

TITLE III COMMUNITY PROTECTION

CHAPTER 9 BEER AND LIQUOR LICENSES

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3-9-1 PURPOSE. The purpose of this chapter is to provide for administration of licenses and permits and for local regulations and procedures for the conduct of the sale and consumption of beer, wine and liquor, for the protection of the safety, health and general welfare of this community.

3-9-2 DEFINITIONS. Where words and phrases used in this chapter are defined by state law, such definitions shall apply to their use in this chapter and are adopted by reference. Those definitions so adopted that need further definition or are reiterated, and other words and phrases used herein, shall have the following meanings:

1. The term “person of good moral character” means any person who meets all of the following requirements:
 - a. The person has such financial standing and good reputation as will satisfy the City Council and administrator of the alcoholic beverages division that the person will comply with the Iowa Alcoholic Beverage Control Act and all other laws, ordinances and regulations applicable to the person’s operations under state law.
 - b. The person does not possess a federal gambling stamp.
 - c. The person is not prohibited by the provisions of Section 3-9-23 of this chapter from obtaining a liquor license, wine or beer permit.
 - d. The person is a citizen of the United States and a resident of Iowa or licensed to do business in Iowa in the case of a corporation. Notwithstanding paragraph “F”, in the case of a partnership, only one partner need be a resident of this state.
 - e. The person has not been convicted of a felony. However, if the person’s conviction of a felony occurred more than five years before the application for a

license or permit, and if the person's rights of citizenship have been restored by the governor, the administrator of the alcoholic beverages division may determine that the person is a person of good moral character notwithstanding such conviction.

- f. If such a person is a corporation, partnership, association, club or hotel or motel, the requirements of this subsection shall apply to each of the officers, directors, and partners of such person, and to any person who directly or indirectly owns or controls 10 percent or more of any class of stock of such person or has an interest of 10 percent or more in the ownership or profits of such person. For the purpose of this provision, an individual and the person's spouse shall be regarded as one person.
2. The term "club" means any nonprofit corporation or association of individuals, which is the owner, lessee, or occupant of a permanent building or part thereof, membership in which entails the prepayment of regular dues and is not operated for a profit other than such profits as would accrue to the entire membership.
3. The term "commercial establishment" means a place of business which is at all times equipped with sufficient tables and seats to accommodate twenty-five persons at one time, and the licensed premises of which conform to the ordinance of this City.
4. The term "grocery store" means any retail establishment the business of which consists of the sale of food products or beverages for consumption off the premises. The term "food products or beverages" does not include alcoholic liquor, wine or beer.
5. The term "pharmacy" means a drug store in which drugs and medicines are exposed for sale and sold at retail, or in which prescriptions of licensed physicians and surgeons, dentists, or veterinarians are compounded and sold by a registered pharmacist.
6. The term "hotel" or "motel" means a premise licensed by the state department of inspections and regularly or seasonally kept open in a bona fide manner for the lodging of transient guests, and with twenty or more sleeping rooms.
7. The term "legal age" is a defined term pursuant to sections 123.3(19) and 123.47A of the Code of Iowa.

3-9-3 ELIGIBILITY FOR LIQUOR CONTROL LICENSE, WINE OR BEER PERMIT. Upon meeting the requirements imposed by state law and the ordinances of this City, a person who is of good moral character as defined by state law and this chapter may apply for a liquor control license, a wine permit or a beer permit. In the case of a club, corporation, or partnership, the officers of the club or corporation and the partners of a partnership shall be persons of good moral character as defined by state law and this chapter.

3-9-4 CONDITIONS FOR APPROVAL OF LICENSE OR PERMIT-PREMISES. An applicant for a liquor control license, wine permit or beer permit, as a further condition for approval by the City Council, must give consent in writing on the application that members of the fire, police and health departments and the building inspector may enter upon the premises without warrant to inspect for violations of the provisions of state law and of this ordinance.

1. No liquor control license, wine permit or beer permit shall be approved for premises which do not conform to all applicable laws, ordinances, resolutions and health and fire regulations.
2. No licensee shall have or maintain any interior access to residential or sleeping quarters unless permission is granted by the administrator of the alcoholic beverages division in the form of a living quarters permit.
3. The premises of a class “B” beer permit shall, at the time of the application, and continue to be equipped with sufficient tables and seats to accommodate twenty-five (25) persons at one time.

