

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 255

BY WAYS AND MEANS COMMITTEE

AN ACT

1 RELATING TO ALCOHOL; AMENDING SECTION 23-603, IDAHO CODE, TO REVISE PROVI-
2 SIONS REGARDING DISPENSING ALCOHOL TO PERSONS UNDER TWENTY-ONE YEARS OF
3 AGE AND TO DEFINE A TERM; AMENDING CHAPTER 6, TITLE 23, IDAHO CODE, BY
4 THE ADDITION OF A NEW SECTION 23-617, IDAHO CODE, TO PROVIDE FOR CERTAIN
5 PENALTIES AND TO DEFINE A TERM; AMENDING SECTION 23-901, IDAHO CODE,
6 TO REVISE PROVISIONS REGARDING A DECLARATION OF POLICY AND RETAIL SALE
7 OF LIQUOR; AMENDING SECTION 23-902, IDAHO CODE, TO REVISE DEFINITIONS;
8 REPEALING SECTION 23-903, IDAHO CODE, RELATING TO LICENSE TO RETAIL
9 LIQUOR; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A
10 NEW SECTION 23-903, IDAHO CODE, TO PROVIDE FOR RETAIL SALE OF LIQUOR BY
11 THE DRINK AND TO RESTRICT THE SALE OF LIQUOR; REPEALING SECTION 23-903a,
12 IDAHO CODE, RELATING TO LICENSE TO RETAIL LIQUOR AT SKI RESORTS AND
13 OTHER FACILITIES; REPEALING SECTION 23-903b, IDAHO CODE, RELATING TO
14 LICENSES ISSUED TO CERTAIN BUSINESS OWNERS AND OTHERS; REPEALING SEC-
15 TION 23-904, IDAHO CODE, RELATING TO LICENSE FEES; AMENDING CHAPTER 9,
16 TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 23-904, IDAHO
17 CODE, TO ACCORD GRANDFATHER RIGHTS TO CERTAIN PERSONS AND LICENSES,
18 SUBJECT TO CERTAIN REQUIREMENTS; REPEALING SECTION 23-905, IDAHO CODE,
19 RELATING TO LICENSE APPLICATIONS; AMENDING CHAPTER 9, TITLE 23, IDAHO
20 CODE, BY THE ADDITION OF A NEW SECTION 23-905, IDAHO CODE, TO AUTHO-
21 RIZE COUNTIES AND CITIES TO ISSUE CERTAIN LICENSES; REPEALING SECTION
22 23-906, IDAHO CODE, RELATING TO LICENSES FOR COMMON CARRIERS; AMEND-
23 ING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION
24 23-906, IDAHO CODE, TO PROVIDE FOR A CERTAIN REFERENDUM; REPEALING SEC-
25 TION 23-907, IDAHO CODE, RELATING TO INVESTIGATION OF APPLICATIONS;
26 AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SEC-
27 TION 23-907, IDAHO CODE, TO PROVIDE FOR A BALLOT; REPEALING SECTION
28 23-908, IDAHO CODE, RELATING TO THE FORM OF LICENSES; AMENDING CHAPTER
29 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 23-908, IDAHO
30 CODE, TO ESTABLISH PROVISIONS REGARDING THE EFFECT OF A CERTAIN ELEC-
31 TION; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A
32 NEW SECTION 23-909, IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING SUB-
33 SEQUENT ELECTIONS; REPEALING SECTION 23-910, IDAHO CODE, RELATING TO
34 PERSONS INELIGIBLE FOR LICENSING; AMENDING CHAPTER 9, TITLE 23, IDAHO
35 CODE, BY THE ADDITION OF A NEW SECTION 23-910, IDAHO CODE, TO ESTABLISH
36 PROVISIONS REGARDING AN APPLICATION FOR A MUNICIPAL LICENSE; REPEALING
37 SECTION 23-911, IDAHO CODE, RELATING TO RESTRICTIONS ON MANUFACTUR-
38 ERS, TRANSPORTERS OR DISTILLERS; AMENDING CHAPTER 9, TITLE 23, IDAHO
39 CODE, BY THE ADDITION OF A NEW SECTION 23-911, IDAHO CODE, TO PROVIDE
40 FOR INVESTIGATION OF LICENSE APPLICATIONS AND TO PROVIDE A PENALTY FOR
41 FALSE STATEMENTS; REPEALING SECTION 23-912, IDAHO CODE, RELATING TO
42 RESTRICTIONS ON PERSONS INTERESTED IN CERTAIN PREMISES; AMENDING CHAP-
43 TER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 23-912,
44 IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING RULES; REPEALING SECTION
45

1 23-913, IDAHO CODE, RELATING TO PROHIBITIONS ON LICENSEES NEAR CHURCHES
2 OR SCHOOLS; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION
3 OF A NEW SECTION 23-913, IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING
4 FEES; REPEALING SECTION 23-914, IDAHO CODE, RELATING TO LIQUOR PUR-
5 CHASES; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A
6 NEW SECTION 23-914, IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING THE
7 DISPOSITION OF FUNDS; REPEALING SECTION 23-915, IDAHO CODE, RELATING
8 TO SEIZURE OF ILLEGAL LIQUOR; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE,
9 BY THE ADDITION OF A NEW SECTION 23-915, IDAHO CODE, TO PROVIDE THAT
10 CERTAIN PERSONS ARE NOT QUALIFIED TO BE LICENSED; REPEALING SECTION
11 23-916, IDAHO CODE, RELATING TO COUNTY AND CITY LICENSES; AMENDING
12 CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 23-916,
13 IDAHO CODE, TO PROVIDE THAT LICENSEES MAY NOT BE LOCATED NEAR CHURCHES
14 OR SCHOOLS WITHOUT CERTAIN APPROVAL AND TO PROVIDE AN EXCEPTION; RE-
15 PEALING SECTION 23-917, IDAHO CODE, RELATING TO A REFERENDUM; AMENDING
16 CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 23-917,
17 IDAHO CODE, TO PROVIDE CERTAIN RESTRICTIONS; REPEALING SECTION 23-918,
18 IDAHO CODE, RELATING TO THE FORM OF A BALLOT; AMENDING CHAPTER 9, TITLE
19 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 23-918, IDAHO CODE,
20 TO ESTABLISH PROVISIONS REGARDING RESTRICTIONS ON PERSONS INTERESTED
21 IN LICENSED PREMISES AND TO PROVIDE AN EXCEPTION; REPEALING SECTION
22 23-919, IDAHO CODE, RELATING TO THE EFFECT OF AN ELECTION; AMENDING
23 CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 23-919,
24 IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING LICENSES; REPEALING
25 SECTION 23-920, IDAHO CODE, RELATING TO CERTAIN ELECTIONS; AMENDING
26 CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 23-920,
27 IDAHO CODE, TO PROVIDE RESTRICTIONS ON THE TRANSFER OF STATE LIQUOR
28 LICENSES; REPEALING SECTION 23-921, IDAHO CODE, RELATING TO RETAIL
29 SALES; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF
30 A NEW SECTION 23-921, IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING
31 SUSPENSION AND REVOCATION OF LICENSES AND REFUSAL TO RENEW LICENSES;
32 AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SEC-
33 TION 23-921A, IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING CERTAIN
34 VIOLATIONS ON LICENSED PREMISES; AMENDING CHAPTER 9, TITLE 23, IDAHO
35 CODE, BY THE ADDITION OF A NEW SECTION 23-922, IDAHO CODE, TO PROVIDE A
36 PENALTY FOR SELLING LIQUOR WITHOUT A LICENSE; AMENDING CHAPTER 9, TITLE
37 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 23-923, IDAHO CODE,
38 TO PROVIDE THAT LICENSEES MUST PURCHASE LIQUOR FROM THE STATE LIQUOR
39 DIVISION, TO DEFINE A TERM, TO PROVIDE THAT ALCOHOL PURCHASED UNDER A
40 SPECIFIC DISCOUNT MAY NOT BE SOLD AT CERTAIN LOCATIONS AND TO PROVIDE
41 PENALTIES; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF
42 A NEW SECTION 23-924, IDAHO CODE, TO PROVIDE FOR EXAMINATION AND INSPEC-
43 TION OF LICENSED PREMISES; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY
44 THE ADDITION OF A NEW SECTION 23-925, IDAHO CODE, TO ESTABLISH PROVI-
45 SIONS REGARDING ILLEGAL LIQUOR; REPEALING SECTION 23-926, IDAHO CODE,
46 RELATING TO DESTRUCTION OF STAMPS; AMENDING CHAPTER 9, TITLE 23, IDAHO
47 CODE, BY THE ADDITION OF A NEW SECTION 23-926, IDAHO CODE, TO REQUIRE A
48 CERTAIN SIGN; REPEALING SECTION 23-927, IDAHO CODE, RELATING TO SALES
49 HOURS; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A
50 NEW SECTION 23-927, IDAHO CODE, TO PROHIBIT CERTAIN ACTIVITIES; REPEAL-

