HOUSE FILE 768
BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO HSB 60)

(As Amended and Passed by the House March 24, 2021)

[= New Language by the House

* = Language Stricken by the House

A BILL FOR

An Act concerning licensing of and sales by native distilleries, beer manufacturers, native breweries, and native wine manufacturers.

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

Section 1. Section 123.43A, subsection 6, Code 2021, is amended to read as follows:

6. Notwithstanding any provision of this chapter to the contrary or the fact that a person is the holder of a class "A" native distilled spirits license, a native distillery which, combining all production facilities of the business, produces and manufactures not more than one hundred thousand proof gallons of native distilled spirits on an annual basis may sell those native distilled spirits manufactured on the premises of the native distillery for consumption on the premises by applying for a class "C" native distilled spirits liquor control license as provided in section 123.30. A native distillery may be granted not more than ~~one~~ two class "C" native distilled spirits liquor control ~~license~~ licenses. All native distilled spirits sold by a native distillery for on-premises consumption and mixed drinks or cocktails sold for consumption off the premises shall be purchased from a class "E" liquor control licensee. A manufacturer of native distilled spirits may be issued a class "C" native distilled spirits liquor control license regardless of whether the manufacturer is also a manufacturer of beer pursuant to a class "A" beer permit or a manufacturer of native wine pursuant to a class "A" wine permit.

Sec. 2. Section 123.45, subsection 3, Code 2021, is amended to read as follows:

3. A person engaged in the wholesaling of beer or wine may sell only disposable glassware, which is constructed of paper, paper laminated, or plastic materials and designed primarily for personal consumption on a one-time usage basis, to retailers for use within the premises of licensed establishments, for an amount which is greater than or equal to an amount which represents the greater of either the amount paid for the disposable glassware by the supplier or the amount paid for the disposable glassware by the wholesaler. Also, a person engaged in the business of manufacturing beer may sell

beer at retail for consumption on or off the premises of the manufacturing facility and, notwithstanding any other provision of this chapter or the fact that a person is the holder of a class "A" beer permit, may be granted not more than ~~one~~ two class "B" beer ~~permit~~ permits as defined in section 123.124 for that purpose regardless of whether that person is also a manufacturer of native distilled spirits pursuant to a class "A" native distilled spirits license or a manufacturer of native wine pursuant to a class "A" wine permit.

Sec. 3. Section 123.130, subsection 2, Code 2021, is amended to read as follows:

2. Pursuant to section 123.45, subsection 3, a native brewery may be granted not more than ~~one~~ two class "B" beer ~~permit~~ permits as defined in section 123.124 for the purpose of selling beer at retail for consumption on or off the premises of the manufacturing facility.

Sec. 4. Section 123.176, subsection 5, Code 2021, is amended to read as follows:

5. Notwithstanding any other provision of this chapter, a person engaged in the business of manufacturing native wine may sell native wine at retail for consumption on the premises [of the manufacturing facility by applying for a] class "C" native wine permit as provided in section 123.178B. A manufacturer of native wine may be granted not more than ~~one~~ two class "C" native wine ~~permit~~ permits. A manufacturer of native wine may be issued a class "C" native wine permit regardless of whether the manufacturer is also a manufacturer of beer pursuant to a class "A" beer permit or a manufacturer of native distilled spirits pursuant to a class "A" native distilled spirits license.