3-9-5 BEER PERMIT – CLASSES. Beer permits shall be classed as follows:

1. Class “B”. A beer permit shall allow the holder to sell beer at retail for consumption on or off the premises.
2. Class “C”. A class “C” beer permit allows the holder to sell beer at retail for consumption off the premises only. Such sales shall be in original containers only. No class “C” permit shall be issued to any person except the owner or proprietor of a grocery store or pharmacy.
3. Class “D”. A class “D” beer permit allows the holder to sell beer for consumption on and off the premises and wine in original containers only for consumption off the premises. The holder may purchase wine from a class “A” wine permittee or a class “F” beer permittee and may purchase beer from a class “A” beer permittee or a class “F” beer permittee.
4. Class “E”. A class “E” beer permit allows the holder to sell beer and wine in original containers only for consumption off the premises. The holder may purchase wine from a class “A” wine permittee or a class “F” beer permittee and may purchase beer from a class “A” beer permittee or a class “F” beer permittee.

3-9-6 LIQUOR LICENSES – CLASSES. Liquor control licenses shall be classed as follows:

1. Class “A”. A class “A” liquor control license issued to a club authorizes the holder to purchase alcoholic liquors from class “E” liquor control licensees only, wine from class “A” wine permittees only, and native wines from native wine manufacturers and to sell liquors, wine and beer to bona fide members and their guests by the individual drink for consumption on the premises only.
2. Class “B”. A class “B” liquor control license issued to a hotel or motel authorizes the holder to purchase alcoholic liquors from class “E” liquor control licensees only, wine from class “A” wine permittees only and native wines from native wine manufacturers, and to sell liquors, wine and beer to patrons by the individual drink for consumption on the premises only. However, beer may also be sold for consumption off the premises. Each such license shall be effective throughout the premises described in the application.
3. Class “C”: A class “C” liquor control license issued to a commercial establishment must be issued in the name of the individual or individuals who actually own the entire business and authorizes the holder to purchase alcoholic liquors from class “E” liquor

control licensees only, wine from class “A” wine permittees only, and native wines from native wine manufacturers, and to sell liquors, wine and beer to patron by the individual drink for consumption on the premises only. However, beer may also be sold for consumption off the premises.

4. Special Class “C”. A special class “C” liquor control license authorizes the holder to purchase wine from class “A” wine permittees only, and to sell wine and beer to patrons by the individual drink for consumption on the premises only. However, beer may be sold in original containers for consumption off the premises.
5. Class “E”. A class “E” liquor control license authorizes the holder to purchase alcoholic liquor from the alcoholic beverages division of the department of commerce only and to sell the alcoholic liquor to patrons for consumption off the licensed premises and to other liquor control licensees. The holder of a class “E” liquor control license may also hold a class “B” wine or class “C” beer permit, if the class “E” liquor control licensee is a “grocer” or “pharmacist,” or both, for the premises licensed under a class “E” liquor license. Any other class of license or permit may not be held for premises licensed under a class “E” liquor control license. Gasoline may not be sold at any premises licensed under a class “E” liquor control license. By department rule, gasoline is deemed to be sold where the payment is made.
6. Class “F”. A class “F” liquor control license allows the holder to make purchases and sales allowed to class “C” liquor control licensees; however, wine may also be sold in original containers for consumption off the premises.
7. Class “G”. A class “G” liquor control license allows the holder to make purchases and sales allowed to special class “C: liquor control licensees; however, wine may also be sold in original containers for consumption off the premises.
8. Class “H”. A class “H” liquor control license allows the holder to make purchases and sales allowed to class “B” liquor control licensees; however, wine may also be sold in original containers for consumption off the premises.

3-9-7 CLASS “B” WINE PERMITS. A class “B” wine permit authorizes the holder to purchase wine from a person holding a class “A” wine permit and sell wine in original containers only at retail to consumers for consumption off the premises.

3-9-8 PROHIBITED INTEREST. It shall be unlawful for any person or persons to be either directly or indirectly interested in both retail and wholesale permits or licenses except as specifically allowed by state law.