1 ING SECTION 23-928, IDAHO CODE, RELATING TO SALES AWAY FROM LICENSED
2 PREMISES; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF
3 A NEW SECTION 23-928, IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING
4 ALCOHOL BEVERAGE CATERING PERMITS; AMENDING CHAPTER 9, TITLE 23, IDAHO
5 CODE, BY THE ADDITION OF A NEW SECTION 23-929, IDAHO CODE, TO PROVIDE FOR
6 THE APPROVAL OF APPLICATIONS FOR ALCOHOL BEVERAGE CATERING PERMITS; RE-
7 PEALING SECTION 23-930, IDAHO CODE, RELATING TO EXAMINATION OF PREMISES
8 BY OFFICERS; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION
9 OF A NEW SECTION 23-930, IDAHO CODE, TO APPLY CERTAIN PROVISIONS OF LAW
10 TO ALCOHOL BEVERAGE CATERING PERMITS; REPEALING SECTION 23-931, IDAHO
11 CODE, RELATING TO ADVERTISING; AMENDING CHAPTER 9, TITLE 23, IDAHO
12 CODE, BY THE ADDITION OF A NEW SECTION 23-931, IDAHO CODE, TO REQUIRE THE
13 DESTRUCTION OF CERTAIN STAMPS AND TO ESTABLISH SANITARY REQUIREMENTS;
14 REPEALING SECTION 23-932, IDAHO CODE, RELATING TO REGULATIONS; AMEND-
15 ING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION
16 23-932, IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING HOURS OF SALE
17 OF LIQUOR; REPEALING SECTION 23-933, IDAHO CODE, RELATING TO SUSPEN-
18 SION, RENEWAL, AND REFUSAL TO RENEW LICENSES; AMENDING CHAPTER 9, TITLE
19 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 23-933, IDAHO CODE,
20 TO PROVIDE FOR A CERTAIN DUTY OF PUBLIC OFFICERS; REPEALING SECTION
21 23-933A, IDAHO CODE, RELATING TO LICENSES; REPEALING SECTION 23-933B,
22 IDAHO CODE, RELATING TO PROCEDURE; REPEALING SECTION 23-934, IDAHO
23 CODE, RELATING TO UNLICENSED ROOMS; AMENDING CHAPTER 9, TITLE 23, IDAHO
24 CODE, BY THE ADDITION OF A NEW SECTION 23-934, IDAHO CODE, TO PROVIDE
25 MITIGATION FOR THE LOST VALUE OF CERTAIN LICENSES; REPEALING SECTION
26 23-934A, IDAHO CODE, RELATING TO ALCOHOL BEVERAGE CATERING PERMITS;
27 REPEALING SECTION 23-934B, IDAHO CODE, RELATING TO A CERTAIN APPLICA-
28 TION; REPEALING SECTION 23-934C, IDAHO CODE, RELATING TO REGULATORY AND
29 PENALTY PROVISIONS; REPEALING SECTION 23-935, IDAHO CODE, RELATING TO
30 A CERTAIN VIOLATION; REPEALING SECTION 23-936, IDAHO CODE, RELATING TO
31 DUTY OF PUBLIC OFFICERS; REPEALING SECTION 23-937, IDAHO CODE, RELAT-
32 ING TO MORAL NUISANCE; REPEALING SECTION 23-938, IDAHO CODE, RELATING
33 TO SELLING LIQUOR WITHOUT A LICENSE; REPEALING SECTION 23-939, IDAHO
34 CODE, RELATING TO SEPARABILITY; AMENDING SECTION 23-940, IDAHO CODE,
35 TO REVISE PROVISIONS REGARDING THE ALCOHOL BEVERAGE CONTROL FUND; RE-
36 PEALING SECTION 23-941, IDAHO CODE, RELATING TO A DECLARATION OF PUBLIC
37 POLICY; REPEALING SECTION 23-942, IDAHO CODE, RELATING TO DEFINITIONS;
38 AMENDING SECTION 23-943, IDAHO CODE, TO REVISE PROVISIONS REGARDING
39 PERSONS UNDER A SPECIFIED AGE; REPEALING SECTION 23-943A, IDAHO CODE,
40 RELATING TO IDENTIFICATION; REPEALING SECTION 23-944, IDAHO CODE, RE-
41 LATING TO EXCEPTIONS; REPEALING SECTION 23-945, IDAHO CODE, RELATING
42 TO POSTING SIGNS; REPEALING SECTION 23-946, IDAHO CODE, RELATING TO
43 A STATEMENT MADE BY LICENSEES; REPEALING SECTION 23-947, IDAHO CODE,
44 RELATING TO VIOLATIONS; REPEALING SECTION 23-948, IDAHO CODE, RELATING
45 TO WATERFRONT RESORTS; AMENDING SECTION 23-949, IDAHO CODE, TO REVISE
46 PROVISIONS REGARDING PERSONS UNABLE TO SELL LIQUOR; REPEALING SEC-
47 TION 23-950, IDAHO CODE, RELATING TO RESTRICTIONS; REPEALING SECTION
48 23-951, IDAHO CODE, RELATING TO DISTILLED SPIRIT FUELS; REPEALING SEC-
49 TION 23-952, IDAHO CODE, RELATING TO CROSS-COUNTRY SKIING FACILITIES;
50 REPEALING SECTION 23-953, IDAHO CODE, RELATING TO RACING FACILITIES;

1 REPEALING SECTION 23-954, IDAHO CODE, RELATING TO THEME PARKS; REPEAL-
 2 ING SECTION 23-955, IDAHO CODE, RELATING TO SPLIT OWNERSHIP FACILITIES;
 3 REPEALING SECTION 23-956, IDAHO CODE, RELATING TO GOLF COURSE LIQUOR
 4 LICENSE CONTINUATION; REPEALING SECTION 23-957, IDAHO CODE, RELATING
 5 TO YEAR-ROUND LIQUOR LICENSES; AMENDING SECTION 18-7803, IDAHO CODE, TO
 6 PROVIDE CORRECT CODE REFERENCES; AMENDING SECTION 23-217, IDAHO CODE,
 7 TO REVISE PROVISIONS REGARDING A DISCOUNT AND TO PROVIDE A CORRECT CODE
 8 REFERENCE; AMENDING SECTION 23-309, IDAHO CODE, TO PROVIDE A CORRECT
 9 CODE REFERENCE; AMENDING SECTION 23-1312, IDAHO CODE, TO PROVIDE A COR-
 10 RECT CODE REFERENCE; AMENDING SECTION 23-1406, IDAHO CODE, TO PROVIDE A
 11 CORRECT CODE REFERENCE; AMENDING SECTION 67-7446, IDAHO CODE, TO PRO-
 12 VIDE A CORRECT CODE REFERENCE; AND PROVIDING SEVERABILITY.

13 Be It Enacted by the Legislature of the State of Idaho:

14 SECTION 1. That Section 23-603, Idaho Code, be, and the same is hereby
 15 amended to read as follows:

16 23-603. DISPENSING TO A PERSON UNDER THE AGE OF TWENTY-ONE YEARS. (1)
 17 Any person who is eighteen (18) years of age or older who shall sell, give,
 18 or furnish, or cause to be sold, given, or furnished, alcohol beverage, in-
 19 cluding any distilled spirits, beer or wine, to a person under the age of
 20 twenty-one (21) years shall be guilty of a misdemeanor and upon conviction
 21 thereof may be punished by a fine of not less than five hundred dollars (\$500)
 22 nor more than one thousand dollars (\$1,000) per violation, or by imprison-
 23 ment in the county jail for a period not to exceed one (1) year, or by both
 24 such fine and imprisonment. A second or subsequent violation of this sec-
 25 tion by the same defendant shall constitute a misdemeanor and upon convic-
 26 tion thereof the defendant shall be punished by a fine of not less than one
 27 thousand dollars (\$1,000) nor more than two thousand dollars (\$2,000) per
 28 violation, or imprisonment in the county jail for a period not to exceed one
 29 (1) year, or by both such fine and imprisonment. Notwithstanding the provi-
 30 sions of section 19-4705, Idaho Code, moneys received pursuant to such fines
 31 shall be deposited in the substance abuse treatment fund, as created in sec-
 32 tion 23-408, Idaho Code.

33 (2) Upon conviction of any If a person for is convicted of a violation
 34 of the provisions subsection (1) of this section, the court shall notify the
 35 director of the Idaho state police. The director shall review the circum-
 36 stances of the conviction, and if the dispensing violation took place at a
 37 on licensed establishment or other retailer or distributor premises, the
 38 director court shall notify the responsible authority, which may take admin-
 39 istrative action he considers appropriate against the licensee or business
 40 including suspension of the license for not to exceed six (6) months, a fine,
 41 or both such suspension and fine consistent with section 23-617, Idaho Code.
 42 For purposes of this subsection, "responsible authority" means:

43 (a) The director of the Idaho state police, if the licensee is a state
 44 licensee; or

45 (b) The city council, mayor, chief executive of a city, board of county
 46 commissioners, or entity established by ordinance that issued the mu-
 47 nicipal license, if the licensee is a municipal licensee.

1 SECTION 2. That Chapter 6, Title 23, Idaho Code, be, and the same is
2 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
3 ignated as Section 23-617, Idaho Code, and to read as follows:

4 23-617. VIOLATION -- ADMINISTRATIVE PENALTIES. (1) The following ad-
5 ministrative penalties shall apply to licensees for violations of the provi-
6 sions of this chapter if all of the licensee's employees, at the time of the
7 violation, have completed an alcohol training program approved by the direc-
8 tor:

9 (a) For the first and second violation within a three (3) year period, a
10 written warning shall be issued to the licensee who employs or employed
11 the violator by the responsible authority that administers the license.

