined as follows:

10 (a) For a premises with a square footage of one thousand
11 five hundred or less, one thousand five hundred dollars.

12 (b) For a premises with a square footage of more than one
13 thousand five hundred but not more than two thousand, two
14 thousand five hundred dollars.

15 (c) For a premises with a square footage of more than two
16 thousand but not more than five thousand, three thousand five
17 hundred dollars.

18 (d) For a premises with a square footage over five thousand,
19 five thousand dollars.

20 (3) For premises located within the corporate limits of
21 a city with a population of fifteen thousand or more, a fee
22 determined as follows:

23 (a) For a premises with a square footage of one thousand
24 five hundred or less, two thousand five hundred dollars.

25 (b) For a premises with a square footage of more than one
26 thousand five hundred but not more than two thousand, three
27 thousand five hundred dollars.

28 (c) For a premises with a square footage of more than
29 two thousand but not more than five thousand, five thousand
30 dollars.

31 (d) For a premises with a square footage over five thousand,
32 seven thousand five hundred dollars.

33 (4) For premises located outside the corporate limits of
34 any city, a fee equal to that charged to a premises with the
35 same square footage in the incorporated city located nearest

1 the premises to be licensed. If there is doubt as to which
2 of two or more differing corporate limits is the nearest, the
3 license fee which is the largest shall prevail. However, if
4 the premises is located in an unincorporated town, for purposes
5 of this paragraph, the unincorporated town shall be treated as
6 if it is a city.

7 g. Class "F" retail alcohol license fees shall be six
8 hundred dollars, except that for class "F" licenses in cities
9 of less than two thousand population, and for clubs of less
10 than two hundred fifty members, the license fee shall be four
11 hundred dollars; however, the fee shall be two hundred dollars
12 for any club which is a post, branch, or chapter of a veterans
13 organization chartered by the Congress of the United States, if
14 the club does not sell or permit the consumption of alcoholic
15 beverages on the premises more than one day in any week or
16 more than a total of fifty-two days in a year, and if the
17 application for a license states that the club does not and
18 will not sell or permit the consumption of alcoholic beverages
19 on the premises more than one day in any week or more than a
20 total of fifty-two days in a year.

21 2. The division shall credit all fees to the beer and liquor
22 control fund. The division shall remit to the appropriate
23 local authority a sum equal to sixty-five percent of the fees
24 collected for each class "B", class "C", or class "F" license
25 except special class "C" licenses or class "E" licenses,
26 covering premises located within the local authority's
27 jurisdiction. The division shall remit to the appropriate
28 local authority a sum equal to seventy-five percent of the fees
29 collected for each special class "C" license covering premises
30 located within the local authority's jurisdiction. Those fees
31 collected for each class "E" retail alcohol license shall be
32 credited to the beer and liquor control fund.

33 3. There is imposed a surcharge on the fee for each class
34 "C", special class "C", or class "F" retail alcohol license
35 equal to thirty percent of the scheduled license fee. The

1 surcharges collected under this subsection shall be deposited
2 in the beer and liquor control fund, and notwithstanding
3 subsection 2, no portion of the surcharges collected under this
4 subsection shall be remitted to the local authority.

5 Sec. 9. Section 123.41, subsection 1, Code 2022, is amended
6 to read as follows:

7 1. Each completed application to obtain or renew a
8 manufacturer's license shall be submitted to the division
9 electronically, or in a manner prescribed by the administrator,
10 and shall be accompanied by a fee of three hundred fifty
11 dollars payable to the division. The administrator may in
12 accordance with [this chapter](#) grant and issue to a manufacturer
13 a manufacturer's license, valid for a one-year period after
14 date of issuance, which shall allow the manufacture, storage,
15 and wholesale disposition and sale of alcoholic liquors to the
16 division and to customers outside of the state.

17 Sec. 10. Section 123.43, subsection 3, Code 2022, is amended
18 to read as follows:

19 3. A class "A" native distilled spirits license for a native
20 distillery shall be issued and renewed annually upon payment of
21 a fee of ~~five~~ three hundred dollars.

22 Sec. 11. Section 123.134, Code 2022, is amended by striking
23 the section and inserting in lieu thereof the following:

24 **123.134 Beer permit fees.**

25 1. The annual permit fee for a class "A" beer permit is
26 seven hundred fifty dollars.

27 2. The annual permit fee for a class "A" beer permit for a
28 native brewery is three hundred dollars.

29 3. The annual permit fee for a special class "A" beer permit
30 is three hundred dollars.

31 Sec. 12. Section 123.135, subsection 1, Code 2022, is
32 amended to read as follows:

33 1. A manufacturer, brewer, bottler, importer, or vendor of
34 beer, or any agent thereof, desiring to ship or sell beer, or
35 have beer brought into this state for resale by a class "A"

1 beer permittee, shall first make application for and be issued
2 a brewer's certificate of compliance by the administrator for
3 that purpose. The certificate of compliance expires at the
4 end of one year from the date of issuance and shall be renewed
5 for a like period upon application to the administrator unless
6 otherwise revoked for cause. Each completed application for
7 a certificate of compliance or renewal of a certificate shall
8 be submitted electronically, or in a manner prescribed by the
9 administrator, and shall be accompanied by a fee of five two
10 hundred dollars payable to the division. Each holder of a
11 certificate of compliance shall furnish the information in a
12 manner the administrator requires.

13 Sec. 13. Section 123.179, Code 2022, is amended by striking
14 the section and inserting in lieu thereof the following:

15 **123.179 Wine permit and license fees.**

16 1. The annual permit fee for a class "A" wine permit that
17 is not issued to a native wine manufacturer is seven hundred
18 fifty dollars.

19 2. The annual permit fee for a class "A" wine permit issued
20 to a native wine manufacturer is one hundred dollars.

21 3. The fee for a charity beer, spirits, and wine special
22 event license is one hundred dollars.

23 Sec. 14. Section 123.180, subsection 1, Code 2022, is
24 amended to read as follows:

25 1. A manufacturer, vintner, bottler, importer, or vendor of
26 wine, or an agent thereof, desiring to ship, sell, or have wine
27 brought into this state for sale at wholesale by a class "A"
28 permittee shall first make application for and shall be issued
29 a vintner's certificate of compliance by the administrator
30 for that purpose. The vintner's certificate of compliance
31 shall expire at the end of one year from the date of issuance
32 and shall be renewed for a like period upon application to
33 the administrator unless otherwise revoked for cause. Each
34 completed application for a vintner's certificate of compliance
35 or renewal of a certificate shall be submitted electronically,

1 or in a manner prescribed by the administrator, and shall be
2 accompanied by a fee of ~~one~~ two hundred dollars payable to the
3 division. Each holder of a vintner's certificate of compliance
4 shall furnish the information required by the administrator in
5 the form the administrator requires. A vintner or wine bottler
6 whose plant is located in Iowa and who otherwise holds a class
7 "A" wine permit to sell wine at wholesale is exempt from the
8 fee, but not the other terms and conditions. The holder of a
9 vintner's certificate of compliance may also hold a class "A"
10 wine permit.

11 Sec. 15. EFFECTIVE DATE. This division of this Act takes
12 effect January 1, 2023.

13 DIVISION III

14 ALCOHOLIC BEVERAGE CONTROL

15 Sec. 16. Section 123.3, subsections 9, 11, 22, 29, and 30,
16 Code 2022, are amended to read as follows:

17 9. "*Brewpub*" means a commercial establishment authorized to
18 sell beer at retail for consumption on or off the premises that
19 is operated by a person who holds a class "C" ~~liquor control or~~
20 special class "C" retail alcohol license ~~or a class "B" beer~~
21 ~~permit~~ and who also holds a special class "A" beer permit that
22 authorizes the holder to manufacture and sell beer pursuant to
23 this chapter.

24 11. "*Canned cocktail*" means a mixed drink or cocktail that
25 is premixed and packaged in a metal can and contains more than
26 ~~six and twenty-five hundredths~~ one-half of one percent of
27 alcohol by volume but not more than fifteen percent of alcohol
28 by volume. A mixed drink or cocktail mixed and packaged in a
29 metal can pursuant to [section 123.49, subsection 2](#), paragraph
30 "d", subparagraph (3), shall not be considered a canned
31 cocktail.

32 22. "*High alcoholic content beer*" means beer which contains
33 more than six and twenty-five hundredths percent of alcohol by
34 volume, but not more than ~~fifteen~~ nineteen percent of alcohol
35 by volume, that is made by the fermentation of an infusion

1 in potable water of barley, malt, and hops, with or without
2 unmalted grains or decorticated and degerminated grains. Not
3 more than one and five-tenths percent of the volume of a *“high*
4 *alcoholic content beer”* may consist of alcohol derived from
5 added flavors and other nonbeverage ingredients containing
6 alcohol. The added flavors and other nonbeverage ingredients
7 may not include added caffeine or other added stimulants
8 including but not limited to guarana, ginseng, and taurine.

9 29. *“Licensed premises”* or *“premises”* means all rooms,
10 enclosures, contiguous areas, or places susceptible of precise
11 description satisfactory to the administrator where alcoholic
12 beverages, wine, or beer is sold or consumed under authority of
13 a ~~liquor control~~ retail alcohol license, wine permit, or beer
14 permit. A single licensed premises may consist of multiple
15 rooms, enclosures, areas, or places if they are wholly within
16 the confines of a single building or contiguous grounds.

17 30. *“Local authority”* means the city council of any
18 incorporated city in this state, or the county board of
19 supervisors of any county in this state, which is empowered by
20 this chapter to approve or deny applications for retail ~~beer or~~
21 ~~wine permits and liquor control~~ alcohol licenses; empowered to
22 recommend that such ~~permits or~~ licenses be granted and issued
23 by the division; and empowered to take other actions reserved
24 to them by [this chapter](#).

25 Sec. 17. Section 123.3, subsection 40, paragraph b, Code
26 2022, is amended to read as follows:

27 b. The person is not prohibited by [section 123.40](#) from
28 obtaining a ~~liquor control~~ retail alcohol license or a wine or
29 beer permit.

30 Sec. 18. Section 123.3, subsection 45, Code 2022, is amended
31 by striking the subsection and inserting in lieu thereof the
32 following:

33 45. *“Retail alcohol license”* means a class “B”, class “C”,
34 special class “C”, class “D”, class “E”, or class “F” retail
35 alcohol license, or a special class “B” retail native wine

1 license issued under this chapter.

2 Sec. 19. Section 123.3, subsection 46, Code 2022, is amended
3 by striking the subsection.

4 Sec. 20. Section 123.9, subsections 5 and 7, Code 2022, are
5 amended to read as follows:

6 5. To grant and issue beer permits, wine permits, ~~liquor~~
7 ~~control~~ retail alcohol licenses, and other licenses; and to
8 suspend or revoke all such permits and licenses for cause under
9 this chapter.

10 7. To accept alcoholic liquors ordered delivered to the
11 alcoholic beverages division pursuant to [chapter 809A](#), and
12 offer for sale and deliver the alcoholic liquors to class
13 "E" ~~liquor control~~ retail alcohol licensees, unless the
14 administrator determines that the alcoholic liquors may be
15 adulterated or contaminated. If the administrator determines
16 that the alcoholic liquors may be adulterated or contaminated,
17 the administrator shall order their destruction.

18 Sec. 21. Section 123.10, subsections 3, 6, and 14, Code
19 2022, are amended to read as follows:

20 3. Regulating the purchase of alcoholic liquor generally
21 and the furnishing of the liquor to class "E" ~~liquor control~~
22 retail alcohol licensees under [this chapter](#), and determining
23 the classes, varieties, and brands of alcoholic liquors to be
24 kept in state warehouses.

25 6. Providing for the issuance and electronic distribution
26 of price lists which show the price to be paid by class "E"
27 ~~liquor control~~ retail alcohol licensees for each brand,
28 class, or variety of liquor kept for sale by the division,
29 providing for the filing or posting of prices charged in sales
30 between class "A" beer and class "A" wine permit holders and
31 retailers, as provided in [this chapter](#), and establishing or
32 controlling the prices based on minimum standards of fill,
33 quantity, or alcoholic content for each individual sale of
34 alcoholic beverages as deemed necessary for retail or consumer
35 protection. However, the division shall not regulate markups,

1 prices, discounts, allowances, or other terms of sale at which
2 alcoholic liquor may be purchased by the retail public or
3 ~~liquor control~~ retail alcohol licensees from class "E" ~~liquor~~
4 ~~control~~ retail alcohol licensees or at which wine may be
5 purchased and sold by class "A" and retail wine permittees, or
6 change, nullify, or vary the terms of an agreement between a
7 holder of a vintner certificate of compliance and a class "A"
8 wine permittee.

9 14. Prescribing the uniform fee to be assessed against
10 a class "B" beer permittee, class "C" native wine permittee,
11 ~~or liquor control retail alcohol~~ licensee, except a class
12 "B", special class "B", or class "E" ~~liquor control~~ retail
13 alcohol licensee, to cover the administrative costs incurred
14 by the division resulting from the failure of the licensee ~~or~~
15 permittee to maintain dramshop liability insurance coverage
16 pursuant to [section 123.92, subsection 2](#), paragraph "a".