3-9-9 SEPARATE LOCATIONS- CLASS “B” OR “C” BEER OR CLASS “B” WINE PERMITS. Every person holding a class “B” beer or class “C” beer or class “B” wine permit having more than one place of business where beer or wine is sold is requires to have a separate license for each separate place of business, except as otherwise prohibited by state law.

3-9-10 APPLICATION, CONTENTS: BOND. A verified application for the original issuance or the renewal of a liquor control license, wine permit, or a beer permit shall be filed at such time, in such number of copies, and in such form as the state administrator of the alcoholic beverages division shall prescribe, on forms prescribed by the state administrator. The application shall be accompanied by the required fee and bond and be filed with the city council for approval or disapproval. The bond to be

submitted shall be in a form prescribed by the state administrator and in the amount set by statute or administrative rules.

3-9-11 INVESTIGATION OF APPLICANT. Upon receipt of an original application for a liquor license, wine permit, or beer permit by the city council, it shall be forwarded to the chief of police, who shall conduct an investigation and shall submit a written report on the moral fitness of the applicant as to the truth of the facts declared in the application and a recommendation to the city council as to the approval of the license or permit. It shall be the duty of the health inspector, the building inspector, and the fire chief to inspect the premises to determine if they conform to the requirements of the city, and no license or permit shall be approved until or unless an approving report has been filed with the city council by such officers.

3-9-12 SIMPLIFIED APPLICATION FOR RENEWAL. Upon receipt of an application for the renewal of a liquor license, wine permit, or beer permit, it shall be forwarded to the chief of police only, who shall conduct an investigation and shall submit a written report on the applicant as to the truth of the facts declared in the application and a recommendation to the city council as to the approval of the license or permit.

3-9-13 CIVIL LIABILITY. Every liquor control licensee and class "B" beer permittee shall furnish proof of financial responsibility by the existence of a liability insurance policy in such amount as determined by the state alcoholic beverages division. This applies to any licensee or permittee who sells liquor, wine, or beer for consumption on the premises and to class "E" liquor control licensees.

3-9-14 LICENSE AND PERMIT FEES. Fees shall be submitted with the respective application as set by statute or administrative rules.

3-9-15 NATURE OF LICENSE OR PERMIT. A license is a purely personal privilege and may be suspended or revoked for cause. It shall not constitute property nor be subject to attachment and execution nor be transferable by gift, sale, bequest, nor assignable, and in any case it shall cease upon the death upon the death of the permittee of licensee. However, the administrator of the alcoholic beverages division may allow the executor or administrator of a permittee or licensee to operate the business of the decedent for a reasonable time not to exceed the expiration date of the permit or license. Every permit or license shall be issued in the name of the true owner and no person holding the permit or license shall allow any other person to use it.

3-9-16 ACTION BY COUNCIL. The city council shall approve or disapprove the application. Action taken by the city council shall be endorsed on the application. The application, fee, penal bond, and certificate of dram shop liability insurance (if applicable) shall be forwarded to the Iowa alcoholic beverages division for further action as provided by law.

3-9-17 TERMS OF LICENSES AND PERMITS.

1. Liquor control licenses, wine permits, and beer permits, unless sooner suspended or revoked, expire one year from date of issuance. The state administrator shall give sixty days written notice of the expiration to each licensee or permittee.
2. The administrator of alcoholic beverages shall issue six-month or eight-month seasonal liquor control licenses, class "B" wine permits, or class "B" beer permits for a proportionate part of the annual license or permit fee. No seasonal license or permit shall be renewed at its expiration date except after a period of two months.

3. The administrator shall issue fourteen-day class “A”, class “B”, and class “C” liquor licenses, fourteen-day class “B” wine permits, and fourteen-day class “B” beer permits. A fourteen-day license or permit, if granted, is valid for fourteen consecutive days, but the holder shall not sell on the two Sundays in the fourteen-day period unless the holder qualifies for and obtains the privilege to sell on Sundays in accordance with state law. The fee for a fourteen-day liquor license, wine permit, or beer permit is one-quarter of the annual fee for that class of liquor license, wine, or beer permit. The fee for the privilege to sell on the two Sundays in the fourteen-day period is 20 percent of the price of the fourteen-day liquor license, wine permit, or beer permit.
4. No refund shall be made for seasonal licenses or permits or for fourteen-day liquor licenses, wine permits, or beer permits.