12 (b) For the third violation within a three (3) year period, the respon-
13 sible authority shall impose an administrative fine in the amount of
14 five hundred dollars (\$500) on the licensee who employs or employed the
15 violator.

16 (c) For a fourth or subsequent violation within a three (3) year period,
17 the responsible authority shall review the circumstances and may take
18 additional administrative action against the licensee including, but
19 not limited to, revoking the license, subject to compliance with this
20 title.

21 (2) The following administrative penalties shall apply to licensees
22 for violations of the provisions of this chapter if any of the licensee's
23 employees at the time of violation have not completed an alcohol training
24 program approved by the director:

25 (a) For the first violation within a three (3) year period, the respon-
26 sible authority shall impose an administrative fine in the amount of
27 three hundred dollars (\$300) on the licensee who employs or employed the
28 violator.

29 (b) For the second violation within a three (3) year period, the respon-
30 sible authority shall impose an administrative fine in the amount of one
31 thousand dollars (\$1,000) on the licensee who employs or employed the
32 violator.

33 (c) For a third or subsequent violation within a three (3) year period,
34 the responsible authority shall review the circumstances and may take
35 additional administrative action against the licensee including, but
36 not limited to, revoking the license, subject to compliance with this
37 title.

38 (3) Any fines imposed on a state licensee pursuant to the provisions of
39 this section shall be paid to the state license value loss mitigation fund
40 established by section 23-934, Idaho Code, until June 30, 2022. On and after
41 July 1, 2022, fines imposed under this section shall be deposited in the gen-
42 eral fund.

43 (4) Any fines imposed on a municipal licensee pursuant to the provi-
44 sions of this section shall be paid to the city or county that issued the mu-
45 nicipal license.

46 (5) As used in this section, "responsible authority" shall have the
47 same meaning as provided in section 23-603, Idaho Code.

48 SECTION 3. That Section 23-901, Idaho Code, be, and the same is hereby
49 amended to read as follows:

1 23-901. DECLARATION OF POLICY -- RETAIL SALE OF LIQUOR. It is hereby
 2 declared as the policy of the state of Idaho that it is necessary to further
 3 regulate and control the sale and distribution within the state of alcoholic
 4 beverages and to eliminate certain illegal traffic in liquor now existing
 5 and to ~~insure~~ ensure the entire control of the sale of liquor it is advisable
 6 and necessary, in addition to the operation of the state liquor stores now
 7 provided by law, that the director of the Idaho state police and the boards
 8 of county commissioners and the councils of cities in the state of Idaho be
 9 empowered and authorized to grant licenses for liquor by the drink to persons
 10 qualified under this ~~act~~ chapter to sell liquor purchased by them at state
 11 liquor stores at retail posted prices in accordance with this ~~act~~ title and
 12 under the rules promulgated by ~~said the director and under his strict su-~~
 13 ~~per~~ vision and control and to provide ~~severe penalty for the sale of liquor~~
 14 ~~except by and in state liquor stores and by persons licensed under this act~~
 15 ~~or under an ordinance enacted by a board of county commissioners or by a city~~
 16 ~~council.~~ The restrictions, rules, and provisions contained in this ~~act~~
 17 chapter are enacted by the legislature for the protection, health, welfare
 18 and safety of the people of the state of Idaho and for the purpose of promot-
 19 ing and encouraging temperance in the use of alcoholic beverages within the
 20 state of Idaho.

21 SECTION 4. That Section 23-902, Idaho Code, be, and the same is hereby
 22 amended to read as follows:

23 23-902. DEFINITIONS. ~~The following words and phrases~~ As used in this
 24 chapter ~~shall be given the following interpretation:~~

25 (1) "Club" ~~includes~~ means any of the following organizations where the
 26 sale of spirituous liquor for consumption on the premises is made to members
 27 and to bona fide guests of members only:

28 (a) A post, chapter, camp or other local unit composed solely of vet-
 29 erans and their duly recognized auxiliary, and which is a post, chap-
 30 ter, camp or other local unit composed solely of veterans which has been
 31 chartered by the congress of the United States for patriotic, fraternal
 32 or benevolent purposes, and which has, as the owner, lessee or occupant,
 33 operated an establishment for that purpose in this state; or

34 (b) A chapter, aerie, parlor, lodge or other local unit of an Ameri-
 35 can national fraternal organization, which has, as the owner, lessee
 36 or occupant, operated an establishment for fraternal purposes in this
 37 state and actively operates in not less than thirty-six (36) states or
 38 has been in continuous existence for not less than twenty (20) years;
 39 and which has no fewer than fifty (50) bona fide members in each unit,
 40 and which owns, maintains or operates club quarters, and is autho-
 41 rized and incorporated to operate as a nonprofit club under the laws of
 42 this state, and which has recognized tax exempt status under section
 43 501(c) (8) or 501(c) (10) of the Internal Revenue Code, and has been con-
 44 tinuously incorporated and operating for a period of not less than one
 45 (1) year. The club shall have had, during that period of one (1) year,
 46 a bona fide membership with regular meetings conducted at least once
 47 each month, and the membership shall be and shall have been actively en-
 48 gaged in carrying out the objects of the club. The club membership shall
 49 consist of bona fide dues-paying members, recorded by the secretary of

1 the club, paying at least six dollars (\$6.00) per year in dues, payable
2 monthly, quarterly or annually; and the members at the time of applica-
3 tion for a club license shall be in good standing, having paid dues for
4 at least one (1) full year.

5 (2) "Convention" means a formal meeting of members, representatives,
6 or delegates, as of a political party, fraternal society, profession or in-
7 dustry.

8 (3) "Director" means the director of the Idaho state police.

9 (4) "Eating establishment" means a restaurant, café, dining room, cof-
10 fee shop, cafeteria or other establishment that must utilize at least sev-
11 enty-five percent (75%) of the gross floor area for the preparation, cook-
12 ing and serving of complete meals, have and actively operate a commercial
13 kitchen that includes a type I commercial hood and cooking equipment, ex-
14 cluding microwave ovens and grills, capable of cooking meals and be a pub-
15 lic place kept, maintained and advertised as a place where complete meals are
16 served and where complete meals are actually and regularly served during the
17 time the establishment is open to the public. Limited food service, such as
18 that provided by luncheonettes, drive-ins, sandwich shops or similar busi-
19 nesses, does not meet the requirements of this definition.

20 (5) "Festival" means a period or program of festive activities, cul-
21 tural events or entertainment lasting three (3) or more consecutive days.

22 (56) "Gaming" means any and all gambling or games of chance defined in
23 chapters 38 and 49, title 18, Idaho Code, or any section or sections thereof,
24 whether those games are licensed or unlicensed.

25 ~~(6) "Interdicted person" means a person to whom the sale of liquor is~~
26 ~~prohibited under law.~~

27 (7) ~~"License" means a license issued by the director to a qualified per-~~
28 ~~son, under which it shall be lawful for the licensee to sell and dispense~~
29 ~~liquor by the drink at retail, as provided by law.~~

30 ~~(8) "Licensee" means the person to whom a license is issued under the~~
31 ~~provisions of law.~~

32 (98) "Liquor" means all kinds of liquor sold by and in a state liquor
33 store of the state of Idaho.

34 ~~(10) "Live performance" means a performance occurring in a theater and~~
35 ~~not otherwise in violation of any provision of Idaho law.~~

36 (119) "Municipal license" means a license issued by a municipality
37 county or an incorporated city of the state of Idaho under the provisions of
38 law.

39 (120) "Party" means a social gathering especially for pleasure or
40 amusement and includes, but is not limited to, such social events as wed-
41 dings, birthdays, and special holiday celebrations to include, but not be
42 limited to, New Year's celebrations, Super Bowl Sunday, St. Patrick's Day,
43 the Fourth of July and Labor Day.

44 (131) "Person" means any individual, corporation, business corpora-
45 tion, nonprofit corporation, benefit corporation as defined in section
46 30-2002(1), Idaho Code, partnership, limited partnership, limited liabil-
47 ity company, general cooperative association, limited cooperative asso-
48 ciation, estate, unincorporated nonprofit association, statutory trust,
49 business trust, common-law business trust, estate trust, association,
50 joint venture, public corporation, government or governmental subdivision,

1 agency or instrumentality, any entity defined in section 30-21-102, Idaho
2 Code, or any other commercial entity, whether conducting the business sin-
3 gularly or collectively.

4 (142) "Premises" means the building and contiguous property owned or
5 leased or used under a government permit by a licensee, as part of the busi-
6 ness establishment in the business of sale of liquor by the drink at retail,
7 which property is improved to include decks, docks, boardwalks, lawns,
8 gardens, golf courses, ski resorts, courtyards, patios, poolside areas or
9 similar improved appurtenances in which the sale of liquor by the drink at
10 retail is authorized under the provisions of law.

11 (153) "Rules" means rules promulgated by the director or ordinances en-
12 acted by a county or city in accordance with the provisions of law.

13 (14) "Specialty license" means a license duly issued by the director
14 prior to July 1, 2017, to: a person, owner, operator or lessee of a golf
15 course; winery; ski resort; equestrian facility; restaurant operated in an
16 airport; club; convention center; gondola resort complex; food, conference
17 and lodging facility; dining club or buffet car operated in connection with
18 a regularly operated train service, common carrier boat or common carrier
19 airline; waterfront resort; cross-country skiing facility; racing facil-
20 ity; theme park; ski resort facility or golf course that has had a split in
21 ownership; or a year-round resort.