17 Sec. 22. Section 123.15, Code 2022, is amended to read as
18 follows:

19 **123.15 Favors from licensee or permittee.**

20 A person responsible for the administration or enforcement
21 of [this chapter](#) shall not accept or solicit donations,
22 gratuities, political advertising, gifts, or other favors,
23 directly or indirectly, from any ~~liquor control~~ retail alcohol
24 licensee, wine permittee, or beer permittee.

25 Sec. 23. Section 123.16, subsections 6 and 7, Code 2022, are
26 amended to read as follows:

27 6. The number of ~~liquor control~~ retail alcohol licenses,
28 wine permits, and beer permits issued, by class, the number in
29 effect on the last day included in the report, and the number
30 which have been suspended or revoked during the period covered
31 by the report.

32 7. Amount of fees paid to the division from ~~liquor control~~
33 retail alcohol licenses, wine permits, and beer permits, in
34 gross, and the amount of ~~liquor control~~ retail alcohol license
35 fees returned to local subdivisions of government as provided

1 under [this chapter](#).

2 Sec. 24. Section 123.22, subsection 1, Code 2022, is amended
3 to read as follows:

4 1. The division has the exclusive right of importation
5 into the state of all forms of alcoholic liquor, except as
6 otherwise provided in [this chapter](#), and a person shall not
7 import alcoholic liquor, except that an individual of legal age
8 may import and have in the individual's possession an amount of
9 alcoholic liquor not exceeding nine liters per calendar month
10 that the individual personally obtained outside the state.
11 Alcoholic liquor imported by an individual pursuant to this
12 subsection shall be for personal consumption only in a private
13 home or other private accommodation. A distillery shall not
14 sell alcoholic liquor within the state to any person but only
15 to the division, except as otherwise provided in [this chapter](#).
16 This section vests in the division exclusive control within the
17 state as purchaser of all alcoholic liquor sold by distilleries
18 within the state or imported, except beer and wine, and except
19 as otherwise provided in [this chapter](#). The division shall
20 receive alcoholic liquor on a bailment system for resale by the
21 division in the manner set forth in [this chapter](#). The division
22 shall act as the sole wholesaler of alcoholic liquor to class
23 ~~"E" liquor control~~ retail alcohol licensees.

24 Sec. 25. Section 123.24, Code 2022, is amended to read as
25 follows:

26 **123.24 Alcoholic liquor sales by the division — dishonored**
27 **payments — liquor prices.**

28 1. The division shall sell alcoholic liquor at wholesale
29 only. The division shall sell alcoholic liquor to class "E"
30 ~~liquor control~~ retail alcohol licensees only. The division
31 shall offer the same price on alcoholic liquor to all class "E"
32 ~~liquor control~~ retail alcohol licensees without regard for the
33 quantity of purchase or the distance for delivery.

34 2. The price of alcoholic liquor sold by the division shall
35 consist of the following:

1 *a.* The manufacturer's price.

2 *b.* A markup of up to fifty percent of the wholesale price
3 paid by the division for the alcoholic liquor. The division
4 may increase the markup on selected kinds of alcoholic liquor
5 sold by the division if the average return to the division on
6 all sales of alcoholic liquor does not exceed the wholesale
7 price paid by the division and the fifty percent markup.

8 *c.* A split case charge in an amount determined by the
9 division when alcoholic liquor is sold in quantities which
10 require a case to be split.

11 *d.* A bottle surcharge in an amount sufficient, when added
12 to the amount not refunded to class "E" ~~liquor control~~ retail
13 alcohol licensees pursuant to [section 455C.2](#), to pay the costs
14 incurred by the division for collecting and properly disposing
15 of the liquor containers. The amount collected pursuant to
16 this paragraph, in addition to any amounts not refunded to
17 class "E" ~~liquor control~~ retail alcohol licensees pursuant
18 to [section 455C.2](#), shall be deposited in the beer and liquor
19 control fund established under [section 123.17](#).

20 3. *a.* The division may accept from a class "E" ~~liquor~~
21 ~~control~~ retail alcohol licensee electronic funds transferred
22 by automated clearing house, wire transfer, or another method
23 deemed acceptable by the administrator, in payment of alcoholic
24 liquor. If a payment is subsequently dishonored, the division
25 shall cause a notice of nonpayment and penalty to be served
26 upon the class "E" ~~liquor control~~ retail alcohol licensee or
27 upon any person in charge of the licensed premises. The notice
28 shall state that if payment or satisfaction for the dishonored
29 payment is not made within ten days of the service of notice,
30 the licensee's ~~liquor control~~ retail alcohol license may be
31 suspended under [section 123.39](#). The notice of nonpayment and
32 penalty shall be in a form prescribed by the administrator, and
33 shall be sent by certified mail.

34 *b.* If upon notice and hearing under [section 123.39](#) and
35 pursuant to the provisions of [chapter 17A](#) concerning a

1 contested case hearing, the administrator determines that the
2 class "E" ~~liquor control~~ retail alcohol licensee failed to
3 satisfy the obligation for which the payment was issued within
4 ten days after the notice of nonpayment and penalty was served
5 on the licensee as provided in paragraph "a" of [this subsection](#),
6 the administrator may suspend the licensee's class "E" ~~liquor~~
7 ~~control~~ retail alcohol license for a period not to exceed ten
8 days.

9 4. The administrator may refuse to sell alcoholic liquor
10 to a class "E" ~~liquor control~~ retail alcohol licensee who
11 tenders a payment which is subsequently dishonored until the
12 outstanding obligation is satisfied.

13 Sec. 26. Section 123.26, Code 2022, is amended to read as
14 follows:

15 **123.26 Restrictions on sales — seals — labeling.**

16 Alcoholic liquor shall not be sold by a class "E" ~~liquor~~
17 ~~control~~ retail alcohol licensee except in a sealed container
18 with identifying markers as prescribed by the administrator
19 and affixed in the manner prescribed by the administrator, and
20 no such container shall be opened upon the premises of a state
21 warehouse. The division shall cooperate with the department
22 of natural resources so that only one identifying marker or
23 mark is needed to satisfy the requirements of [this section](#) and
24 section 455C.5, subsection 1. Possession of alcoholic liquors
25 which do not carry the prescribed identifying markers is a
26 violation of [this chapter](#) except as provided in [section 123.22](#).

27 Sec. 27. Section 123.28, subsections 2 and 5, Code 2022, are
28 amended to read as follows:

29 2. The division shall deliver alcoholic liquor purchased by
30 class "E" ~~liquor control~~ retail alcohol licensees. Class "E"
31 ~~liquor control~~ retail alcohol licensees may deliver alcoholic
32 liquor purchased by ~~class "A", class "B", class "C", class "C"~~
33 ~~native distilled spirits, or class "D" liquor control, or class~~
34 "F" retail alcohol licensees, and ~~class "A", class "B", class~~
35 "C", class "C" native distilled spirits, or class "D" liquor

1 ~~control~~, or class "F" retail alcohol licensees may transport
2 alcoholic liquor purchased from class "E" ~~liquor control~~ retail
3 alcohol licensees.

4 5. This section does not affect the right of a ~~liquor~~
5 ~~control~~ retail alcohol license holder to purchase, possess, or
6 transport alcoholic liquors subject to this chapter.

7 Sec. 28. Section 123.32, Code 2022, is amended to read as
8 follows:

9 123.32 Action by local authorities and division on
10 applications for ~~liquor control~~ retail alcohol licenses, native
11 distilled spirits licenses, and wine and beer permits.

12 1. *Filing of application.*

13 a. A completed application for a class "A", class "B", class
14 "C", special class "C", class "C" native distilled spirits, or
15 class "E" ~~liquor control~~ retail alcohol license as provided
16 in section 123.31, for a retail beer permit as provided in
17 sections 123.128 and 123.129, or for a class "B", class "B"
18 native, or class "C" native retail wine permit as provided in
19 section 123.175 except a class "D" retail alcohol license,
20 shall be filed with the appropriate city council if the
21 premises for which the license or permit is sought are located
22 within the corporate limits of a city, or with the board of
23 supervisors if the premises for which the license or permit is
24 sought are located outside the corporate limits of a city.

25 b. A completed application for a class "D" ~~liquor~~
26 ~~control~~ retail alcohol license and for any of the following
27 certificates, licenses, or permits shall be submitted to the
28 division electronically, or in a manner prescribed by the
29 administrator, which shall proceed in the same manner as in the
30 case of an application approved by local authorities:

31 (1) A certificate of compliance as provided in sections
32 123.23, 123.135, and 123.180.

33 (2) A class "D" ~~liquor control~~ retail alcohol license as
34 provided in section 123.31.

35 (3) A manufacturer's license as provided in section 123.41.

1 (4) A broker's permit as provided in [section 123.42](#).

2 (5) A class "A" native distilled spirits license as provided
3 in [section 123.43](#).

4 (6) A class "A" or special class "A" beer permit as provided
5 in [section 123.127](#).

6 (7) A charity beer, spirits, and wine ~~auction permit~~ special
7 event license as provided in [section 123.173A](#).

8 ~~(8) A charity beer, spirits, and wine event permit as~~
9 ~~provided in [section 123.173B](#).~~

10 ~~(9)~~ (8) A class "A" wine permit as provided in section
11 123.175.

12 ~~(10)~~ (9) A wine direct shipper's permit as provided in
13 section 123.187.

14 ~~(11)~~ (10) A wine carrier permit as provided in section
15 123.188.

16 2. *Action by local authorities.* The local authority shall
17 either approve or disapprove the issuance of a ~~liquor control~~
18 retail alcohol license, a ~~retail wine permit, or a retail~~
19 ~~beer permit~~, shall endorse its approval or disapproval on
20 the application, and shall forward the application with the
21 necessary fee and bond, if required, to the division. There
22 is no limit upon the number of ~~liquor control~~ retail alcohol
23 ~~licenses, retail wine permits, or retail beer permits~~ which may
24 be approved for issuance by local authorities.

25 3. *Licensed premises for local events.* A local authority
26 may define, by motion of the local authority, licensed premises
27 which shall be used by holders of ~~liquor control~~ retail alcohol
28 ~~licenses, beer permits, and wine permits~~ at festivals, fairs,
29 or celebrations which are sponsored or authorized by the local
30 authority. The licensed premises defined by motion of the
31 local authority shall be used by the holders of five-day or
32 fourteen-day ~~class "A", class "B", class "C", special class~~
33 ~~"C", or class "D" liquor control, or class "F" retail alcohol~~
34 ~~licenses, or five-day or fourteen-day class "B" or class "C"~~
35 ~~native wine permits, or class "B" beer permits only.~~

1 4. *Security employee training.* A local authority, as a
2 condition of obtaining and holding a license ~~or permit~~ for
3 on-premises consumption, may require a designated security
4 employee as defined in [section 123.3](#) to be trained and
5 certified in security methods. The training shall include but
6 is not limited to de-escalation techniques, anger management
7 techniques, civil rights or unfair practices awareness as
8 provided in [section 216.7](#), recognition of fake or altered
9 identification, information on laws applicable to the serving
10 of alcohol at a licensed premises, use of force and techniques
11 for safely removing patrons, and instruction on the proper
12 physical restraint methods used against a person who has become
13 combative.

14 5. *Occupancy rates.* A local authority located in a county
15 with a population that exceeds three hundred thousand persons,
16 as a condition of obtaining and holding a license ~~or permit~~
17 for on-premises consumption, shall require the applicant, or
18 licensee, ~~or permittee~~ to provide, and update if necessary, the
19 occupancy rate of the licensed premises.

20 6. *Action by administrator.*

21 a. Upon receipt of an application having been disapproved
22 by the local authority, the administrator shall notify the
23 applicant that the applicant may appeal the disapproval of
24 the application to the administrator. The applicant shall
25 be notified by certified mail or personal service, and the
26 application, the fee, and any bond shall be returned to the
27 applicant.

28 b. Upon receipt of an application having been approved by
29 the local authority, the division shall make an investigation
30 as the administrator deems necessary to determine that
31 the applicant complies with all requirements for holding a
32 license ~~or permit~~, and may require the applicant to appear
33 to be examined under oath to demonstrate that the applicant
34 complies with all of the requirements to hold a license
35 ~~or permit~~. If the administrator requires the applicant to

1 appear and to testify under oath, a record shall be made of
 2 all testimony or evidence and the record shall become a part
 3 of the application. The administrator may appoint a member
 4 of the division or may request an administrative law judge
 5 of the department of inspections and appeals to receive the
 6 testimony under oath and evidence, and to issue a proposed
 7 decision to approve or disapprove the application for a license
 8 ~~or permit~~. The administrator may affirm, reverse, or modify
 9 the proposed decision to approve or disapprove the application
 10 for the license ~~or permit~~. If the application is approved
 11 by the administrator, the license ~~or permit~~ shall be issued.
 12 If the application is disapproved by the administrator, the
 13 applicant shall be so notified by certified mail or personal
 14 service and the appropriate local authority shall be notified
 15 electronically, or in a manner prescribed by the administrator.