3-9-18 REFUNDS. Any licensee or permittee, or the person’s executor, administrator, or any person duly appointed by the court to take charge of and administer the property or assets of the licensee or permittee for the benefit of the person’s creditors, may voluntarily surrender the license or permit to the state alcoholic beverages division and shall notify the city, and the division and the city, or the city by itself in the case of a retail beer permit, shall refund to the person so surrendering the license or permit a proportionate amount of the fee paid for such a license or permit as follows: If surrendered during the first three (3) months of the period for which said license or permit was issued the refund shall be three-fourths of the amount of the fee; if surrendered more than three (3) months but not more than six (6) months after issuance the refund shall be one-half of the amount of the fee; if surrendered more than six (6) months but not more than nine (9) months after issuance the refund shall be one fourth of the amount of the fee. No refund shall be made, however, for a liquor control license or beer permit surrendered more than nine (9) months after issuance. No refund shall be made to any licensee or permittee, upon the surrender of the license or permit, if there is at the time of the surrender a complaint filed with the state division or the city, charging the licensee or permittee with a violation of this chapter or provisions of the Iowa alcoholic beverage control act. If upon hearing on the complaint the license or permit is not revoked or suspended, then the licensee or permittee shall be eligible, upon surrender of the license or permit, to receive a refund. But if the license or permit has been revoked or suspended upon hearing the person shall not be eligible for the refund of any portion of the license or permit fee. No refund shall be made for seasonal or fourteen-day licenses or permits.

3-9-19 TRANSFERS. The city council may, in its discretion, authorize a licensee or permittee to transfer the license or permit from one location to another within the city, provided that the premises to which the transfer is to be made would have been eligible for a license or permit in the first instance and the transfer will not result in the violation of any law or ordinance. An applicant for a transfer shall file with the application for transfer proof of dram shop liability insurance and penal bond covering the premises to which the license is to be transferred.

3-9-20 PROHIBITED SALES AND ACTS. No person or club holding a liquor license, wine, or beer permit nor the agents or employees shall do any of the following:

1. Sell, dispense or give to any intoxicated person, or one simulating intoxication, any alcoholic liquor, wine, or beer.
2. Sell or dispense any alcoholic liquor, wine, or beer on the premises covered by the license or permit, or permit the consumption on the premises covered between the hours of two A.M. and six A.M. on any weekday, and between the hours of two A.M. on Sunday and six A.M. the following Monday, except as allowed by a permit for Sunday sales and on New Year’s

- Eve. The holder of a Sunday sales privilege may sell alcoholic liquor, wine, or beer for on premises or off premises consumption between the hours of 8 A.M. and 2 A.M. on the following Monday.
3. Sell alcoholic liquor or beer to any person on credit, except with a bona fide credit card. This provision shall not apply to sales by a club to its members nor to sales by a hotel or motel to bona fide registered guests.
 4. Employ any person under the age of eighteen (18) years old in the sale or serving of alcoholic liquor, wine, or beer for consumption on the premises where sold.
 5. Sell, give or otherwise supply any alcoholic liquor, wine, or beer to any person knowing or having reasonable cause to believe the person to be under legal age, or permit any person knowing or having reasonable cause to believe the person to be under legal age, to consume any alcoholic beverage, wine, or beer.
 6. In the case of a retail beer or wine permittee, knowingly allow the mixing or adding of alcohol or any alcoholic beverage to beer, wine, or any other beverage in or about the licensee's or permittee's place of business.
 7. Knowingly permit any gambling, gaming, solicitations for immoral purposes, or immoral or disorderly conduct on the premises covered by the license or permit, except games or chance permitted by state law.

3-9-21 ADVERTISING SIGNS PROHIBITED. No signs or other matter advertising any brand of alcoholic liquor, beer, or wine shall be erected or placed upon the outside of any premises occupied by a licensee or permittee authorized to sell alcoholic liquor, beer, or wine at retail.