22 (15) "State liquor license" means a license issued by the director prior
23 to July 1, 2017, under which it shall be lawful for the licensee to sell and
24 dispense liquor by the drink at retail, as provided by law.

25 (16) "State liquor store" means a liquor store or distributor estab-
26 lished under and pursuant to the laws of the state of Idaho for the package
27 sale of liquor at retail.

28 ~~(17) "Theater" means a room, place or outside structure for perfor-~~
29 ~~mances or readings of dramatic literature, plays or dramatic representa-~~
30 ~~tions of an art form not in violation of any provision of Idaho law.~~

31 (17) "Brewery" means a place, premises or establishment for the manu-
32 facture, bottling or canning of beer.

33 (18) "Winery" means a place, premises or establishment within the state
34 of Idaho for the manufacture or bottling of table wine or dessert wine for
35 sale. Two (2) or more wineries may use the same premises and the same equip-
36 ment to manufacture their respective wines, to the extent permitted by fed-
37 eral law.

38 ~~(19) All other words and phrases used in this chapter, the definitions~~
39 ~~of which are not herein given, shall be given their ordinary and commonly un-~~
40 ~~derstood and acceptable meanings.~~

41 SECTION 5. That Section [23-903](#), Idaho Code, be, and the same is hereby
42 repealed.

43 SECTION 6. That Chapter 9, Title 23, Idaho Code, be, and the same is
44 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
45 ignated as Section 23-903, Idaho Code, and to read as follows:

46 23-903. NO RETAIL SALE EXCEPT BY THE DRINK -- RESTRICTIONS ON
47 SALES. (1) It shall be unlawful for any licensee to sell, keep for sale,

1 dispense, give away, or otherwise dispose of any liquor in the original con-
2 tainers or otherwise than by retail sale by the drink.

3 (2) No person licensed pursuant to this title or such person's agent,
4 officer or employee shall sell, deliver, give away or allow the consumption
5 of any alcohol beverage, including distilled spirits, beer or wine, to:

6 (a) A person under the age of twenty-one (21) years. Proof of proper age
7 shall be a valid driver's license issued by a state, district, terri-
8 tory, province or nation; a government identification card; a military
9 identification card; or a passport including a photograph and the per-
10 son's date of birth; or

11 (b) A person who is obviously intoxicated.

12 SECTION 7. That Section [23-903a](#), Idaho Code, be, and the same is hereby
13 repealed.

14 SECTION 8. That Section [23-903b](#), Idaho Code, be, and the same is hereby
15 repealed.

16 SECTION 9. That Section [23-904](#), Idaho Code, be, and the same is hereby
17 repealed.

18 SECTION 10. That Chapter 9, Title 23, Idaho Code, be, and the same is
19 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
20 ignated as Section 23-904, Idaho Code, and to read as follows:

21 23-904. GRANDFATHER CLAUSE. (1) A person who on July 1, 2017, holds a
22 valid retail liquor license shall be accorded "grandfather rights" and shall
23 be deemed to have a state liquor license and be subject to applicable provi-
24 sions of this chapter and rules promulgated by the director. An establish-
25 ment with a state liquor license may transfer the license to another liquor
26 by the drink establishment located in the same city unless prohibited by law,
27 rule or ordinance or under the terms of licensure. Specialty licenses that
28 were issued prior to July 1, 2017, shall also be deemed state liquor licenses
29 subject to applicable provisions of this chapter and rules promulgated by
30 the director; however, these licenses shall not be transferred to any other
31 location or person.

32 (2) All licenses subject to the provisions of this section must remain
33 in maintained use. State liquor licenses and specialty licenses are consid-
34 ered in maintained use when the following requirements are satisfied:

35 (a) The license is prominently displayed in premises that are suitable
36 for carrying on the business of selling liquor by the drink; and

37 (b) The licensee makes an average of at least ten (10) bona fide and law-
38 ful sales of liquor by the drink per week over the applicable state li-
39 censing year. These sales shall be made to members of the public at the
40 licensee's usual and customary price.

41 SECTION 11. That Section [23-905](#), Idaho Code, be, and the same is hereby
42 repealed.

1 SECTION 12. That Chapter 9, Title 23, Idaho Code, be, and the same is
2 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
3 ignated as Section 23-905, Idaho Code, and to read as follows:

4 23-905. COUNTIES AND CITIES MAY ISSUE LICENSES. (1) Each county is em-
5 powered and authorized to issue municipal licenses to qualified applicants
6 for eating establishments and lodging facilities outside the incorporated
7 limits of any city within the county, as provided in this chapter, and the
8 holder of any such license shall be authorized and permitted to sell liquor
9 by the drink at retail, but only in accordance with the provisions of this
10 chapter and any rules promulgated through ordinances adopted by the board of
11 county commissioners of the licensing county.

12 (2) Each incorporated city is empowered and authorized to issue munic-
13 ipal licenses to qualified applicants for eating establishments and lodging
14 facilities within the corporate limits of the city, as provided in this chap-
15 ter, and the holder of any such license shall be authorized and permitted to
16 sell liquor by the drink at retail, but only in accordance with the provi-
17 sions of this chapter and any rules promulgated through ordinances adopted
18 by the city council of the licensing city.

19 (3) Each board of county commissioners and each city council of an in-
20 corporated city is authorized to create rules, requirements and criteria by
21 ordinance for the equitable and fair administration of municipal licenses
22 consistent with state law; provided however, that any such criteria shall
23 not be inconsistent with this chapter.

24 SECTION 13. That Section 23-906, Idaho Code, be, and the same is hereby
25 repealed.

26 SECTION 14. That Chapter 9, Title 23, Idaho Code, be, and the same is
27 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
28 ignated as Section 23-906, Idaho Code, and to read as follows:

29 23-906. REFERENDUM. Municipal licenses may be issued after sixty (60)
30 days of the effective date of this act unless there is an existing resolution
31 or ordinance, or one is adopted by a city council or board of county commis-
32 sioners, or an election pursuant to this chapter and other Idaho law is held,
33 to prohibit municipal licenses for the retail sale of liquor by the drink in
34 that county or city. Within sixty (60) days after the effective date of this
35 act, a petition in writing proposed by a person and signed by not less than
36 twenty percent (20%) of the registered, qualified electors of the county or
37 city may be filed with the clerk of the county or city under the provisions of
38 this act. In the event such a petition is presented, the governing body of
39 the county or city shall, within five (5) days after the presentation of the
40 petition, meet and determine the sufficiency of the petition by ascertain-
41 ing whether the petition is signed by the required percentage of registered,
42 qualified electors in the county or city. In the event the governing body
43 of the county or city determines that the petition is sufficient, the gov-
44 erning body shall make an order calling for an election to be held within the
45 county or city, subject to the provisions of chapter 6, title 34, Idaho Code,
46 in the manner provided by law for holding elections for county or city offi-
47 cers. All laws of the state of Idaho relating to the holding of elections of

1 county or city officers for such county or city, whether special charter or
2 general law of the state, shall apply to the holding of the election provided
3 for in this section, except where specifically modified by this chapter. In
4 addition to other requirements of law, the notice of election shall notify
5 the electors of the issue to be voted on at the election.

6 SECTION 15. That Section [23-907](#), Idaho Code, be, and the same is hereby
7 repealed.

8 SECTION 16. That Chapter 9, Title 23, Idaho Code, be, and the same is
9 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
10 ignated as Section 23-907, Idaho Code, and to read as follows:

11 23-907. FORM OF BALLOT. The county or city clerk must furnish the bal-
12 lots to be used in an election conducted pursuant to section 23-906, Idaho
13 Code, which ballots must contain the following words:

14 "Municipal licenses for the sale of liquor by the drink, Yes,"

15 "Municipal licenses for the sale of liquor by the drink, No,"

16 and the elector, in order to vote, must mark the "yes" or "no" option in a
17 space provided on the ballot.

18 SECTION 17. That Section [23-908](#), Idaho Code, be, and the same is hereby
19 repealed.

20 SECTION 18. That Chapter 9, Title 23, Idaho Code, be, and the same is
21 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
22 ignated as Section 23-908, Idaho Code, and to read as follows:

23 23-908. EFFECT OF ELECTION -- LIQUOR STORE SALES NOT AFFECTED. Upon
24 the canvass of the votes cast in an election conducted pursuant to section
25 23-906, Idaho Code, the clerk of the county or city conducting the election
26 shall certify the election result to the governing body. If a majority of
27 the votes cast are "Municipal licenses for the sale of liquor by the drink,
28 Yes," then municipal licenses shall be issued in the county or city as pro-
29 vided in this chapter. If a majority of the votes cast are "Municipal li-
30 censes for the sale of liquor by the drink, No," then no municipal licenses
31 shall be issued in the county or city unless authorized by a subsequent elec-
32 tion in the county or city; provided however, that an election, regardless of
33 the result, shall not prevent or prohibit the sale of liquor at or by a state
34 liquor store, state distributor or holder of a state liquor license issued
35 for premises within the county or city.