16 7. *Appeal to administrator.* An applicant for a ~~liquor~~
 17 ~~control~~ retail alcohol license, ~~wine permit, or beer permit~~ may
 18 appeal from the local authority's disapproval of an application
 19 for a license or permit to the administrator. In the appeal
 20 the applicant shall be allowed the opportunity to demonstrate
 21 in an evidentiary hearing conducted pursuant to [chapter 17A](#)
 22 that the applicant complies with all of the requirements for
 23 holding the license or permit. The administrator may appoint
 24 a member of the division or may request an administrative law
 25 judge from the department of inspections and appeals to conduct
 26 the evidentiary hearing and to render a proposed decision to
 27 approve or disapprove the issuance of the license or permit.
 28 The administrator may affirm, reverse, or modify the proposed
 29 decision. If the administrator determines that the applicant
 30 complies with all of the requirements for holding a license
 31 or permit, the administrator shall order the issuance of the
 32 license or permit. If the administrator determines that the
 33 applicant does not comply with the requirements for holding
 34 a license or permit, the administrator shall disapprove the
 35 issuance of the license or permit.

1 8. *Judicial review.* The applicant or the local authority
2 may seek judicial review of the action of the administrator
3 in accordance with the terms of the Iowa administrative
4 procedure Act, [chapter 17A](#). Notwithstanding the terms of the
5 Iowa administrative procedure Act, [chapter 17A](#), petitions
6 for judicial review may be filed in the district court of
7 the county where the premises covered by the application are
8 situated.

9 9. *Suspension by local authority.* A ~~liquor control retail~~
10 alcohol licensee ~~or a wine or beer permittee~~ whose license
11 ~~or permit~~ has been suspended or revoked or a civil penalty
12 imposed by a local authority for a violation of [this chapter](#)
13 or suspended by a local authority for violation of a local
14 ordinance may appeal the suspension, revocation, or civil
15 penalty to the administrator. The administrator may appoint
16 a member of the division or may request an administrative law
17 judge from the department of inspections and appeals to hear
18 the appeal which shall be conducted in accordance with chapter
19 17A and to issue a proposed decision. The administrator may
20 review the proposed decision upon the motion of a party to the
21 appeal or upon the administrator's own motion in accordance
22 with [chapter 17A](#). Upon review of the proposed decision, the
23 administrator may affirm, reverse, or modify the proposed
24 decision. A ~~liquor control retail alcohol~~ licensee, ~~wine or~~
25 ~~beer permittee~~, or a local authority aggrieved by a decision
26 of the administrator may seek judicial review of the decision
27 pursuant to [chapter 17A](#).

28 Sec. 29. Section 123.34, Code 2022, is amended to read as
29 follows:

30 ~~123.34 Expiration of licenses, permits, and certificates~~
31 ~~of compliance — seasonal~~ Seasonal, fourteen-day, and five-day
32 licenses and permits — fees.

33 ~~1. All licenses, permits, and certificates of compliance,~~
34 ~~unless sooner suspended or revoked, expire one year from date~~
35 ~~of issuance. The administrator shall notify a license, permit,~~

1 ~~or certificate holder electronically, or in a manner prescribed~~
2 ~~by the administrator, sixty days prior to the expiration of~~
3 ~~each license, permit, or certificate.~~

4 2. 1. a. The administrator may issue ~~six-month or~~
5 ~~eight-month seasonal class "A", class "B", class "C", special~~
6 ~~class "C", and class "D" liquor control and class "F" retail~~
7 ~~alcohol licenses, class "B" wine permits, class "B" or class~~
8 ~~"C" native wine permits, or class "B" beer permits.~~

9 b. The fee for a ~~six-month or an~~ eight-month seasonal
10 license ~~or permit~~ issued pursuant to ~~this subsection~~ shall be
11 ~~for a proportionate part~~ fifty percent of the license ~~or permit~~
12 fee for that class of license ~~or permit~~. However, ~~the fee for~~
13 ~~a seasonal class "B" native wine permit shall be the permit fee~~
14 ~~provided in section 123.179, subsection 4,~~ and the fee for a
15 seasonal class "C" native wine permit shall be the permit fee
16 ~~provided in section 123.179, subsection 5.~~

17 3. 2. a. The administrator may issue fourteen-day class
18 ~~"A", class "B", class "C", special class "C", and class "D"~~
19 ~~liquor control and class "F" retail alcohol licenses, and~~
20 ~~fourteen-day class "B" beer permits, class "B" native wine~~
21 ~~permits, and class "C" native wine permits.~~

22 b. A fourteen-day retail alcohol license ~~or permit~~, if
23 granted, is valid for fourteen consecutive days, ~~but the holder~~
24 ~~shall not sell on the two Sundays in the fourteen-day period~~
25 ~~unless the holder qualifies for and obtains the privilege to~~
26 ~~sell on Sundays contained in section 123.36, subsection 6, and~~
27 ~~section 123.134, subsection 4.~~

28 c. (1) The fee for a fourteen-day liquor control retail
29 alcohol license ~~or beer permit~~ is one quarter of the annual fee
30 for that class of liquor control retail alcohol license ~~or beer~~
31 ~~permit~~. The fee for the privilege to sell on the two Sundays in
32 the fourteen-day period is twenty percent of the price of the
33 fourteen-day liquor control license ~~or beer permit~~.

34 (2) ~~The fee for a fourteen-day class "B" native wine permit~~
35 ~~shall be the permit fee provided in section 123.179, subsection~~

1 ~~4, and the fee for a fourteen-day class "C" native wine permit~~
2 ~~is the permit fee provided in [section 123.179, subsection 5.](#)~~

3 ~~4. 3. a. The administrator may issue five-day class "A",~~
4 ~~class "B", class "C", special class "C", and class "D" liquor~~
5 ~~control, and class "F" retail alcohol licenses, and five-day~~
6 ~~class "B" beer permits, class "B" native wine permits, and~~
7 ~~class "C" native wine permits.~~

8 ~~b. A five-day retail alcohol license or permit is valid for~~
9 ~~five consecutive days, but the holder shall not sell alcoholic~~
10 ~~beverages on Sunday in the five-day period unless the holder~~
11 ~~qualifies for and obtains the privilege to sell on Sunday~~
12 ~~pursuant to [section 123.36, subsection 6,](#) and [section 123.134,](#)~~
13 ~~subsection 4.~~

14 ~~c. (1) The fee for the five-day liquor control retail~~
15 ~~alcohol license or beer permit is one-eighth of the annual fee~~
16 ~~for that class of license or permit. The fee for the privilege~~
17 ~~to sell on a Sunday in the five-day period is ten percent of the~~
18 ~~price of the five-day liquor control license or beer permit.~~

19 ~~(2) The fee for a five-day class "B" native wine permit~~
20 ~~shall be the permit fee provided in [section 123.179, subsection](#)~~
21 ~~4, and the fee for a five-day class "C" native wine permit is~~
22 ~~the permit fee provided in [section 123.179, subsection 5.](#)~~

23 ~~5. 4. A refund of fees paid shall not be made for seasonal~~
24 ~~licenses or permits, or for fourteen-day or five-day liquor~~
25 ~~control retail alcohol licenses, native wine permits, or beer~~
26 ~~permits. In addition, a seasonal, fourteen-day, or five-day~~
27 ~~license or permit shall not be renewed.~~

28 **Sec. 30. NEW SECTION. 123.35 Expiration of licenses,**
29 **permits, and certificates of compliance — automatic renewals.**

30 1. Except as otherwise provided by this chapter, all
31 licenses, permits, and certificates of compliance, unless
32 sooner suspended or revoked, expire one year from date of
33 issuance.

34 2. Notwithstanding [section 123.31](#) and any other provision
35 of this chapter to the contrary, a class "E" retail alcohol

1 license shall automatically renew without the endorsement
2 of a local authority or approval by the administrator upon
3 collection of the annual fee by the division, provided all of
4 the following conditions are met since the preceding license
5 was issued:

6 *a.* The licensee has given written consent to the division
7 to have the license automatically renewed as provided in this
8 section.

9 *b.* The license has not been suspended or revoked.

10 *c.* A civil penalty has not been imposed against the
11 licensee.

12 *d.* An administrative proceeding is not pending against the
13 licensee to suspend or revoke the license or to impose a civil
14 penalty under this chapter.

15 *e.* The licensee has not submitted payment for alcoholic
16 liquor to the division that was subsequently dishonored.

17 *f.* The licensee and all persons associated with the licensee
18 as described in section 123.3, subsection 40, paragraph "e",
19 have not been convicted of a violation of this chapter.

20 *g.* The licensed premises constitutes a safe and proper place
21 or building and conforms with all applicable federal, state,
22 and local laws, orders, ordinances, rules, resolutions, and
23 health and fire regulations.

24 *h.* A local authority has not notified the division, in
25 a manner established by the division and made available to
26 local authorities, that automatic renewal should not occur and
27 that further review of the licensee by the division and the
28 applicable local authority is warranted.

29 3. Notwithstanding sections 123.23, 123.135, 123.180,
30 and any other provision of this chapter to the contrary, a
31 distiller's, brewer's, or vintner's certificate of compliance
32 shall automatically renew without approval by the administrator
33 upon collection of the annual fee by the division, provided
34 all of the following conditions are met since the preceding
35 certificate was issued:

1 *a.* The certificate holder has given written consent to
2 the division to have the certificate automatically renewed as
3 provided in this section.

4 *b.* The certificate has not been suspended or revoked.

5 *c.* A civil penalty has not been imposed against the
6 certificate holder.

7 *d.* An administrative proceeding is not pending against the
8 certificate holder to suspend or revoke the certificate or to
9 impose a civil penalty under this chapter.

10 *e.* The certificate holder and all persons associated
11 with the certificate holder as described in section 123.3,
12 subsection 40, paragraph "e", have not been convicted of a
13 violation of this chapter.

14 4. Notwithstanding section 123.187 and any other provision
15 of this chapter to the contrary, a wine direct shipper's permit
16 shall automatically renew without approval by the administrator
17 upon collection of the annual fee by the division, provided all
18 of the following conditions are met since the preceding permit
19 was issued:

20 *a.* The permittee has given written consent to the division
21 to have the permit automatically renewed as provided in this
22 section.

23 *b.* The permit has not been suspended or revoked.

24 *c.* A civil penalty has not been imposed against the
25 permittee.

26 *d.* An administrative proceeding is not pending against the
27 permittee to suspend or revoke the permit or to impose a civil
28 penalty under this chapter.

29 *e.* The permittee has filed all required reports and remitted
30 all wine gallonage tax owed pursuant to section 123.183.

31 *f.* The permittee and all persons associated with the
32 permittee as described in section 123.3, subsection 40,
33 paragraph "e", have not been convicted of a violation of this
34 chapter.

35 Sec. 31. Section 123.38, subsection 1, Code 2022, is amended

1 to read as follows:

2 1. A ~~liquor control~~ retail alcohol license, wine permit,
3 or beer permit is a personal privilege and is revocable for
4 cause. It is not property nor is it subject to attachment
5 and execution nor alienable nor assignable, and it shall
6 cease upon the death of the permittee or licensee. However,
7 the administrator of the division may in the administrator's
8 discretion allow the executor or administrator of the estate of
9 a permittee or licensee to operate the business of the decedent
10 for a reasonable time not to exceed the expiration date of the
11 permit or license. Every permit or license shall be issued in
12 the name of the applicant and no person holding a permit or
13 license shall allow any other person to use it.

14 Sec. 32. Section 123.38, subsection 2, paragraph a,
15 subparagraph (4), Code 2022, is amended to read as follows:

16 (4) No refund shall be made for any ~~liquor control~~ retail
17 alcohol license, wine permit, or beer permit surrendered more
18 than nine months after issuance.

19 Sec. 33. Section 123.39, subsection 1, paragraph a, Code
20 2022, is amended to read as follows:

21 a. (1) The administrator or the local authority may suspend
22 a ~~class "A", class "B", special class "B" native wine, class~~
23 ~~"C", special class "C", class "C" native distilled spirits, or~~
24 ~~class "E" liquor control, or class "F" retail alcohol license,~~
25 ~~or retail wine or beer permit~~ charity beer, spirits, and wine
26 special event license for a period not to exceed one year,
27 revoke the license ~~or permit~~, or impose a civil penalty not to
28 exceed one thousand dollars per violation.

29 (2) The administrator may suspend a certificate of
30 compliance, a class "D" ~~liquor control~~ retail alcohol license,
31 a manufacturer's license, a broker's permit, a class "A" native
32 distilled spirits license, a class "A" or special class "A"
33 beer permit, ~~a charity beer, spirits, and wine auction permit,~~
34 a class "A" wine permit, a wine direct shipper's permit, or a
35 wine carrier permit for a period not to exceed one year, revoke

1 the license, permit, or certificate, or impose a civil penalty
2 not to exceed one thousand dollars per violation.

3 Sec. 34. Section 123.39, subsection 1, paragraph b,
4 subparagraph (3), Code 2022, is amended to read as follows:

5 (3) Any change in the ownership or interest in the business
6 operated under a ~~liquor control~~ retail alcohol license, ~~or any~~
7 ~~wine or beer permit~~, which change was not previously reported
8 in a manner prescribed by the administrator within thirty days
9 of the change and subsequently approved by the local authority,
10 when applicable, and the division.