3-9-22 SUSPENSION AND REVOCATION. Following written notice and hearing, a liquor license, wine permit, or beer permit may be suspended for a period up to one year for violations of this chapter or revoked for any of the following causes:

1. Misrepresentation of any material fact in the application for the license or permit.
2. Violation of any of the provisions of the Iowa alcoholic beverages control act.
3. Any change in the ownership or interest in the business operated under a class "A", class "B", or class "C" liquor control license, or any beer, or wine or combines permit which change was not previously reported to and approved by the city and the state alcoholic beverages division.
4. An event which would have resulted in disqualification from receiving the license or permit when originally issued.

5. Any sale, hypothecation or transfer of the license or permit.
6. The failure or refusal on the part of a licensee or permittee to render any report or remit any taxes to the state alcoholic beverages division under the state act.

3-9-23 SUSPENSION-PENALTY. If the cause for suspension is a first offense violation of Iowa Code, section 123.49, subsection 1, paragraph “H”, and the violation occurred on or after January 1, 1988, the city council shall impose a civil penalty in the amount of three hundred dollars in lieu of suspension of the license or permit. The city council shall retain civil penalties collected under this paragraph if the proceeding to impose the penalty is conducted by the local authority.

3-9-24 EFFECT OF REVOCATION. Any liquor control licensee, or wine or beer permittee whose license or permit is revoked under the Iowa alcoholic beverage control act shall not be permitted to hold a liquor control license, wine or beer permit in the State of Iowa for a period of two years from the date of revocation. The spouse and business associates holding 10 percent or more of the capital stock or ownership interest in the business of a person whose license or permit has been revoked shall not be issued a liquor control license or beer permit, and no liquor control license, or wine or beer permit shall be issued which covers any business in which the person has a financial interest for a period of two years from the date of such revocation. In the event a license or permit is revoked, the premises which have been covered by such license or permit shall not be relicensed for one year.

3-9-25 APPEAL AND HEARING. Code of Iowa, subsections 123.32(4), (5) are adopted by reference.

3-9-26 CONSUMPTION IN PUBLIC PLACES- INTOXICATION. It is unlawful for any person to use or consume alcoholic liquors, wine, or beer upon the public streets or highways, or alcoholic liquors in any public place, except premises covered by a liquor control license, or to possess or consume alcoholic liquors, wine, or beer on any public school property or while attending any public or private school related functions, and no person shall be intoxicated nor simulate intoxication in a public place. As used in this section “school” means a school or that portion thereof which provides teaching for any grade from kindergarten through grade twelve.

3-9-27 OPEN ALCOHOLIC BEVERAGE CONTAINERS. Code of Iowa, section 321.284, second paragraph, is adopted by reference.

3-9-28 PERSONS UNDER LEGAL AGE. No person shall sell, give or otherwise supply alcoholic liquor, wine, or beer to any person knowing or having reasonable cause to believe such a person to be under legal age, and no person or persons under legal age shall individually or jointly have alcoholic liquor, wine, or beer in such person’s possession or control; except in the case of liquor, wine, or beer in such person’s possession or control; except in the case of liquor, wine, or beer given or dispensed to a person under legal age within a private home and with the knowledge and consent of the parent or guardian for a beverage or medicinal purposes or as administered to such person by either a physician or dentist for medicinal purposes and except to the extent that a person under legal age may handle alcoholic beverages and beer during the regular course of such person’s employment by a liquor control licensee, wine, or beer permittee under state law.

3-9-29 PERSONS AGE NINETEEN AND TWENTY-PENALTY. A person shall not sell, give, or otherwise supply alcoholic liquor, wine, or beer to any person knowing or having reasonable cause to believe that the person is age nineteen or twenty. A person age nineteen or twenty shall not purchase or possess alcoholic liquor, wine, or beer. However, a person age nineteen or twenty may possess alcoholic

liquor, wine, or beer given to the person within a private home with the knowledge and consent of the person's parent or guardian, and a person age nineteen or twenty age may handle alcoholic liquor, wine, and beer during the course of the person's employment by a liquor control licensee, or wine or beer permittee. A person, other than a licensee or permittee, who violates this section shall upon conviction pay a fine of \$15.00. A licensee or permittee who violates this section is guilty of a simple misdemeanor punishable by a fine of not more than fifty dollars. The penalty provided under this section against a licensee or permittee who violates this section is the only penalty which shall be imposed against a licensee or permittee who violates this section.