36 SECTION 19. That Chapter 9, Title 23, Idaho Code, be, and the same is
37 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
38 ignated as Section 23-909, Idaho Code, and to read as follows:

39 23-909. SUBSEQUENT ELECTIONS. An election may be subsequently called
40 and held on the issue of whether the sale of liquor by the drink shall be pro-
41 hibited or, if already prohibited, whether the sale of liquor by the drink
42 shall be permitted. Such subsequent election shall be held on the filing of
43 a petition as provided in section 23-906, Idaho Code, signed by the requisite

1 percentage of qualified electors. No such subsequent election shall be held
2 prior to November 1, 2017, or more often than two (2) years after the holding
3 of any such subsequent election.

4 SECTION 20. That Section [23-910](#), Idaho Code, be, and the same is hereby
5 repealed.

6 SECTION 21. That Chapter 9, Title 23, Idaho Code, be, and the same is
7 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
8 ignated as Section 23-910, Idaho Code, and to read as follows:

9 23-910. APPLICATION FOR MUNICIPAL LICENSES. (1) Prior to the issuance
10 of a municipal license, an applicant shall file with the county, or, if the
11 premises are located within an incorporated city, with the city, an applica-
12 tion in writing, signed by the applicant and containing such information and
13 statements relative to the applicant and the premises where the liquor is to
14 be sold as may be required by the county or city, along with a nonrefundable
15 application fee of four hundred dollars (\$400) to be submitted to the direc-
16 tor and disbursed according to the provisions of section 23-914 or 23-940,
17 Idaho Code. The application shall be verified by the affidavit of the person
18 making the same before a person authorized to administer oaths and shall be
19 accompanied by the required license fee.

20 (2) In addition to setting forth the qualifications required by other
21 provisions of this act, the applicant must show:

22 (a) A complete copy of the beer license application filed by the appli-
23 cant with the state pursuant to chapter 10, title 23, Idaho Code;

24 (b) A copy of a valid state beer license issued to the applicant; or

25 (c) A copy of a valid county beer license issued to the applicant.

26 (3) If during the period of any license issued under this chapter any
27 change takes place in any of the requirements of subsection (2) of this sec-
28 tion, the licensee shall make a written report of such change to the respec-
29 tive local authority.

30 SECTION 22. That Section [23-911](#), Idaho Code, be, and the same is hereby
31 repealed.

32 SECTION 23. That Chapter 9, Title 23, Idaho Code, be, and the same is
33 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
34 ignated as Section 23-911, Idaho Code, and to read as follows:

35 23-911. INVESTIGATION OF APPLICATIONS -- PENALTY FOR FALSE STATE-
36 MENTS. (1) Upon receipt of an application for a municipal license under this
37 act, accompanied by the necessary license fee, the county or city, within
38 thirty (30) days thereafter, may cause to be made a thorough investigation
39 of all matters pertaining to the application. If the county or city deter-
40 mines that the contents of the application are true, that such applicant is
41 qualified to receive a license, and that the requirements of this act and the
42 rules promulgated by the county or city are met and complied with, the county
43 or city shall issue such license; otherwise, the application shall be denied
44 and the license fee, less the costs and expenses of investigation, returned
45 to the applicant.

1 (2) If any false statement is made in any part of the application, or any
2 subsequent report, the applicant shall be deemed guilty of a felony and on
3 conviction thereof shall be imprisoned in the state prison for not less than
4 one (1) year nor more than five (5) years or fined not less than one thousand
5 dollars (\$1,000) nor more than five thousand dollars (\$5,000), or both such
6 fine and imprisonment.

7 SECTION 24. That Section [23-912](#), Idaho Code, be, and the same is hereby
8 repealed.

9 SECTION 25. That Chapter 9, Title 23, Idaho Code, be, and the same is
10 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
11 ignated as Section 23-912, Idaho Code, and to read as follows:

12 23-912. RULES. (1) The director may promulgate such rules as are nec-
13 essary for carrying out the provisions of this chapter.

14 (2) The licensing authority of any county or city may establish by ordi-
15 nance such rules as are necessary to administer municipal licenses issued or
16 issuable by such county or city under the provisions of this chapter.

17 (3) Licensees shall advise themselves of the rules applicable to their
18 license, and ignorance of the rules shall be no defense to a violation of such
19 rules.

20 SECTION 26. That Section [23-913](#), Idaho Code, be, and the same is hereby
21 repealed.

22 SECTION 27. That Chapter 9, Title 23, Idaho Code, be, and the same is
23 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
24 ignated as Section 23-913, Idaho Code, and to read as follows:

25 23-913. FEES. (1) Each city council and board of county commissioners
26 is authorized to impose and collect a onetime, nonrefundable application fee
27 from applicants for municipal licensure.

28 (2) Each city council and board of county commissioners is authorized
29 to impose and collect an annual license fee for the municipal licenses it is-
30 sues in an amount not less than six thousand dollars (\$6,000) in the first li-
31 cense year and three thousand dollars (\$3,000) in each year thereafter. In
32 establishing the amount of such fee, a city or county may consider the im-
33 pacts of newly licensed establishments, including both direct and indirect
34 costs, upon municipal services, maintenance of public safety and other costs
35 of managing municipal licenses. Provided however, that from the effective
36 date of this act until June 30, 2022, three thousand dollars (\$3,000) from
37 the initial license fee for each municipal license and ten percent (10%) of
38 the annual license fee for each municipal license after the initial licen-
39 sure year shall be submitted by each city council and board of county commis-
40 sioners to the state treasurer for deposit in the state license value loss
41 mitigation fund established by section 23-934, Idaho Code.

42 (3) The director is authorized to impose and collect an annual license
43 fee for state liquor licenses as follows. For a license issued:

1 (a) For premises in a city with a population of one thousand (1,000)
2 or fewer, or in a county with a population of ten thousand (10,000) or
3 fewer, three hundred seventy-five dollars (\$375);

4 (b) For premises in a city with a population greater than one thousand
5 (1,000) and up to three thousand (3,000), or in a county with a popula-
6 tion greater than ten thousand (10,000) and up to twenty-five thousand
7 (25,000), six hundred dollars (\$600);

8 (c) For premises in a city with a population greater than three thousand
9 (3,000), or in a county with a population greater than twenty-five thou-
10 sand (25,000), nine hundred dollars (\$900);

11 (d) For a railroad train, which license covers sales in buffet, club, or
12 dining cars, seventy-five dollars (\$75.00) for the scheduled run of the
13 train in Idaho. Such license shall be in full and in lieu of all other
14 licenses herein provided;

15 (e) For a common carrier boat line, which license covers sales in buffet
16 or club dining rooms, three hundred dollars (\$300). Such license shall
17 be in full and in lieu of all other licenses herein provided;

18 (f) For a common carrier airline, which license covers sales only in
19 common carrier aircraft, three hundred fifty dollars (\$350). Such li-
20 cense shall be in full and in lieu of all other licenses herein provided;
21 and

22 (g) To the owner or operator of a year-round resort, or to the owner
23 or operator of a beverage, lodging or dining facility located within a
24 year-round resort, or to the lessee of a beverage, lodging or dining fa-
25 cility located within a year-round resort, three thousand five hundred
26 dollars (\$3,500).

27 (4) A state liquor licensee who operates for only a portion of the year
28 may have the license fee prorated from the date operation is commenced until
29 the end of the year, but in no event for less than six (6) months. In the event
30 a licensee who was previously issued a license on a prorated basis intends to
31 have such license renewed for the same period in the next year, the licensee
32 shall notify the director of such intention in an application for renewal of
33 the license, accompanied by the fee required for issuance of such license, on
34 or before December 31 of the year preceding.

35 (5) The license fees provided in this section are exclusive of and in
36 addition to other license fees chargeable in the state of Idaho.

37 (6) The population for a city or a county shall be determined by the most
38 recent census or special census conducted by the United States census bu-
39 reau, unless a direct enumeration of the inhabitants of the city or county
40 has been made by the state, in which case the state's enumeration shall ap-
41 ply.

42 (7) A city council may impose and collect an annual renewal fee not to
43 exceed seventy-five percent (75%) of the amount of the license fee collected
44 by the director as provided in this section for premises with state liquor
45 licenses that are located within the city's jurisdiction. A board of county
46 commissioners may impose and collect an annual renewal fee not to exceed
47 twenty-five percent (25%) of the amount of the license fee collected by the
48 director as provided in this section for premises with state liquor licenses
49 that are located within the county's jurisdiction.

1 SECTION 28. That Section [23-914](#), Idaho Code, be, and the same is hereby
2 repealed.

3 SECTION 29. That Chapter 9, Title 23, Idaho Code, be, and the same is
4 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
5 ignated as Section 23-914, Idaho Code, and to read as follows:

6 23-914. DISPOSITION OF FUNDS. Notwithstanding the provisions of sec-
7 tion 23-940, Idaho Code, or any other provisions of law to the contrary, from
8 the effective date of this act through June 30, 2022, all moneys collected by
9 the director under this chapter shall be apportioned as follows:

10 (1) Ninety-five percent (95%) to the alcohol beverage control fund es-
11 tablished by section 23-940, Idaho Code; and

12 (2) Five percent (5%) to the state license value loss mitigation fund
13 established by section 23-934, Idaho Code.