11 Sec. 35. Section 123.39, subsections 2 and 3, Code 2022, are
12 amended to read as follows:

13 2. Local authorities may suspend any ~~liquor control~~ retail
14 alcohol license ~~or retail wine or beer permit~~ for a violation
15 of any ordinance or regulation adopted by the local authority.
16 Local authorities may adopt ordinances or regulations for the
17 location of the premises of ~~liquor control~~ retail alcohol
18 licensed ~~and retail wine or beer permitted~~ establishments
19 and local authorities may adopt ordinances, not in conflict
20 with [this chapter](#) and that do not diminish the hours during
21 which alcoholic beverages may be sold or consumed at retail,
22 governing any other activities or matters which may affect the
23 retail sale and consumption of alcoholic beverages and the
24 health, welfare and morals of the community involved.

25 3. When a ~~liquor control~~ retail alcohol license ~~or retail~~
26 ~~wine or beer permit~~ is suspended after a hearing as a result
27 of violations of [this chapter](#) by the licensee, ~~permittee~~
28 or the licensee's ~~or permittee's~~ agents or employees, the
29 premises which were licensed by the license ~~or permit~~ shall
30 not be relicensed for a new applicant until the suspension
31 has terminated or time of suspension has elapsed, or ninety
32 days have elapsed since the commencement of the suspension,
33 whichever occurs first. However, [this section](#) does not
34 prohibit the premises from being relicensed to a new applicant
35 before the suspension has terminated or before the time of

1 suspension has elapsed or before ninety days have elapsed from
2 the commencement of the suspension, if the premises prior to
3 the time of the suspension had been purchased under contract,
4 and the vendor under that contract had exercised the person's
5 rights under [chapter 656](#) and sold the property to a different
6 person who is not related to the previous licensee or permittee
7 by marriage or within the third degree of consanguinity or
8 affinity and if the previous licensee or permittee does not
9 have a financial interest in the business of the new applicant.

10 Sec. 36. Section 123.40, Code 2022, is amended to read as
11 follows:

12 **123.40 Effect of revocation.**

13 Any ~~liquor control~~ retail alcohol licensee, wine permittee,
14 or beer permittee whose license or permit is revoked under this
15 chapter shall not thereafter be permitted to hold a ~~liquor~~
16 ~~control~~ retail alcohol license, wine permit, or beer permit in
17 the state of Iowa for a period of two years from the date of
18 revocation. A spouse or business associate holding ten percent
19 or more of the capital stock or ownership interest in the
20 business of a person whose license or permit has been revoked
21 shall not be issued a ~~liquor control~~ retail alcohol license,
22 wine permit, or beer permit, and no ~~liquor control~~ retail
23 alcohol license, wine permit, or beer permit shall be issued
24 which covers any business in which such person has a financial
25 interest for a period of two years from the date of revocation.
26 If a license or permit is revoked, the premises which had been
27 covered by the license or permit shall not be relicensed for
28 one year.

29 Sec. 37. Section 123.43A, subsection 2, Code 2022, is
30 amended to read as follows:

31 2. A native distillery shall not sell more than ~~one and~~
32 ~~one-half~~ nine liters per person per day, of native distilled
33 spirits on the premises of the native distillery. However, a
34 ~~native distillery which, combining all production facilities~~
35 ~~of the business, produces and manufactures not more than one~~

1 ~~hundred thousand proof gallons of native distilled spirits on~~
2 ~~an annual basis, may sell not more than nine liters per person~~
3 ~~per day, of native distilled spirits. In addition, a native~~
4 distillery shall not directly ship native distilled spirits for
5 sale at retail. The native distillery shall maintain records
6 of individual purchases of native distilled spirits at the
7 native distillery for three years.

8 Sec. 38. Section 123.43A, subsection 6, Code 2022, is
9 amended to read as follows:

10 6. Notwithstanding any provision of ~~this chapter~~ to the
11 contrary or the fact that a person is the holder of a class "A"
12 native distilled spirits license, a native distillery ~~which,~~
13 ~~combining all production facilities of the business, produces~~
14 ~~and manufactures not more than one hundred thousand proof~~
15 ~~gallons of native distilled spirits on an annual basis may sell~~
16 ~~those native distilled spirits manufactured on the premises~~
17 ~~of the native distillery for consumption on the premises by~~
18 ~~applying for~~ be granted a class "C" native distilled spirits
19 ~~liquor control~~ retail alcohol license as ~~provided~~ defined in
20 section 123.30. A native distillery may be granted not more
21 than two class "C" native distilled spirits ~~liquor control~~
22 retail alcohol licenses. ~~All native distilled spirits sold~~
23 ~~by a native distillery for on-premises consumption and mixed~~
24 ~~drinks or cocktails sold for consumption off the premises~~
25 ~~shall be purchased from a class "E" liquor control licensee.~~
26 A manufacturer of native distilled spirits may be issued a
27 class "C" native distilled spirits ~~liquor control~~ retail
28 alcohol license regardless of whether the manufacturer is also
29 a manufacturer of beer pursuant to a class "A" beer permit or
30 a manufacturer of native wine pursuant to a class "A" wine
31 permit.

32 Sec. 39. Section 123.45, subsection 1, paragraph d, Code
33 2022, is amended to read as follows:

34 *d.* Hold a ~~retail liquor control~~ retail alcohol license ~~or retail~~
35 ~~wine or beer permit,~~ unless the licensee ~~or permittee~~ holding a

1 ~~retail liquor control~~ alcohol license ~~or retail wine or beer~~
2 ~~permit~~ does not purchase or sell the alcoholic beverages of
3 the person engaged in the business of manufacturing, bottling,
4 or wholesaling alcoholic beverages. However, a person engaged
5 in the business of manufacturing wine that is not native wine
6 may purchase and sell the person's wine under the authority
7 of a special class "C" ~~liquor control~~ retail alcohol license
8 and a class "B" ~~wine permit~~ retail alcohol license provided
9 the licensed premises is the principal office, as defined in
10 section 490.140, of the person.

11 Sec. 40. Section 123.45, subsection 3, Code 2022, is amended
12 to read as follows:

13 3. A person engaged in the wholesaling of beer or wine
14 may sell only disposable glassware, which is constructed of
15 paper, paper laminated, or plastic materials and designed
16 primarily for personal consumption on a one-time usage
17 basis, to retailers for use within the premises of licensed
18 establishments, for an amount which is greater than or equal
19 to an amount which represents the greater of either the amount
20 paid for the disposable glassware by the supplier or the amount
21 paid for the disposable glassware by the wholesaler. Also, a
22 ~~person engaged in the business of manufacturing beer may sell~~
23 ~~beer at retail for consumption on or off the premises of the~~
24 ~~manufacturing facility and,~~ notwithstanding any other provision
25 of this chapter or the fact that a person is the holder of a
26 class "A" beer permit, a native brewery may be granted not more
27 than two class "B" ~~beer permits~~ "C" retail alcohol licenses as
28 defined in ~~section 123.124~~ section 123.30 regardless
29 of whether that person is also a manufacturer of native
30 distilled spirits pursuant to a class "A" native distilled
31 spirits license or a manufacturer of native wine pursuant to a
32 class "A" wine permit.

33 Sec. 41. Section 123.46, subsection 2, Code 2022, is amended
34 to read as follows:

35 2. A person shall not use or consume alcoholic liquor, wine,

1 or beer upon the public streets or highways. A person shall
2 not use or consume alcoholic liquor in any public place except
3 premises covered by a ~~liquor control~~ retail alcohol license.
4 A person shall not possess or consume alcoholic liquors,
5 wine, or beer on public school property or while attending a
6 public or private school-related function. A person shall not
7 be intoxicated in a public place. A person violating this
8 subsection is guilty of a simple misdemeanor.

9 Sec. 42. Section 123.46A, Code 2022, is amended to read as
10 follows:

11 **123.46A Delivery of alcoholic beverages by retailers.**

12 1. Licensees and ~~permittees~~ authorized to sell alcoholic
13 liquor, wine, or beer in original unopened containers for
14 consumption off the licensed premises may deliver alcoholic
15 liquor, wine, or beer to a home, another licensed premises if
16 there is identical ownership of the premises by the licensee
17 ~~or permittee~~, or other designated location in this state.
18 Deliveries shall be limited to alcoholic beverages authorized
19 by the licensee's ~~or permittee's~~ license ~~or permit~~. Orders
20 delivered to another licensed premises shall contain only
21 those alcoholic beverages authorized for sale by the ~~liquor~~
22 ~~control~~ retail alcohol license ~~or retail wine or beer permit~~
23 covering the premises to which the alcoholic beverages will
24 be delivered. Orders delivered to another licensed premises
25 shall be fulfilled using the alcoholic beverages inventory
26 owned by the licensee ~~or permittee~~ who will receive the order
27 for delivery. If the recipient refuses or fails to pick up
28 the delivery, or is ineligible to receive the delivery, the
29 alcoholic beverages shall be returned to the licensee ~~or~~
30 ~~permittee~~ who fulfilled the order.

31 2. Licensees and ~~permittees~~ authorized to sell wine, beer,
32 or mixed drinks or cocktails for consumption off the licensed
33 premises in a container other than the original container may
34 deliver the wine, beer, or mixed drinks or cocktails to a
35 home or other designated location in this state only if the

1 container other than the original container has been sold and
2 securely sealed in compliance with [this chapter](#) or the rules
3 of the division. Deliveries shall be limited to alcoholic
4 beverages authorized by the licensee's ~~or permittee's~~ license
5 or permit.

6 3. All deliveries of alcoholic liquor, wine, beer, or
7 mixed drinks or cocktails shall be subject to the following
8 requirements and restrictions:

9 a. Payment for the alcoholic liquor, wine, beer, or mixed
10 drinks or cocktails shall be received by the licensee ~~or~~
11 ~~permittee~~ at the time of order.

12 b. Orders for deliveries may be taken by the licensee ~~or~~
13 ~~permittee~~ between the hours of 2:00 a.m. and 6:00 a.m.
14 ~~on a day other than Sunday, and orders for deliveries may~~
15 ~~be taken between the hours of 2:00 a.m. and 6:00 a.m. on a~~
16 ~~Sunday provided the licensee or permittee has been granted~~
17 ~~the privilege of selling alcoholic liquor, wine, beer, or~~
18 ~~mixed drinks or cocktails on Sunday~~ on any day of the week,
19 notwithstanding any provision of [section 123.49, subsection 2,](#)
20 paragraph "b", to the contrary.

21 c. Alcoholic liquor, wine, beer, or mixed drinks or
22 cocktails delivered to a person shall be for personal use and
23 not for resale.

24 d. Deliveries shall only be made to persons in this state
25 who are twenty-one years of age or older.

26 e. Deliveries shall not be made to a person who is
27 intoxicated or is simulating intoxication.

28 f. Deliveries shall occur between 6:00 a.m. and 10:00 p.m.
29 Monday through Sunday on the same day the order for alcoholic
30 liquor, wine, beer, or mixed drinks or cocktails is removed
31 from the licensed premises.

32 g. Delivery of alcoholic liquor, wine, beer, or mixed drinks
33 or cocktails shall be made by the licensee ~~or permittee~~, the
34 licensee's ~~or permittee's~~ employee, or a third party, provided
35 the licensee ~~or permittee~~ has entered into a written agreement

1 with the third party that authorizes the third party to act
2 as an agent of the licensee ~~or permittee~~ for the purpose of
3 delivering alcoholic liquor, wine, beer, or mixed drinks or
4 cocktails. Each licensee ~~or permittee~~ shall submit to the
5 division electronically, or in a manner prescribed by the
6 administrator, a list of names and addresses of all third
7 parties it has authorized to act as its agent for the purpose
8 of delivering alcoholic liquor, wine, beer, or mixed drinks
9 or cocktails. The licensee ~~or permittee~~ shall provide the
10 division with amendments to the list as necessary to ensure the
11 division possesses an accurate, current list.

12 *h.* Delivery personnel shall be twenty-one years of age or
13 older.

14 *i.* Valid proof of the recipient's identity and age shall
15 be obtained at the time of delivery, and the signature of a
16 person twenty-one years of age or older shall be obtained as a
17 condition of delivery.

18 *j.* Licensees ~~and permittees~~ shall maintain records
19 of deliveries which include the quantity delivered, the
20 recipient's name and address, and the signature of the
21 recipient of the alcoholic liquor, wine, beer, or mixed drinks
22 or cocktails. The records shall be maintained on the licensed
23 premises for a period of three years.

24 4. A violation of [this section](#) or any other provision
25 of [this chapter](#) shall subject the licensee ~~or permittee~~ to
26 the penalty provisions of [section 123.39](#). If the licensee
27 ~~or permittee~~, an employee of the licensee ~~or permittee~~, or
28 a person delivering alcoholic liquor, wine, beer, or mixed
29 drinks or cocktails for a third party acting on behalf of the
30 licensee ~~or permittee~~ pursuant to a written agreement violates
31 this section, the licensee ~~or permittee~~ shall not be assessed
32 a penalty under [section 123.39](#) if the licensee ~~or permittee~~
33 establishes all of the following:

34 *a.* The violation was committed off of the licensee's
35 ~~or permittee's~~ premises after the liquor, wine, beer, or

1 mixed drinks or cocktails was removed from the licensee's ~~or~~
2 ~~permittee's~~ premises in fulfillment of a delivery order.

3 *b.* (1) If the person who committed the violation is an
4 employee of the licensee ~~or permittee~~, that no other violation
5 of **this section** was committed by any employee of the licensee
6 ~~or permittee~~ within the two-year period immediately preceding
7 the date of violation.

8 (2) If the person who committed the violation is a person
9 delivering for a third party acting on behalf of the licensee
10 ~~or permittee~~, that no other violation of **this section** was
11 committed by any person delivering for the same third party
12 while the third party was acting on behalf of the licensee ~~or~~
13 ~~permittee~~ within the two-year period immediately preceding the
14 date of violation.

15 5. Nothing in **this section** shall impact the direct shipment
16 of wine as regulated by **section 123.187**.

17 Sec. 43. Section 123.47, subsection 3, Code 2022, is amended
18 to read as follows:

19 3. A person or persons under legal age shall not purchase
20 or attempt to purchase, consume, or individually or jointly
21 have alcoholic beverages in their possession or control; except
22 in the case of any alcoholic beverage given or dispensed to
23 a person under legal age within a private home and with the
24 knowledge, presence, and consent of the parent or guardian, for
25 beverage or medicinal purposes or as administered to the person
26 by either a physician or dentist for medicinal purposes and
27 except to the extent that a person under legal age may handle
28 alcoholic beverages during the regular course of the person's
29 employment by a ~~liquor control~~ retail alcohol licensee, or wine
30 or beer permittee under **this chapter**.

31 Sec. 44. Section 123.48, subsections 1 and 3, Code 2022, are
32 amended to read as follows:

33 1. If a ~~liquor control~~ retail alcohol licensee ~~or wine or~~
34 ~~beer permittee~~ or an employee of the licensee ~~or permittee~~
35 has a reasonable belief based on factual evidence that a

1 driver's license as defined in section 321.1, subsection
2 20A, or nonoperator's identification card issued pursuant to
3 section 321.190 offered by a person who wishes to purchase
4 an alcoholic beverage at the licensed premises is altered
5 or falsified or belongs to another person, the licensee,
6 ~~permittee~~, or employee may retain the driver's license or
7 nonoperator's identification card. Within twenty-four hours,
8 the license or card shall be delivered to the appropriate
9 city or county law enforcement agency of the jurisdiction in
10 which the licensed premises is located. When the license or
11 card is delivered to the appropriate law enforcement agency,
12 the licensee shall file a written report of the circumstances
13 under which the license or card was retained. The local law
14 enforcement agency may investigate whether a violation of
15 section 321.216, [321.216A](#), or [321.216B](#) has occurred. If an
16 investigation is not initiated or a probable cause is not
17 established by the local law enforcement agency, the driver's
18 license or nonoperator's identification card shall be delivered
19 to the person to whom it was issued. The local law enforcement
20 agency may forward the license or card with the report to the
21 department of transportation for investigation, in which case,
22 the department may investigate whether a violation of section
23 321.216, [321.216A](#), or [321.216B](#) has occurred. The department of
24 transportation shall return the license or card to the person
25 to whom it was issued if an investigation is not initiated or a
26 probable cause is not established.

27 3. A ~~liquor control~~ retail alcohol licensee or ~~wine or~~
28 ~~beer permittee~~ or an employee of the licensee or ~~permittee~~
29 is not subject to criminal prosecution for, or to civil
30 liability for damages alleged to have resulted from, the
31 retention and delivery of a driver's license or a nonoperator's
32 identification card which is taken pursuant to subsections
33 1 and 2. [This section](#) shall not be construed to relieve a
34 licensee, ~~permittee~~, or employee of the licensee or ~~permittee~~
35 from civil liability for damages resulting from the use of

1 unreasonable force in obtaining the altered or falsified
2 driver's license or nonoperator's identification card or the
3 driver's license or nonoperator's identification card believed
4 to belong to another person.

5 Sec. 45. Section 123.49, subsection 2, unnumbered paragraph
6 1, Code 2022, is amended to read as follows:

7 A person holding a ~~liquor control~~ retail alcohol license or
8 ~~retail wine or beer permit~~ under this chapter, and the person's
9 agents or employees, shall not do any of the following:

10 Sec. 46. Section 123.49, subsection 2, paragraph b, Code
11 2022, is amended to read as follows:

12 b. Sell or dispense any alcoholic beverage on the premises
13 covered by the license ~~or permit~~, or permit its consumption
14 thereon between the hours of 2:00 a.m. and 6:00 a.m. on a
15 ~~weekday, and between the hours of 2:00 a.m. on Sunday and 6:00~~
16 ~~a.m. on the following Monday, however, a holder of a liquor~~
17 ~~control license or retail wine or beer permit granted the~~
18 ~~privilege of selling alcoholic liquor, wine, or beer on Sunday~~
19 ~~may sell or dispense alcoholic liquor, wine, or beer between~~
20 ~~the hours of 6:00 a.m. on Sunday and 2:00 a.m. on the following~~
21 Monday any day of the week.

22 Sec. 47. Section 123.49, subsection 2, paragraph d,
23 subparagraphs (1) and (3), Code 2022, are amended to read as
24 follows:

25 (1) Keep on premises covered by a ~~liquor control~~ retail
26 alcohol license any alcoholic liquor in any container except
27 the original package purchased from the division, and except
28 mixed drinks or cocktails mixed on the premises for immediate
29 consumption on the licensed premises or as otherwise provided
30 by this paragraph "d". This prohibition does not apply to
31 holders of a class "D" ~~liquor control~~ retail alcohol license
32 or to alcoholic liquor delivered in accordance with section
33 123.46A.

34 (3) Mixed drinks or cocktails mixed on premises covered by
35 a class "C" ~~liquor control~~ retail alcohol license ~~or a class~~

1 ~~"C" native distilled spirits liquor control~~ retail alcohol
2 license for consumption off the licensed premises may be
3 sold if the mixed drink or cocktail is immediately filled in
4 a sealed container and is promptly taken from the licensed
5 premises prior to consumption of the mixed drink or cocktail.
6 A mixed drink or cocktail that is sold in a sealed container in
7 compliance with the requirements of this subparagraph and rules
8 adopted by the division shall not be deemed an open container
9 subject to the requirements of [sections 321.284](#) and [321.284A](#)
10 if the sealed container is unopened and the seal has not been
11 tampered with, and the contents of the container have not been
12 partially removed.

13 Sec. 48. Section 123.49, subsection 2, paragraphs g and j,
14 Code 2022, are amended to read as follows:

15 *g.* Allow any person other than the licensee, ~~permittee,~~
16 or employees of the licensee ~~or permittee,~~ to use or keep
17 on the licensed premises any alcoholic liquor in any bottle
18 or other container which is designed for the transporting of
19 such beverages, except as permitted in [section 123.95](#). This
20 paragraph does not apply to the lodging quarters of a ~~class~~
21 ~~"B" liquor control licensee or wine or beer permittee~~ hotel
22 or motel holding a retail alcohol license, or to holders of a
23 class "D" ~~liquor control~~ retail alcohol license.

24 *j.* Knowingly permit or engage in any criminal activity
25 on the premises covered by the license ~~or permit~~. However,
26 the absence of security personnel on the licensed premises
27 is insufficient, without additional evidence, to prove that
28 criminal activity occurring on the licensed premises was
29 knowingly permitted in violation of this paragraph "j". For
30 purposes of this paragraph "j", "premises" includes parking lots
31 and areas adjacent to the premises of a ~~liquor control~~ retail
32 alcohol licensee ~~or wine or beer permittee~~ authorized to sell
33 alcoholic beverages for consumption on the licensed premises
34 and used by patrons of the ~~liquor control~~ retail alcohol
35 licensee ~~or wine or beer permittee~~.

1 Sec. 49. Section 123.49, subsection 3, Code 2022, is amended
2 to read as follows:

3 3. A person under legal age shall not misrepresent the
4 person's age for the purpose of purchasing or attempting
5 to purchase any alcoholic beverage from any ~~liquor control~~
6 retail alcohol licensee or wine or beer permittee. If any
7 person under legal age misrepresents the person's age, and
8 the licensee ~~or permittee~~ establishes that the licensee ~~or~~
9 permittee made reasonable inquiry to determine whether the
10 prospective purchaser was over legal age, the licensee ~~or~~
11 permittee is not guilty of selling alcoholic beverages to a
12 person under legal age.

13 Sec. 50. Section 123.49, subsection 4, Code 2022, is amended
14 by striking the subsection.

15 Sec. 51. Section 123.50, subsections 1, 2, 4, and 5, Code
16 2022, are amended to read as follows:

17 1. Any person who violates any of the provisions of section
18 123.49, except [section 123.49, subsection 2](#), paragraph "h",
19 or who fails to affix upon sale, defaces, or fails to record
20 a keg identification ~~sticker~~ label or produce a record of keg
21 identification ~~stickers~~ labels pursuant to [section 123.138](#),
22 shall be guilty of a simple misdemeanor. A person who violates
23 section 123.49, subsection 2, paragraph "h", commits a simple
24 misdemeanor punishable as a scheduled violation under section
25 805.8C, subsection 2.

26 2. The conviction of any ~~liquor control~~ retail alcohol
27 licensee ~~or wine or beer permittee~~ for a violation of any of
28 the provisions of [section 123.49](#), subject to [subsection 3](#) of
29 this section, is grounds for the suspension or revocation of
30 the license or permit by the division or the local authority.
31 However, if any ~~liquor control~~ retail alcohol licensee is
32 convicted of any violation of [section 123.49, subsection 2](#),
33 paragraph "a", "d", or "e", or any ~~wine or beer permittee~~ retail
34 alcohol licensee, excluding a special class "B" or class "D"
35 retail alcohol licensee, is convicted of a violation of section

1 123.49, subsection 2, paragraph ~~"a" or "e"~~ "d", the ~~liquor~~
2 ~~control~~ retail alcohol license ~~or wine or beer permit~~ shall be
3 revoked and shall immediately be surrendered by the holder,
4 and the bond, if any, of the license ~~or permit~~ holder shall be
5 forfeited to the division. However, the division shall retain
6 only that portion of the bond equal to the amount the division
7 determines the license ~~or permit~~ holder owes the division.

8 4. In addition to any other penalties imposed under this
9 chapter, the division shall assess a civil penalty up to
10 the amount of five thousand dollars upon a class "E" ~~liquor~~
11 ~~control~~ retail alcohol licensee when the class "E" ~~liquor~~
12 retail alcohol license is revoked for a violation of section
13 123.59. Failure to pay the civil penalty as required under
14 this subsection shall result in forfeiture of the bond to the
15 division. However, the division shall retain only that portion
16 of the bond equal to the amount the division determines the
17 license or permit holder owes the division.

18 5. If an employee of a ~~liquor control~~ retail alcohol
19 licensee ~~or wine or beer permittee~~ violates section 123.49,
20 subsection 2, paragraph "h", the licensee ~~or permittee~~ shall
21 not be assessed a penalty under [subsection 3](#), and the violation
22 shall be deemed not to be a violation of section 123.49,
23 subsection 2, paragraph "h", for the purpose of determining
24 the number of violations for which a penalty may be assessed
25 pursuant to [subsection 3](#), if the employee holds a valid
26 certificate of completion of the alcohol compliance employee
27 training program pursuant to [section 123.50A](#) at the time of the
28 violation, and if the violation involves selling, giving, or
29 otherwise supplying any alcoholic beverage to a person between
30 the ages of eighteen and twenty years of age. A violation
31 involving a person under the age of eighteen years of age
32 shall not qualify for the bar against assessment of a penalty
33 pursuant to [subsection 3](#), for a violation of section 123.49,
34 subsection 2, paragraph "h". A licensee ~~or permittee~~ may assert
35 only once in a four-year period the bar under [this subsection](#)

1 against assessment of a penalty pursuant to subsection 3, for a
2 violation of section 123.49, subsection 2, paragraph "h", that
3 takes place at the same place of business location.

4 Sec. 52. Section 123.50, subsection 3, unnumbered paragraph
5 1, Code 2022, is amended to read as follows:

6 If any ~~liquor control~~ retail alcohol licensee, ~~wine or~~
7 ~~beer permittee~~, or employee of a licensee ~~or permittee~~ is
8 convicted or found in violation of section 123.49, subsection
9 2, paragraph "h", the administrator or local authority shall,
10 in addition to criminal penalties fixed for violations by this
11 section, assess a civil penalty as follows:

12 Sec. 53. Section 123.92, subsection 2, paragraphs a and c,
13 Code 2022, are amended to read as follows:

14 a. Every ~~liquor control~~ retail alcohol licensee, ~~class "B"~~
15 ~~beer permittee~~, and ~~class "C" native wine permittee~~, except
16 a class "B", special class "B", or class "E" liquor control
17 retail alcohol licensee, shall furnish proof of financial
18 responsibility by the existence of a liability insurance
19 policy in an amount determined by the division. If an insurer
20 provides dramshop liability insurance at a new location to
21 a licensee or permittee who has a positive loss experience
22 at other locations for which such insurance is provided by
23 the insurer, and the insurer bases premium rates at the new
24 location on the negative loss history of the previous licensee
25 ~~or permittee~~ at that location, the insurer shall examine and
26 consider adjusting the premium for the new location not less
27 than thirty months after the insurance is issued, based on the
28 loss experience of the licensee ~~or permittee~~ at that location
29 during that thirty-month period of time.