14 SECTION 30. That Section [23-915](#), Idaho Code, be, and the same is hereby
15 repealed.

16 SECTION 31. That Chapter 9, Title 23, Idaho Code, be, and the same is
17 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
18 ignated as Section 23-915, Idaho Code, and to read as follows:

19 23-915. PERSONS NOT QUALIFIED TO BE LICENSED. (1) No municipal license
20 shall be issued to, nor shall a state liquor license be transferred to, the
21 following:

22 (a) A person, or a person's member, officer, or governing board, who
23 has, within three (3) years prior to the date of making application,
24 been convicted of any violation of the laws of the United States, the
25 state of Idaho, or any other state of the United States, or of the res-
26 olutions or ordinances of any county or city of this state, relating
27 to the importation, transportation, manufacture or sale of alcoholic
28 liquor or beer; or who has been convicted of, paid any fine, been placed
29 on probation, received a deferred sentence, received a withheld judg-
30 ment or completed any sentence of confinement for any felony within five
31 (5) years prior to the date of making application for any license;

32 (b) A person who is engaged in the operation, or interested in the op-
33 eration, of any house or place for the purpose of prostitution or who
34 has been convicted of any crime or misdemeanor relating to decency and
35 morality;

36 (c) A person whose license issued under this act was revoked; an indi-
37 vidual who was a member of a partnership or association that was a li-
38 censee under this act and whose license was revoked; an individual who
39 was an officer, member of the governing board or one (1) of the ten (10)
40 principal stockholders of a corporation that was a licensee under this
41 act and whose license has been revoked; a partnership or association,
42 one (1) of whose members was a licensee under this act and whose license
43 was revoked; a corporation, one (1) of whose officers, members of the
44 governing board, or ten (10) principal stockholders was a licensee un-
45 der the provisions of this act and whose license was revoked; an associ-
46 ation or partnership, one (1) of whose members was a member of a partner-

1 ship or association licensed under the provisions of this act and whose
 2 license was revoked; a partnership or association, one (1) of whose mem-
 3 bers was an officer, a member of the governing board, or one (1) of ten
 4 (10) principal stockholders of a corporation licensed under the provi-
 5 sions of this act and whose license was revoked; a corporation, one (1)
 6 of whose officers, members of the governing board, or ten (10) princi-
 7 pal stockholders was a member of a partnership or association licensed
 8 under the provisions of this act and whose license was revoked; or a cor-
 9 poration, one (1) of whose officers, members of the governing board, or
 10 ten (10) principal stockholders was an officer, member of the governing
 11 board, or one (1) of ten (10) principal stockholders of a corporation
 12 licensed under the provisions of this act and whose license was revoked;
 13 (d) An officer, agent, or employee of a distillery, winery, brewery,
 14 or any wholesaler, or jobber, of liquor or malt beverages except as pro-
 15 vided in section 23-918, Idaho Code. This prohibition shall not apply
 16 to officers, agents, or employees or any winery operating a golf course
 17 on the same premises as the winery; or

18 (e) A person who does not hold a retail beer license issued by the state
 19 of Idaho.

20 (2) Any license held by a licensee disqualified under the provisions of
 21 this section shall be revoked.

22 SECTION 32. That Section [23-916](#), Idaho Code, be, and the same is hereby
 23 repealed.

24 SECTION 33. That Chapter 9, Title 23, Idaho Code, be, and the same is
 25 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
 26 ignated as Section 23-916, Idaho Code, and to read as follows:

27 23-916. LICENSEE NOT ALLOWED NEAR CHURCHES OR SCHOOLS -- EXCEP-
 28 TIONS. No municipal or state liquor license shall be issued or transferred to
 29 any premises that is predominantly residential or within three hundred (300)
 30 feet of any public school, church, or other place of worship, measured in a
 31 straight line to the nearest entrance to the licensed premises, except with
 32 the approval of the city council or board of county commissioners; provided
 33 however, that this limitation shall not apply to any duly licensed premises
 34 that at the time of licensing did not come within the restricted area but
 35 subsequent to licensing came within the restricted area.

36 SECTION 34. That Section [23-917](#), Idaho Code, be, and the same is hereby
 37 repealed.

38 SECTION 35. That Chapter 9, Title 23, Idaho Code, be, and the same is
 39 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
 40 ignated as Section 23-917, Idaho Code, and to read as follows:

41 23-917. RESTRICTIONS ON MANUFACTURERS, TRANSPORTERS OR DIS-
 42 TILLERS. Except as provided in sections 23-915 and 23-918, Idaho Code, no
 43 manufacturer, rectifier, wholesaler, stockholder, shareholder, partner or
 44 the owner of any other interest in any corporation, association or partner-
 45 ship financially interested in the manufacture, transportation or sale of

1 liquor shall furnish, give, rent, lend or sell any equipment or fixtures di-
2 rectly or indirectly, or through a subsidiary or affiliate or by any officer,
3 director or firm member of the industry or otherwise furnish financial aid to
4 any person engaged in the sale of liquor hereunder, and no licensee hereunder
5 shall receive or be the beneficiary of any of the benefits hereby prohibited.

6 SECTION 36. That Section [23-918](#), Idaho Code, be, and the same is hereby
7 repealed.

8 SECTION 37. That Chapter 9, Title 23, Idaho Code, be, and the same is
9 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
10 ignated as Section 23-918, Idaho Code, and to read as follows:

11 23-918. RESTRICTIONS ON PERSONS INTERESTED IN PREMISES. (1) Except
12 as provided in subsection (2) of this section, no manufacturer, rectifier,
13 wholesaler, stockholder, shareholder, partner or the owner of any other
14 interest in any corporation, association or partnership financially inter-
15 ested in the manufacture, transportation except public carriers, or sale of
16 liquor shall hold any interest in any premises licensed hereunder for the
17 sale of liquor or receive any rental or remuneration from any such premises.

18 (2) A manufacturer, rectifier, wholesaler, stockholder, shareholder,
19 partner or the owner of any interest in any corporation, association or part-
20 nership financially interested in the manufacture, transportation or sale
21 of liquor may hold interest in a licensed premises if the licensed premises
22 serves food cooked on the site of the licensed premises, and the person or
23 entity can show through recordkeeping that no more than fifty percent (50%)
24 of the gross revenue to the licensed premises is derived from the sale of
25 alcoholic beverages on site. The owner of the licensed premises, pursuant to
26 this subsection, shall comply with and be subject to all other rules, regu-
27 lations or other provisions of law that apply to manufacturers, rectifiers,
28 wholesalers, stockholders, shareholders, partners or the owners of any
29 interest in any corporation, association or partnership financially inter-
30 ested in the manufacture, transportation or sale of liquor, except as such
31 rules, regulations or laws may restrict such sales at the licensed premises.
32 The holder of a license pursuant to this section shall not be disqualified
33 from holding a beer license, a retail wine license or wine by the drink li-
34 cense for the sale of beer or wine at the licensed premises on the grounds
35 that the licensee is also a manufacturer, wholesaler, stockholder, share-
36 holder, partner or the owner of any interest in any corporation, association
37 or partnership financially interested in the manufacture, transportation or
38 sale of liquor, beer or wine. This subsection shall not be deemed to grant a
39 license for the retail sale of liquor by the drink, and the license must be
40 obtained through normal lawful means.

41 SECTION 38. That Section [23-919](#), Idaho Code, be, and the same is hereby
42 repealed.

43 SECTION 39. That Chapter 9, Title 23, Idaho Code, be, and the same is
44 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
45 ignated as Section 23-919, Idaho Code, and to read as follows:

1 23-919. FORM OF LICENSE -- AUTHORITY -- EXPIRATION -- LIMITATIONS. (1)
2 Every municipal license issued under the provisions of this chapter shall
3 set forth the name of the person to whom it is issued, the location by street
4 and number or other definite designation of the premises, and such other in-
5 formation as the county or city, if the premises is within an incorporated
6 city, shall deem necessary. If issued to a partnership, the names of the per-
7 sons constituting such partnership shall be set forth in the application.
8 If issued to a corporation or association, the names of the principal offi-
9 cers and the governing board shall be set forth in the application. Such li-
10 cense shall be signed by the licensee and prominently displayed in the place
11 of business at all times.

12 (2) Such license shall be site-specific and not be transferred to any
13 other location or person.

14 (3) Every municipal and state liquor license is separate and distinct,
15 and no person except the licensee therein named, except as herein otherwise
16 provided, shall exercise any of the privileges granted thereunder. All
17 licenses shall expire at one o'clock a.m. on the first day of the renewal
18 month, which shall be determined by rule, and shall be subject to annual re-
19 newal upon proper application. Renewal applications for liquor by the drink
20 licenses accompanied by the fee must be filed on or before the first day of
21 the designated renewal month. Any licensee holding a valid license who fails
22 to file an application for renewal of the license on or before the first day
23 of the designated renewal month shall have a grace period of an additional
24 thirty-one (31) days in which to file an application for renewal of the li-
25 cense. The licensee shall not be permitted to sell and dispense liquor by the
26 drink at retail during the thirty-one (31) day extended time period unless
27 and until the license is renewed.

28 (4) An application to transfer any state liquor license shall be made to
29 the director. Upon receipt of such an application, the director shall make
30 the same investigation and determinations with respect to the transferee as
31 are required by sections 23-910 and 23-911, Idaho Code, and if the director
32 determines that all of the conditions required of a licensee under this chap-
33 ter have been met by the proposed transferee, then the license shall be en-
34 dorsed over to the proposed transferee by said licensee for the remainder of
35 the period for which such license has been issued, and the director shall is-
36 sue a license to the transferee.