30 c. The purpose of dramshop liability insurance is to provide
31 protection for members of the public who experience damages
32 as a result of licensees ~~or permittees~~ serving patrons any
33 alcoholic beverage to a point that reaches or exceeds the
34 standard set forth in law for liability. Minimum coverage
35 requirements for such insurance are not for the purpose of

1 making the insurance affordable for all licensees ~~or permittees~~
2 regardless of claims experience. A dramshop liability
3 insurance policy obtained by a licensee ~~or permittee~~ shall meet
4 the minimum insurance coverage requirements as determined by
5 the division and is a mandatory condition for holding a license
6 ~~or permit~~.

7 Sec. 54. Section 123.92, subsection 3, paragraphs a and b,
8 Code 2022, are amended to read as follows:

9 a. Notwithstanding [section 123.49, subsection 1](#), any
10 person who is injured in person or property or means of
11 support by an intoxicated person who is under legal age or
12 resulting from the intoxication of a person who is under
13 legal age, has a right of action for all damages actually
14 sustained, severally or jointly, against a person who is
15 not a licensee ~~or permittee~~ and who dispensed or gave any
16 alcoholic beverage to the intoxicated underage person when the
17 nonlicensee ~~or nonpermittee~~ who dispensed or gave the alcoholic
18 beverage to the underage person knew or should have known the
19 underage person was intoxicated, or who dispensed or gave any
20 alcoholic beverage to the underage person to a point where the
21 nonlicensee ~~or nonpermittee~~ knew or should have known that the
22 underage person would become intoxicated.

23 b. If the injury was caused by an intoxicated person who is
24 under legal age, a person who is not a licensee ~~or permittee~~
25 and who dispensed or gave the alcoholic beverage to the
26 underage person may establish as an affirmative defense that
27 the intoxication did not contribute to the injurious action of
28 the underage person.

29 Sec. 55. Section 123.95, subsection 2, paragraphs a and c,
30 Code 2022, are amended to read as follows:

31 a. The holder of an ~~annual class "B" liquor control license~~
32 ~~or an annual class "C" liquor control~~ retail alcohol license
33 may act as the agent of a private social host for the purpose
34 of providing and serving alcoholic beverages as part of a food
35 catering service for a private social gathering in a private

1 place, provided the licensee has applied for and been granted a
2 catering privilege by the division. The holder of an annual
3 special class "C" ~~liquor control~~ retail alcohol license shall
4 not act as the agent of a private social host for the purpose of
5 providing and serving wine and beer as part of a food catering
6 service for a private social gathering in a private place.

7 An applicant for a class "B" or class "C" ~~liquor control~~
8 retail alcohol license shall state on the application for the
9 license that the licensee intends to engage in catering food
10 and alcoholic beverages for private social gatherings and the
11 catering privilege shall be noted on the license.

12 c. [Section 123.92](#) does not apply to a ~~liquor control~~ retail
13 alcohol licensee who acts in accordance with [this section](#) when
14 the ~~liquor control~~ retail alcohol licensee is providing and
15 serving food and alcoholic beverages as an agent of a private
16 social host at a private social gathering in a private place
17 which is not on the licensed premises.

18 Sec. 56. Section 123.122, subsection 1, Code 2022, is
19 amended to read as follows:

20 1. A person shall not cause the manufacture, importation,
21 or sale of beer in this state unless a certificate or permit as
22 provided in [this subchapter](#), or a ~~liquor control~~ retail alcohol
23 license as provided in [subchapter I](#) of [this chapter](#), is first
24 obtained which authorizes that manufacture, importation, or
25 sale.

26 Sec. 57. Section 123.124, Code 2022, is amended to read as
27 follows:

28 **123.124 Beer permits — classes.**

29 Permits for the manufacture and sale, or sale, of beer shall
30 be ~~divided into four classes~~, known as class "A", and special
31 class "A", ~~class "B", or class "C" beer permits~~. A holder of
32 a class "A" or special class "A" beer permit shall have the
33 authority as provided in [section 123.130](#). ~~A holder of a class~~
34 ~~"B" beer permit shall have the authority as provided in section~~
35 ~~123.131, and a holder of a class "C" beer permit shall have the~~

1 ~~authority as provided in [section 123.132](#).~~

2 Sec. 58. Section 123.125, Code 2022, is amended to read as
3 follows:

4 **123.125 Issuance of beer permits.**

5 The administrator shall issue class "A", and special class
6 ~~"A", class "B", and class "C"~~ beer permits and may suspend or
7 revoke permits for cause as provided in [this chapter](#).

8 Sec. 59. Section 123.127, subsection 2, paragraph h, Code
9 2022, is amended to read as follows:

10 *h.* If the person is applying for a special class "A" beer
11 permit, that the applicant holds or has applied for a class "C"
12 ~~liquor control or special class "C" retail alcohol license or~~
13 ~~class "B" beer permit.~~

14 Sec. 60. Section 123.130, subsection 1, paragraph a, Code
15 2022, is amended to read as follows:

16 *a.* Any person holding a class "A" beer permit issued by
17 the division shall be authorized to manufacture and sell, or
18 sell at wholesale, beer for consumption off the premises, such
19 sales within the state to be made only to persons holding a
20 subsisting class "A", ~~"B", or "C"~~ beer permits permit, both
21 ~~a class "C" native wine permit and a class "A" wine permit~~
22 ~~pursuant to [section 123.178B, subsection 4](#), or liquor control~~
23 ~~retail alcohol licenses, excluding a special class "B" retail~~
24 ~~native wine license,~~ issued in accordance with the provisions
25 of [this chapter](#). However, a person holding a class "A" beer
26 permit issued by the division who also holds a brewer's notice
27 issued by the alcohol and tobacco tax and trade bureau of the
28 United States department of the treasury shall be authorized
29 to sell, at wholesale, no more than thirty thousand barrels of
30 beer on an annual basis for consumption off the premises to a
31 licensee ~~or permittee~~ authorized under this chapter to sell
32 beer at retail.

33 Sec. 61. Section 123.130, subsections 2 and 4, Code 2022,
34 are amended to read as follows:

35 2. Pursuant to [section 123.45, subsection 3](#), a native

1 brewery may be granted not more than two class "B" beer permits
2 as defined in ~~section 123.124~~ for the purpose of selling
3 beer at retail for consumption on or off the premises of the
4 manufacturing facility class "C" retail alcohol licenses.

5 4. All special class "A" premises shall be located within
6 the state. A person who holds a special class "A" beer permit
7 for the same location at which the person holds a class "C"
8 ~~liquor control or special class "C" retail alcohol license or~~
9 ~~class "B" beer permit~~ for the purpose of operating as a brewpub
10 may manufacture and sell beer to be consumed on the premises,
11 may sell beer at retail at the manufacturing premises for
12 consumption off the premises ~~beer that is transferred at the~~
13 ~~time of sale to another container subject to the requirements~~
14 ~~of section 123.131, subsection 2~~, may sell beer to a class
15 "A" beer permittee for resale purposes, and may sell beer to
16 distributors outside of the state that are authorized by the
17 laws of that jurisdiction to sell beer at wholesale. The
18 permit issued to holders of a special class "A" beer permit
19 shall clearly state on its face that the permit is limited.

20 Sec. 62. Section 123.135, subsection 4, Code 2022, is
21 amended to read as follows:

22 4. It shall be unlawful for any holder of a certificate
23 of compliance or the holder's agent, or any class "A" beer
24 permit holder or the beer permit holder's agent, to grant to
25 any retail ~~beer permit~~ alcohol license holder, directly or
26 indirectly, any rebates, free goods, or quantity discounts on
27 beer which are not uniformly offered to all retail ~~permittees~~
28 alcohol licensees.

29 Sec. 63. Section 123.138, subsection 1, Code 2022, is
30 amended to read as follows:

31 1. Each class "A" or special class "A" beer permittee
32 shall keep proper records showing the amount of beer sold
33 by the permittee, and these records shall be at all times
34 open to inspection by the administrator and to other persons
35 pursuant to section 123.30, subsection 1. Each ~~class "B"~~

1 ~~beer permittee, class "C" beer permittee, or retail liquor~~
2 ~~control~~ alcohol licensee as described in section 123.30 shall
3 keep proper records showing each purchase of beer made by the
4 ~~permittee or~~ licensee, and the date and the amount of each
5 purchase and the name of the person from whom each purchase
6 was made, which records shall be open to inspection pursuant
7 to section 123.30, subsection 1, during normal business hours
8 of the ~~permittee or~~ licensee.

9 Sec. 64. Section 123.138, subsection 2, paragraph a, Code
10 2022, is amended to read as follows:

11 a. Each class ~~"B", "C", or special class "C" liquor control~~
12 retail alcohol licensee and class ~~"B" or "C" beer permittee~~ who
13 sells beer for off-premises consumption shall affix to each
14 keg of beer an identification ~~sticker~~ label provided by the
15 administrator. The ~~sticker~~ label provided shall allow for its
16 full removal when common external keg cleaning procedures are
17 performed. For the purposes of this subsection, "keg" means
18 all durable and disposable containers with a liquid capacity
19 of five gallons or more. Each class ~~"B", "C", or special class~~
20 ~~"C" liquor control~~ retail alcohol licensee and class ~~"B" or "C"~~
21 ~~beer permittee~~ shall also keep a record of the identification
22 ~~sticker~~ label number of each keg of beer sold by the licensee
23 ~~or permittee~~ with the name and address of the purchaser and
24 the number of the purchaser's driver's license, nonoperator's
25 identification card, or military identification card, if the
26 military identification card contains a picture and signature.
27 This information shall be retained by the licensee ~~or permittee~~
28 for a minimum of ninety days. The records kept pursuant to
29 this subsection shall be available for inspection by any law
30 enforcement officer during normal business hours.

31 Sec. 65. Section 123.138, subsection 2, paragraph b, Code
32 2022, is amended to read as follows:

33 b. (1) The division shall provide the keg identification
34 ~~stickers~~ labels described in paragraph "a" and shall, prior to
35 utilizing a ~~sticker~~ label, notify licensed brewers and licensed

1 beer importers of the type of ~~sticker~~ label to be utilized.
2 Each ~~sticker~~ label shall contain a number and the following
3 statement:

4 It is unlawful to sell, give, or otherwise supply any
5 alcoholic beverage, wine, or beer to any person under legal
6 age. Any person who defaces this ~~sticker~~ label shall be guilty
7 of criminal mischief punishable pursuant to [section 716.6](#) and
8 ~~shall cause the forfeiture of any deposit, if applicable.~~

9 (2) The identification ~~sticker~~ label shall be placed on
10 the keg at the time of retail sale. The licensee ~~or permittee~~
11 shall ~~purchase~~ obtain the ~~stickers~~ labels referred to in this
12 subsection from the division and ~~shall remit to the division~~
13 ~~deposits forfeited pursuant to this lettered paragraph due to~~
14 ~~defacement.~~ The cost of the ~~stickers~~ labels to licensees and
15 ~~permittees~~ shall not exceed the division's cost of producing
16 and distributing the ~~stickers~~ labels. The moneys collected by
17 the division relating to the sale of ~~stickers~~ and ~~forfeited~~
18 ~~deposits~~ labels shall be credited to the beer and liquor
19 control fund.

20 Sec. 66. Section 123.138, subsection 2, paragraph d, Code
21 2022, is amended by striking the paragraph.

22 Sec. 67. Section 123.141, Code 2022, is amended to read as
23 follows:

24 **123.141 Keeping liquor where beer is sold.**

25 No alcoholic liquor for beverage purposes shall be used,
26 or kept for any purpose in the place of business of a special
27 class "~~B~~" ~~beer permittees~~ "C" retail alcohol licensee, or on
28 the premises of such special class "~~B~~" ~~beer permittees~~ "C"
29 retail alcohol licensee, at any time. A violation of any
30 provision of [this section](#) shall be grounds for suspension or
31 revocation of the beer permit pursuant to section 123.50,
32 subsection 3. [This section](#) shall not apply in any manner or
33 in any way to the premises of any hotel or motel for which a
34 special class "~~B~~" ~~beer permit~~ "C" retail alcohol license has
35 been issued, other than that part of such premises regularly

1 used by the hotel or motel for the principal purpose of selling
2 beer or food to the general public, ~~to a premises for which~~
3 ~~both a class "B" beer permit and a class "A" native distilled~~
4 ~~spirits license have been issued,~~ or to keep a pharmacy from
5 having alcohol in stock for medicinal and compounding purposes.

6 Sec. 68. Section 123.142, subsection 1, Code 2022, is
7 amended to read as follows:

8 1. It is unlawful for the holder of a ~~class "B" or class "C"~~
9 ~~beer permit~~ retail alcohol license issued under this chapter
10 to sell beer, except beer brewed on the premises covered by a
11 special class "A" beer permit or beer purchased from a person
12 holding a class "A" beer permit issued in accordance with this
13 chapter, and on which the tax provided in section 123.136 has
14 been paid. However, this section does not apply to class "D"
15 ~~liquor control~~ retail alcohol licensees as provided in this
16 chapter.

17 Sec. 69. Section 123.143, subsection 1, Code 2022, is
18 amended by striking the subsection.

19 Sec. 70. Section 123.143, subsection 2, Code 2022, is
20 amended to read as follows:

21 2. All permit fees collected by the division under this
22 subchapter shall accrue to the beer and liquor control fund,
23 except as otherwise provided. All ~~permit fees and taxes~~
24 collected by the division under this subchapter shall accrue to
25 the state general fund, except as otherwise provided.

26 Sec. 71. Section 123.171, subsection 1, Code 2022, is
27 amended to read as follows:

28 1. A person shall not cause the manufacture, importation,
29 or sale of wine in this state unless a certificate or permit as
30 provided in this subchapter, or a ~~liquor control~~ retail alcohol
31 license as provided in subchapter I of this chapter, is first
32 obtained which authorizes that manufacture, importation, or
33 sale.

34 Sec. 72. Section 123.173, Code 2022, is amended to read as
35 follows:

1 123.173 ~~Wine permits permit~~ — classes class "A" —
2 authority.

3 1. Except as provided in section 123.187, ~~permits a permit~~
4 exclusively for the ~~sale or~~ manufacture and sale of wine shall
5 be ~~divided into four classes~~, and shall be known as a class
6 "A", "B", "B" native, or "C" native wine permits permit.

7 2. A class "A" wine permit allows the holder to manufacture
8 and sell, or sell at wholesale, in this state, wine. The
9 holder of a class "A" wine permit may manufacture in this state
10 wine having an alcoholic content greater than seventeen percent
11 by weight or twenty-one and twenty-five hundredths percent of
12 alcohol by volume for shipment outside this state. All class
13 "A" premises shall be located within the state. ~~A class "B" or~~
14 ~~class "B" native wine permit allows the holder to sell wine at~~
15 ~~retail for consumption off the premises. A class "B" or class~~
16 ~~"B" native wine permittee who also holds a class "E" liquor~~
17 ~~control license may sell wine to class "A", class "B", class~~
18 ~~"C", special class "C", and class "D" liquor control licensees~~
19 ~~for resale for consumption on the premises. Such wine sales~~
20 ~~shall be in quantities of less than one case of any wine brand~~
21 ~~but not more than one such sale shall be made to the same liquor~~
22 ~~control licensee in a twenty-four hour period. A class "B" or~~
23 ~~class "B" native wine permittee shall not sell wine to other~~
24 ~~class "B" or class "B" native wine permittees. A class "C"~~
25 ~~native wine permit allows the holder to sell native wine for~~
26 ~~consumption on or off the premises.~~

27 3. A class "A" wine permittee shall be required to deliver
28 wine to a retail wine permittee alcohol licensee, and a retail
29 wine permittee alcohol licensee shall be required to accept
30 delivery of wine from a class "A" wine permittee, only at
31 the licensed premises of the retail wine permittee alcohol
32 licensee. Except as specifically permitted by the division
33 upon good cause shown, delivery or transfer of wine from an
34 unlicensed premises to a licensed retail wine permittee's
35 alcohol licensee's premises, or from one licensed retail wine

1 ~~permittee's alcohol licensee's premises to another licensed~~
2 ~~retail wine permittee's alcohol licensee's premises, even if~~
3 ~~there is common ownership of all of the premises by one retail~~
4 ~~permittee, is prohibited. A class "B" or class "B" native wine~~
5 ~~permittee who also holds a class "E" liquor control license~~
6 ~~shall keep and maintain records for each sale of wine to liquor~~
7 ~~control licensees showing the name of the establishment to~~
8 ~~which wine was sold, the date of sale, and the brands and~~
9 ~~number of bottles sold to the liquor control licensee.~~

10 4. ~~When a class "B" or class "B" native wine permittee who~~
11 ~~also holds a class "E" liquor control license sells wine to a~~
12 ~~liquor control licensee, the liquor control licensee shall sign~~
13 ~~a report attesting to the purchase. The class "B" or class "B"~~
14 ~~native wine permittee who also holds a class "E" liquor control~~
15 ~~license shall submit a report to the division electronically,~~
16 ~~or in a manner prescribed by the administrator, not later than~~
17 ~~the tenth of each month stating each sale of wine to liquor~~
18 ~~control licensees during the preceding month, the date of each~~
19 ~~sale, and the brands and numbers of bottles with each sale.~~
20 ~~A class "B" permittee who holds a class "E" liquor control~~
21 ~~license may sell to class "A", class "B", or class "C" liquor~~
22 ~~control licensees only if the licensed premises of the liquor~~
23 ~~control licensee is located within the geographic territory of~~
24 ~~the class "A" wine permittee from which the wine was originally~~
25 ~~purchased by the class "B" or class "B" native wine permittee.~~

26 Sec. 73. Section 123.173A, Code 2022, is amended by striking
27 the section and inserting in lieu thereof the following:

28 **123.173A Charity beer, spirits, and wine special event**
29 **license.**

30 1. For purposes of this section:

31 a. *"Authorized nonprofit entity"* includes a nonprofit
32 entity which has a principal office in the state, a nonprofit
33 corporation organized under chapter 504, or a foreign
34 corporation as defined in section 504.141, whose income is
35 exempt from federal taxation under section 501(c) of the

1 Internal Revenue Code.

2 *b. "Charity auction"* means an auction conducted by an
3 authorized nonprofit entity which includes beer, spirits, and
4 wine.

5 *c. "Charity event"* means an event at which an authorized
6 nonprofit entity may serve the event's attendees beer,
7 spirits, and wine for consumption on the premises of the event,
8 regardless of whether the entity charges an admission fee to
9 the event or otherwise collects the cost of the beer, spirits,
10 and wine served from the event's attendees.

11 *d. "Charity special event"* means a charity auction, charity
12 event, or a combined charity auction and charity event.

13 2. Upon application to the division and receipt of a charity
14 beer, spirits, and wine special event license, an authorized
15 nonprofit entity may conduct a charity special event subject to
16 the requirements of this section.

17 3. A charity auction conducted by a charity beer, spirits,
18 and wine special event licensee shall comply with the following
19 requirements:

20 *a.* The authorized nonprofit entity conducting the charity
21 auction shall obtain the beer, spirits, and wine to be
22 auctioned at the charity auction from an Iowa retail alcohol
23 licensee, or may receive donations of beer, spirits, or wine to
24 be auctioned at the charity auction from persons who purchased
25 the donated beer, spirits, or wine from an Iowa retail alcohol
26 licensee or an Iowa class "A" native distilled spirits licensee
27 and who present a receipt documenting the purchase at the
28 time the beer, spirits, or wine is donated. The authorized
29 nonprofit entity conducting the charity auction shall retain a
30 copy of the receipt for a period of one year from the date of
31 the charity beer, spirits, and wine auction.

32 *b.* The beer, spirits, and wine sold at the charity auction
33 shall be in original containers for consumption off of the
34 premises where the charity auction is conducted. No other
35 alcoholic beverage may be sold by the charity beer, spirits,

1 and wine special event licensee at the charity auction. A
2 purchaser of beer, spirits, or wine at a charity auction shall
3 not take possession of the beer, spirits, or wine until the
4 person is leaving the event. A purchaser of beer, spirits,
5 or wine at a charity auction shall not open the container or
6 consume or permit the consumption of the beer, spirits, or
7 wine purchased on the premises where the charity auction is
8 conducted. A purchaser of beer, spirits, or wine at a charity
9 auction shall not resell the beer, spirits, or wine.

10 c. A retail alcohol licensee or class "A" native distilled
11 spirits licensee shall not purchase beer, spirits, or wine at
12 a charity auction. The charity auction may be conducted on
13 a premises for which a class "B" or class "C" retail alcohol
14 license has been issued, provided that the retail alcohol
15 licensee does not participate in the charity auction, supply
16 beer, spirits, or wine to be auctioned at the charity auction,
17 or receive any of the proceeds of the charity auction.

18 4. A charity event conducted by a charity beer, spirits,
19 and wine special event licensee shall comply with the following
20 requirements:

21 a. The charity event shall be conducted on a premises
22 covered by a valid retail alcohol license issued by the
23 division.

24 b. The authorized nonprofit entity conducting a charity
25 event shall have a written agreement with the retail alcohol
26 licensee covering the premises where the charity event is to be
27 conducted specifying that that licensee shall act as the agent
28 of the authorized nonprofit entity for the purpose of providing
29 and serving alcoholic beverages to the attendees of the charity
30 event.

31 c. The retail alcohol licensee covering the premises where
32 the charity event is to be conducted shall supply all alcoholic
33 beverages served to the attendees of the charity event.

34 d. Only those types of alcoholic beverages as are authorized
35 to be sold by the retail alcohol license covering the premises

1 where the charity event is to be conducted are to be served to
2 the attendees of the charity event.

3 5. An application for a charity beer, spirits, and wine
4 special event license to conduct a charity special event shall
5 include all of the following information:

6 a. The date and time when the charity special event is to be
7 conducted and the location of the premises in this state where
8 the charity special event is to be physically conducted.

9 b. The retail alcohol license number issued by the division
10 for the premises where a charity event is to be conducted, if
11 applicable.

12 c. A certification that the objective of the charity special
13 event is to raise funds solely to be used for educational,
14 religious, or charitable purposes and that the entire proceeds
15 from the charity special event are to be expended for any of
16 the purposes described in section 423.3, subsection 78.

17 6. An authorized nonprofit entity shall be eligible to
18 receive no more than two charity beer, spirits, and wine
19 special event licenses during a calendar year and each charity
20 beer, spirits, and wine special event license shall be valid
21 for a period not to exceed thirty-six consecutive hours.

22 7. Any violation of the requirements of this chapter or
23 the rules adopted pursuant to this chapter shall subject
24 the charity beer, spirits, and wine special event license
25 holder to the general penalties provided in this chapter and
26 shall constitute grounds for imposition of a civil penalty,
27 suspension of the license, or revocation of the permit after
28 notice and opportunity for a hearing pursuant to section 123.39
29 and chapter 17A.

30 Sec. 74. Section 123.175, subsection 1, unnumbered
31 paragraph 1, Code 2022, is amended to read as follows:

32 A person applying for a class "A" ~~or retail~~ wine permit shall
33 submit a completed application electronically, or in a manner
34 prescribed by the administrator, which shall set forth under
35 oath the following:

1 Sec. 75. Section 123.175, subsection 1, paragraph e, Code
2 2022, is amended to read as follows:

3 e. When required by the administrator, and in such form and
4 containing such information as the administrator may require,
5 a description of the premises where the applicant intends to
6 use the permit, to include a sketch or drawing of the premises
7 ~~and, if applicable, the number of square feet of interior floor~~
8 ~~space which comprises the retail sales area of the premises.~~

9 Sec. 76. Section 123.175, subsection 2, unnumbered
10 paragraph 1, Code 2022, is amended to read as follows:

11 The administrator shall issue a class "A" ~~or retail~~ wine
12 permit to any applicant who establishes all of the following:

13 Sec. 77. Section 123.175, subsection 2, paragraphs d and g,
14 Code 2022, are amended to read as follows:

15 d. ~~That, in the case of a class "A" wine permit, the~~
16 applicant has filed with the division a basic permit issued
17 by the alcohol and tobacco tax and trade bureau of the United
18 States department of the treasury, and that the applicant will
19 faithfully observe and comply with all the laws, rules, and
20 regulations governing the manufacture and sale of wine.

21 g. That the applicant has submitted, ~~in the case of a class~~
22 ~~"A" wine permit,~~ a bond in the amount of five thousand dollars
23 in a manner prescribed by the administrator with good and
24 sufficient sureties to be approved by the division conditioned
25 upon compliance with [this chapter](#).

26 Sec. 78. Section 123.176, subsections 2, 5, and 7, Code
27 2022, are amended to read as follows:

28 2. Native wine may be sold at retail for off-premises
29 consumption when sold on the premises of the manufacturer, or
30 in a retail establishment operated by the manufacturer. Sales
31 may also be made to class "A" or retail ~~wine permittees or~~
32 ~~liquor control~~ alcohol licensees as authorized by sections
33 ~~123.173~~ 123.30 and 123.177. A manufacturer of native wines
34 shall not sell the wines other than as permitted in this
35 chapter and shall not allow wine sold to be consumed upon the

1 premises of the manufacturer. However, prior to sale, native
2 wines may be tasted pursuant to the rules of the division
3 on the premises where made, when no charge is made for the
4 tasting.