37 (5) The director, in his or her discretion, may deny the transfer of a
38 license during the pendency of any proceedings for suspension or revocation
39 that were instituted pursuant to the terms of this chapter.

40 (6) The fee for transferring a state liquor license shall be ten percent
41 (10%) of the purchase price of the state liquor license or the cost of good-
42 will, whichever is greater; except no fee shall be collected in the following
43 events:

- 44 (a) The transfer of a license between spouses in the event of a property
45 division;
46 (b) The transfer of a license to a receiver, trustee in bankruptcy or
47 similar person or officer;
48 (c) The transfer of a license to the heirs or personal representative of
49 the estate in the event of the death of the licensee;

1 (d) The transfer of a license arising out of the dissolution of a part-
2 nership where the license is transferred to one (1) or more of the part-
3 ners; or

4 (e) The transfer of a license within a family, whether an individual,
5 partnership or corporation.

6 (7) The fee for transferring a state liquor license for other than a
7 sale shall be fifty percent (50%) of the annual license fee for state liquor
8 licenses set forth in section 23-913, Idaho Code; except no fee shall be col-
9 lected for transfers as outlined in subsection (6) of this section.

10 SECTION 40. That Section [23-920](#), Idaho Code, be, and the same is hereby
11 repealed.

12 SECTION 41. That Chapter 9, Title 23, Idaho Code, be, and the same is
13 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
14 ignated as Section 23-920, Idaho Code, and to read as follows:

15 23-920. RESTRICTION ON TRANSFER OF STATE LIQUOR LICENSES. (1) No
16 state liquor license shall be transferred, assigned, leased or sold if:

17 (a) The state liquor license, when issued, was not transferable;

18 (b) The state tax commission has notified the director and the licensee
19 in writing that any tax imposed by chapters 30 and 36, title 63, Idaho
20 Code, interest, penalty, and additional amount, which has accrued as a
21 result of the operation of the licensed premises, has been assessed as
22 provided in section 63-3045A, Idaho Code, against the licensee or any
23 person operating the licensed premises with the permission of the li-
24 censee; or

25 (c) The department of labor has notified the director and the licensee
26 in writing that a lien has been filed against the licensee, or any person
27 operating the licensed premises with the permission of the licensee, as
28 a result of the operation of the licensed premises, securing amounts due
29 pursuant to chapter 13, title 72, Idaho Code.

30 (2) At such time as the state tax commission or the department of labor
31 has notified the director and licensee as herein provided, the license is-
32 sued for the premises, the operation of which has resulted in the accrual of
33 the tax for which the warrant or lien is outstanding, shall be subject to levy
34 and distraint pursuant to chapter 30, title 63, Idaho Code, or seizure pur-
35 suant to section 72-1360A, Idaho Code.

36 SECTION 42. That Section [23-921](#), Idaho Code, be, and the same is hereby
37 repealed.

38 SECTION 43. That Chapter 9, Title 23, Idaho Code, be, and the same is
39 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
40 ignated as Section 23-921, Idaho Code, and to read as follows:

41 23-921. SUSPENSION, REVOCATION AND REFUSAL TO RENEW LICENSES. (1) The
42 director may suspend, revoke or refuse to renew a state liquor license for
43 any violation of, or failure to comply with, the provisions of this chapter
44 or rules promulgated by the director pursuant to the terms and conditions of
45 this chapter. Procedures for the suspension, revocation or refusal to re-

1 new licenses issued under this chapter shall be in accordance with the provi-
2 sions of chapter 52, title 67, Idaho Code.

3 (2) When the director determines to suspend such license, the affected
4 licensee may petition the director prior to the effective date of the sus-
5 pension requesting that a monetary payment be allowed in lieu of the license
6 suspension. If the director determines payment to be consistent with the
7 purpose of the laws of the state of Idaho and is in the public interest, the
8 director shall establish a monetary payment in an amount not to exceed five
9 thousand dollars (\$5,000). The licensee may reject the payment amount de-
10 termined by the director and instead be subject to the suspension provisions
11 of subsection (1) of this section. Upon payment of the amount established,
12 the director shall cancel the suspension period. The director shall cause
13 any payment to be paid to the treasurer of the state of Idaho for disposition
14 consistent with section 23-914 or 23-940, Idaho Code.

15 (3) The director may adopt guidelines and rules, which shall be avail-
16 able to licensees and members of the public, stating the minimum and maxi-
17 mum periods of suspensions or minimum and maximum amounts of monetary pay-
18 ments the director will consider in lieu of the imposition of suspensions for
19 particular violations of the provisions of this title. Guidelines and rules
20 adopted by the director shall not prevent, or be construed to prohibit, the
21 director from imposing a greater or lesser period of suspension, or imposing
22 a greater or lesser monetary payment, within the limits established by this
23 section, based upon aggravated or extenuating circumstances found to exist
24 by the director.

25 (4) The suspension of a license for the sale of beer or wine shall auto-
26 matically result in the suspension of any state or municipal license for the
27 sale of liquor held by the same licensee and issued for the same premises.
28 Such additional suspension shall be equal in length to and run concurrently
29 with the period of the original suspension.

30 (5) When a proceeding to revoke or suspend a state liquor license has
31 been or is about to be instituted, during the time when renewal of such state
32 liquor license is pending before the director, the director shall renew the
33 state liquor license notwithstanding the pending proceedings, but such re-
34 newed state liquor license may be revoked or suspended without hearing if and
35 when the previous state liquor license is, for any reason, revoked or sus-
36 pended.

37 SECTION 44. That Chapter 9, Title 23, Idaho Code, be, and the same is
38 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
39 ignated as Section 23-921A, Idaho Code, and to read as follows:

40 23-921A. LICENSES -- SUSPENSION OR REVOCATION FOR VIOLATION OF OB-
41 SCENITY LAWS. (1) No licensee shall conduct or permit any acts or activities
42 that violate chapter 41, title 18, Idaho Code, in or on premises licensed
43 pursuant to this title.

44 (2) If a first violation of chapter 41, title 18, Idaho Code, relating
45 to obscenity occurs on premises licensed pursuant to this title, the direc-
46 tor shall suspend the license for a period of six (6) months. A second such
47 violation shall result in revocation of the license.

1 SECTION 45. That Chapter 9, Title 23, Idaho Code, be, and the same is
2 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
3 ignated as Section 23-922, Idaho Code, and to read as follows:

4 23-922. SELLING LIQUOR WITHOUT A LICENSE -- PENALTY. A person who
5 sells or keeps for sale any liquor without a license as provided for in this
6 act shall be guilty of a felony and upon conviction thereof shall be fined not
7 less than one thousand dollars (\$1,000) nor more than five thousand dollars
8 (\$5,000), or be imprisoned in the state prison for not less than one (1) year
9 nor more than five (5) years, or both such fine and imprisonment.

10 SECTION 46. That Chapter 9, Title 23, Idaho Code, be, and the same is
11 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
12 ignated as Section 23-923, Idaho Code, and to read as follows:

13 23-923. LICENSEES MUST PURCHASE FROM STATE LIQUOR DIVISION --
14 PRICE. (1) All liquor, excluding wine and beer, sold by any licensee shall be
15 purchased from the state liquor division through its regular retail stores
16 and distributors at the posted price thereof. The state liquor division is
17 hereby authorized and directed to make such sales in accordance with section
18 23-309, Idaho Code, to be paid at the time of purchase upon a special permit
19 issued to such licensee in such form as shall be prescribed by the state
20 liquor division. As used in this section, "posted price" means the retail
21 price of such liquor as fixed and determined by the state liquor division.

22 (2) Alcohol purchased from the state liquor division at the discount
23 available to state liquor licensees may not be sold at a location authorized
24 by municipal license to sell liquor by the drink. A violation of this subsec-
25 tion is punishable by:

- 26 (a) Revocation of a state or municipal license by the director; or
27 (b) An administrative fine of five thousand dollars (\$5,000) payable to
28 the director.

29 SECTION 47. That Chapter 9, Title 23, Idaho Code, be, and the same is
30 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
31 ignated as Section 23-924, Idaho Code, and to read as follows:

32 23-924. OFFICERS MAY EXAMINE PREMISES. (1) The director, the direc-
33 tor's duly authorized representative, the sheriff of any county, or another
34 police officer shall have the right at any time to make an examination of the
35 premises of any licensee to determine whether the laws of the state of Idaho,
36 the rules of the director, and the ordinances of any county or city are being
37 complied with and shall also have the right to inspect the cars of any rail-
38 road system licensed under this act.

39 (2) Persons under the age of twenty-one (21) years may assist with ran-
40 dom, unannounced inspections; provided however, that a person under the age
41 of eighteen (18) years may assist in an inspection only with the written con-
42 sent of a parent or legal guardian. When assisting with these inspections,
43 persons under the age of twenty-one (21) years shall not provide false iden-
44 tification and shall not make any false statements regarding their age.

1 (3) The director or the director's designee shall inform the licensee
2 or the licensee's designee of a violation of the provisions of this chapter
3 in writing within twenty-four (24) hours of discovering such violation.