5 5. Notwithstanding any other provision of [this chapter](#), a
6 person engaged in the business of manufacturing native wine
7 ~~may sell native wine at retail for consumption on the premises~~
8 ~~of the manufacturing facility by applying for~~ be granted a
9 class "C" ~~native wine permit~~ retail alcohol license as provided
10 defined in ~~section 123.178B~~ [123.30](#). A manufacturer of native
11 wine may be granted not more than two class "C" ~~native wine~~
12 ~~permits~~ retail alcohol licenses. A manufacturer of native wine
13 may be issued a class "C" ~~native wine permit~~ retail alcohol
14 license regardless of whether the manufacturer is also a
15 manufacturer of beer pursuant to a class "A" beer permit or a
16 manufacturer of native distilled spirits pursuant to a class
17 "A" native distilled spirits license.

18 7. A manufacturer may use the space and equipment of another
19 manufacturer for the purpose of manufacturing native wine,
20 provided that such an alternating proprietorship arrangement
21 is approved by the alcohol and tobacco tax and trade bureau
22 of the United States department of the treasury. A separate
23 class "A" wine permit shall be issued to each manufacturer,
24 and each manufacturer shall be subject to the provisions of
25 this chapter and the rules of the division. Notwithstanding
26 subsection 5, not more than one class "C" ~~native wine permit~~
27 retail alcohol license shall be issued to a premises with
28 alternating proprietorships.

29 Sec. 79. Section 123.177, subsection 1, Code 2022, is
30 amended to read as follows:

31 1. A person holding a class "A" wine permit may manufacture
32 and sell, or sell at wholesale, wine for consumption off the
33 premises. Sales within the state may be made only to persons
34 holding a class "A" ~~or "B"~~ wine permit and to persons holding a
35 ~~retail liquor control~~ alcohol license. However, if the person

1 holding the class "A" permit is a manufacturer of native wine,
2 the person may sell only native wine to a person holding a
3 ~~retail wine permit or a retail liquor control~~ alcohol license.
4 A person holding a class "A" wine permit may sell wine to
5 distributors outside of the state that are authorized by the
6 laws of that jurisdiction to sell wine at wholesale. A class
7 "A" wine permittee having more than one place of business shall
8 obtain a separate permit for each place of business where wine
9 is to be manufactured, stored, warehoused, or sold.

10 Sec. 80. Section 123.177, subsection 3, Code 2022, is
11 amended by striking the subsection.

12 Sec. 81. Section 123.180, subsection 4, Code 2022, is
13 amended to read as follows:

14 4. It is unlawful for a holder of a vintner's certificate
15 of compliance or the holder's agent, or any class "A" wine
16 permittee or the permittee's agent, to discriminate between
17 ~~class "B" wine permittees~~ class "B", special class "B", and
18 class "E" retail alcohol licensees authorized to sell wine at
19 retail.

20 Sec. 82. Section 123.181, subsection 1, Code 2022, is
21 amended by striking the subsection.

22 Sec. 83. Section 123.181, subsection 2, Code 2022, is
23 amended to read as follows:

24 2. A class "A" wine permittee shall not sell wine on
25 credit to a retail alcohol licensee ~~or permittee~~ for a period
26 exceeding thirty days from date of delivery.

27 Sec. 84. Section 123.187, subsection 2, paragraph a, Code
28 2022, is amended to read as follows:

29 a. Only a wine manufacturer that holds a wine direct shipper
30 permit issued pursuant to [this section](#) shall sell wine at
31 retail for direct shipment to any person within this state.
32 This section shall not prohibit an authorized retail licensee
33 ~~or permittee~~ from delivering wine pursuant to [section 123.46A](#).

34 Sec. 85. Section 123.187, subsection 2, paragraph d, Code
35 2022, is amended by striking the paragraph.

1 e. Liquor, beer, and wine sales must not exceed twenty
2 percent of annual sales for establishments holding a class
3 "C" ~~liquor~~ retail alcohol license issued pursuant to section
4 123.30.

5 Sec. 91. Section 99B.3, subsection 2, Code 2022, is amended
6 to read as follows:

7 2. A person whose license is revoked under [this section](#)
8 who is a person for whom a class "A", class "B", class "C", or
9 class "D" ~~liquor control~~ retail alcohol license has been issued
10 pursuant to [chapter 123](#) shall have the person's ~~liquor control~~
11 retail alcohol license suspended for a period of fourteen days
12 in the same manner as provided in section 123.50, subsection
13 3, paragraph "a".

14 Sec. 92. Section 99B.3, subsection 3, Code 2022, is amended
15 by striking the subsection.

16 Sec. 93. Section 99B.43, subsection 1, unnumbered paragraph
17 1, Code 2022, is amended to read as follows:

18 Social gambling is lawful on the premises of an
19 establishment for which a class "A", class "B", class "C",
20 ~~special class "C", or class "D" liquor control~~, class "E", or
21 class "F" retail alcohol license, ~~or class "B" beer permit~~
22 has been issued pursuant to [chapter 123](#) when, subject to the
23 provisions of [section 99B.42](#), all of the following requirements
24 are met:

25 Sec. 94. Section 99B.43, subsection 1, paragraph a, Code
26 2022, is amended to read as follows:

27 a. The ~~liquor control~~ retail alcohol licensee ~~or beer~~
28 ~~permittee~~ has submitted an application for a social gambling
29 license and a license fee of one hundred fifty dollars to the
30 department, and a license has been issued.

31 Sec. 95. Section 99B.43, subsection 2, unnumbered paragraph
32 1, Code 2022, is amended to read as follows:

33 A ~~liquor control~~ retail alcohol licensee ~~or beer permittee~~
34 with a social gambling license issued pursuant to [this section](#)
35 may conduct a sports betting pool if all of the requirements of

1 this subsection are met.

2 Sec. 96. Section 99B.43, subsection 3, Code 2022, is amended
3 to read as follows:

4 3. An establishment issued a social gambling license under
5 this section that is required to obtain a new ~~liquor retail~~
6 alcohol license or permit under [chapter 123](#) due to a change in
7 ownership shall be required to obtain a new social gambling
8 license under [this section](#) to conduct social gambling.

9 Sec. 97. Section 99B.53, subsections 2, 3, 4, and 13, Code
10 2022, are amended to read as follows:

11 2. Except as provided in [subsection 3](#), an electrical or
12 mechanical amusement device requiring registration may be
13 located on premises for which a ~~class "A", class "B", class~~
14 ~~"C", special class "C", or class "D" liquor control, class "E",~~
15 or class "F" retail alcohol license has been issued pursuant
16 to [chapter 123](#).

17 3. *a.* An electrical or mechanical amusement device
18 requiring registration may be located on premises for which a
19 class "B" or class ~~"C" beer permit~~ "E" retail alcohol license
20 has been issued pursuant to [chapter 123](#), but the department
21 shall not initially register an electrical or mechanical
22 amusement device to an owner or distributor for a location for
23 which a class "B" or class ~~"C" beer permit~~ "E" retail alcohol
24 license has been issued pursuant to [chapter 123](#) on or after
25 April 28, 2004.

26 *b.* A distributor that owns an amusement device at a location
27 for which only a class "B" or class ~~"C" beer permit~~ "E" retail
28 alcohol license has been issued pursuant to [chapter 123](#) shall
29 not relocate an amusement device registered as provided in
30 this section to a location other than a location for which a
31 ~~class "A", class "B", class "C", special class "C", or class~~
32 ~~"D" liquor, class "E", or class "F" retail alcohol license~~ has
33 been issued and shall not transfer, assign, sell, or lease an
34 amusement device registered as provided in [this section](#) to
35 another person for which only a class "B" or class ~~"C" beer~~

1 ~~permit~~ "E" retail alcohol license has been issued pursuant to
2 chapter 123 after April 28, 2004.

3 c. If ownership of the location changes, the class "B"
4 or class ~~"C" beer permit~~ "E" retail alcohol license does not
5 lapse, and the device is not removed from the location, the
6 device may remain at the location.

7 4. An electrical or mechanical amusement device required
8 to be registered and at a location for which only a class "B"
9 or class ~~"C" beer permit~~ "E" retail alcohol license has been
10 issued pursuant to [chapter 123](#) shall include on the device
11 a security mechanism which prevents the device from being
12 operated by a person until action is taken by the owner or
13 owner's designee to allow the person to operate the device.

14 13. A person owning or leasing an electrical or mechanical
15 amusement device required to be registered by [this section](#)
16 shall not relocate and place into operation an amusement
17 device in any location other than a location which has been
18 issued an appropriate ~~liquor control~~ retail alcohol license in
19 good standing and to which the device has been appropriately
20 registered with the department.

21 Sec. 98. Section 99B.55, subsection 2, Code 2022, is amended
22 to read as follows:

23 2. a. A person who commits an offense of awarding a cash
24 prize of fifty dollars or less in violation of section 99B.52,
25 subsection 3, pursuant to rules adopted by the department,
26 shall be subject to a civil penalty in the amount of two
27 hundred fifty dollars. Additional sanctions beyond the civil
28 penalty prescribed by this paragraph, including but not limited
29 to the suspension or revocation of any ~~liquor control~~ retail
30 alcohol license issued pursuant to [chapter 123](#) or registration
31 issued pursuant to [section 99B.53](#) or [99B.56](#), shall not be
32 applicable.

33 b. A person who commits, within two years, a second offense
34 of awarding a cash prize of fifty dollars or less in violation
35 of [section 99B.52, subsection 3](#), or a person who commits an

1 offense of awarding a cash prize of more than fifty dollars in
2 violation of [section 99B.52, subsection 3](#), pursuant to rules
3 adopted by the department, shall be subject to revocation of
4 the person's registration and the following:

5 (1) If the person whose registration is revoked under this
6 paragraph "b" is a person for which a ~~class "A", class "B",~~
7 ~~class "C", special class "C", or class "D" liquor control,~~
8 class "E", or class "F" retail alcohol license has been
9 issued pursuant to [chapter 123](#), the person's ~~liquor control~~
10 retail alcohol license shall be suspended for a period of
11 fourteen days in the same manner as provided in section 123.50,
12 subsection 3, paragraph "a".

13 (2) If the person whose registration is revoked under this
14 paragraph "b" is a person for which only a class "B" or class
15 ~~"C" beer permit~~ "E" retail alcohol license has been issued
16 pursuant to [chapter 123](#), the person's class "B" or class ~~"C"~~
17 ~~beer permit~~ "E" retail alcohol license shall be suspended for
18 a period of fourteen days in the same manner as provided in
19 section 123.50, subsection 3, paragraph "a".

20 (3) If a person owning or employed by an establishment
21 having a ~~class "A", class "B", class "C", special class "C",~~
22 ~~or class "D" liquor control,~~ class "E", or class "F" retail
23 alcohol license issued pursuant to [chapter 123](#) commits an
24 offense as provided in this paragraph "b", the ~~liquor control~~
25 retail alcohol license of the establishment shall be suspended
26 for a period of fourteen days in the same manner as provided in
27 section 123.50, subsection 3, paragraph "a".

28 (4) If a person owning or employed by an establishment
29 having a class "B" or class ~~"C" beer permit~~ "E" retail alcohol
30 license issued pursuant to [chapter 123](#) commits an offense as
31 provided in this paragraph "b", the ~~beer permit~~ retail alcohol
32 license of the establishment shall be suspended for a period of
33 fourteen days in the same manner as provided in section 123.50,
34 subsection 3, paragraph "a".

35 Sec. 99. Section 137F.1, subsection 9, paragraph c, Code

1 2022, is amended to read as follows:

2 c. A premises covered by a class "A" wine permit ~~or a class~~
3 ~~"B" wine permit~~ as provided in [chapter 123](#).

4 Sec. 100. Section 331.303, subsection 4, Code 2022, is
5 amended to read as follows:

6 4. Act upon applications for ~~liquor control~~ retail alcohol
7 licenses ~~and retail beer permits~~ in accordance with section
8 123.32.

9 Sec. 101. Section 455C.4, subsection 4, Code 2022, is
10 amended to read as follows:

11 4. A class "E" ~~liquor control~~ retail alcohol licensee
12 may refuse to accept and to pay the refund value on an empty
13 alcoholic liquor container from a dealer or a redemption center
14 or from a person acting on behalf of or who has received empty
15 alcoholic liquor containers from a dealer or a redemption
16 center.

17 Sec. 102. EFFECTIVE DATE. This division of this Act takes
18 effect January 1, 2023.

19 DIVISION V

20 TRANSITION PROVISIONS

21 Sec. 103. TRANSITION PROVISIONS.

22 1. Any license or permit issued by the alcoholic beverages
23 division of the department of commerce that is repealed,
24 merged, or altered in this Act, and in effect on January
25 1, 2023, shall continue in full force and effect with the
26 authority granted by that license or permit until expiration
27 or renewal.

28 2. The alcoholic beverages division of the department of
29 commerce shall be authorized to adopt alternative procedures
30 for the issuance of any license or permit that is repealed,
31 merged, or altered in this Act on January 1, 2023, that are
32 issued on or after the effective date of this division of this
33 Act but before January 1, 2023. The alternative procedures
34 shall not be inconsistent with the provisions of this Act
35 governing the issuance of licenses or permits on or after

S.F. 2374

1 January 1, 2023.

2 Sec. 104. EFFECTIVE DATE. This division of this Act, being
3 deemed of immediate importance, takes effect upon enactment.