4 SECTION 48. That Chapter 9, Title 23, Idaho Code, be, and the same is
5 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
6 ignated as Section 23-925, Idaho Code, and to read as follows:

7 23-925. ILLEGAL LIQUOR -- SEIZURE -- EXCEPTION FOR COMMON CARRI-
8 ERS. (1) It shall be unlawful for any licensee to sell, keep for sale, or have
9 on the premises for any purpose whatsoever any liquor except liquor produced
10 on the premises by a licensed distiller or purchased as herein authorized
11 and provided, and any licensee found in possession of, selling or keeping
12 for sale any liquor not purchased as herein authorized shall be guilty of a
13 felony and upon conviction thereof may be punished by a fine of not less than
14 one thousand dollars (\$1,000) nor more than five thousand dollars (\$5,000),
15 or by imprisonment in the state prison for not more than five (5) years, or
16 by both such fine and imprisonment. Any license issued to such person shall
17 be immediately and permanently revoked. The amount of liquor to be sold to
18 licensees hereunder in any city or village shall be determined by the super-
19 intendent or other executive officer of the state liquor division, but such
20 sales shall be regulated to maintain adequate stocks of merchandise for sale
21 to persons other than said licensees.

22 (2) The director or any of the director's agents, any sheriff, or other
23 police officer who finds any liquor kept or held by any person in violation
24 of the provisions of this act may forthwith seize and remove the same and keep
25 the same as evidence and, upon conviction of the person for violation of the
26 provisions hereof, the said liquor, and all packages or receptacles contain-
27 ing the same, shall be forfeited to the state of Idaho and, in addition, the
28 person so violating this act shall be subject to the other penalties herein
29 prescribed.

30 (3) The provisions of this section notwithstanding, common carriers
31 shall have the right to have in their possession liquors other than those
32 purchased from the Idaho state liquor division.

33 SECTION 49. That Section 23-926, Idaho Code, be, and the same is hereby
34 repealed.

35 SECTION 50. That Chapter 9, Title 23, Idaho Code, be, and the same is
36 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
37 ignated as Section 23-926, Idaho Code, and to read as follows:

38 23-926. SIGNS FOR RESTRICTED ENTRY. Every licensee under this chap-
39 ter shall keep a sign conspicuously posted over or near each entrance to
40 any place from which persons under the age of twenty-one (21) years are
41 restricted giving public notice of such fact. The sign shall contain the
42 following words in lettering of at least one (1) inch in height: "Admittance
43 of persons under twenty-one (21) years of age prohibited by law."

44 SECTION 51. That Section 23-927, Idaho Code, be, and the same is hereby
45 repealed.

1 SECTION 52. That Chapter 9, Title 23, Idaho Code, be, and the same is
2 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
3 ignated as Section 23-927, Idaho Code, and to read as follows:

4 23-927. SALE AWAY FROM LICENSED PREMISES PROHIBITED -- GAMING PROHIB-
5 ITED. (1) It shall be unlawful for any licensee to sell, give away, dispense,
6 vend or deliver any liquor in any fashion or by any means or device, except
7 upon the licensed premises, unless permitted pursuant to section 23-928,
8 Idaho Code, or with written permission granted by the director for state
9 liquor licenses, or by the county or city for municipal licenses, in response
10 to damage or destruction that causes closure of the premises.

11 (2) It shall be unlawful for any licensee granted a license under the
12 authority of this title to permit, conduct, play, carry on, open or cause to
13 be opened any gaming in or on the licensed premises or in or on any premises
14 directly connected by a door, hallway or other means of access from the li-
15 censed premises. Any licensee authorized under this title and who is also
16 authorized by other law to conduct the activities of lottery, bingo, raf-
17 fles and pari-mutuel betting on the licensed premises shall be exempt from
18 the provisions of this subsection as long as the activities are conducted in
19 conformity with statute and any rules promulgated under such statute.

20 SECTION 53. That Section 23-928, Idaho Code, be, and the same is hereby
21 repealed.

22 SECTION 54. That Chapter 9, Title 23, Idaho Code, be, and the same is
23 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
24 ignated as Section 23-928, Idaho Code, and to read as follows:

25 23-928. ALCOHOL BEVERAGE CATERING PERMIT -- APPLICATION. (1) For pur-
26 poses of this section, "alcohol beverage catering permit" means a permit au-
27 thORIZING the permittee to serve and sell liquor by the drink, beer and wine,
28 or beer or wine, at a festival or convention for a period of time not to exceed
29 five (5) consecutive days, with an option to request one (1) permit extension
30 on the same terms and conditions as the original permit, which extension may
31 be issued or denied at the sole and absolute discretion of the original issu-
32 ing entity, or at a party for a period of time not to exceed two (2) days. An
33 alcohol beverage catering permit shall be limited to authorization to sell
34 liquor or beer or wine, or any combination thereof, based on the type of li-
35 cense that the applicant possesses.

36 (2) An application for an alcohol beverage catering permit shall be
37 made to the city in which the liquor, beer or wine is to be served, or if not in
38 a city, then to the county, on such form as prescribed by the city or county,
39 which form shall contain at a minimum, but not be limited to, the following
40 information:

- 41 (a) The name and address of the applicant, and the number of the appli-
42 cant's liquor, beer or wine license;
43 (b) The dates and hours during which the permit is to be effective, not
44 to exceed five (5) consecutive days;
45 (c) The names of the organizations, groups or persons sponsoring the
46 event; and

1 (d) The address at which the liquor, beer or wine is to be served, and,
2 if in a public building, the rooms in which the liquor, beer or wine is to
3 be served.

4 (3) The application shall be verified by the applicant and filed with
5 the appropriate governing body or its designee. A filing fee in the amount
6 of thirty dollars (\$30.00) for each day the permit is to be effective shall
7 be paid to the treasury of the governing body and shall not be refunded in any
8 event. An alcohol beverage catering permit shall be valid only within the
9 issuing jurisdiction.

10 (4) No alcohol beverage catering permit issued pursuant to this sec-
11 tion shall be used for licensed premises. An alcohol beverage catering per-
12 mit issued pursuant to this section shall be exercised only by the licensee
13 on record.

14 SECTION 55. That Chapter 9, Title 23, Idaho Code, be, and the same is
15 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
16 ignated as Section 23-929, Idaho Code, and to read as follows:

17 23-929. FILING APPLICATION -- APPROVAL. Upon the filing of an appli-
18 cation for an alcohol beverage catering permit, the city council or its de-
19 signee or the board of county commissioners or its designee receiving the ap-
20 plication shall, upon the advice and recommendation of the chief of police
21 and the chief of fire or the sheriff, approve or disapprove the application
22 and indicate the determination on the face of the application by endorse-
23 ment signed by the clerk of the city or county. The chief of police and the
24 chief of fire are, or the sheriff is, authorized to endorse the application
25 for an alcohol beverage catering permit with sufficient conditions to ensure
26 public safety. Copies of the application with signed endorsements thereon
27 shall be mailed or delivered immediately to the chief of police or the sher-
28 iff, the director and the applicant, and a signed copy retained by the clerk.
29 An application approved in this manner shall constitute an alcohol beverage
30 catering permit.

31 SECTION 56. That Section 23-930, Idaho Code, be, and the same is hereby
32 repealed.

33 SECTION 57. That Chapter 9, Title 23, Idaho Code, be, and the same is
34 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
35 ignated as Section 23-930, Idaho Code, and to read as follows:

36 23-930. REGULATORY AND PENALTY PROVISIONS APPLICABLE. The regulatory
37 and penal provisions of this title shall apply to the exercise of alcohol
38 beverage catering permits, including the penalties for violations, except
39 such provisions declared to be inapplicable to alcohol beverage catering
40 permits by rules prescribed by the director; provided however, that neither
41 the director nor any county or city shall have the power to declare inappli-
42 cable the provisions of section 23-932, Idaho Code.

43 SECTION 58. That Section 23-931, Idaho Code, be, and the same is hereby
44 repealed.

1 SECTION 59. That Chapter 9, Title 23, Idaho Code, be, and the same is
2 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
3 ignated as Section 23-931, Idaho Code, and to read as follows:

4 23-931. DESTRUCTION OF STAMPS -- SANITARY REQUIREMENTS. It shall be
5 the duty of any licensee under this chapter immediately upon emptying any
6 liquor container to deface, so that the same may not again be used, all gov-
7 ernment or state stamps or labels. Any licensed premises shall be maintained
8 in sanitary condition according to any applicable provision of law and any
9 city or county ordinance pertaining to the premises, and any such person who
10 fails to perform the duty provided in this section shall be guilty of a misde-
11 meanor.

12 SECTION 60. That Section 23-932, Idaho Code, be, and the same is hereby
13 repealed.

14 SECTION 61. That Chapter 9, Title 23, Idaho Code, be, and the same is
15 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
16 ignated as Section 23-932, Idaho Code, and to read as follows:

17 23-932. HOURS OF SALE OF LIQUOR. (1) No liquor shall be sold, offered
18 for sale, or given away on any licensed premises or under a permit, and all
19 liquor not in sealed bottles must be locked in a separate room or cabinet dur-
20 ing the following hours:

21 (a) Sunday, Memorial Day, Thanksgiving and Christmas from one o'clock
22 a.m. to ten o'clock a.m. the following day; provided however, that on
23 any Sunday not otherwise being a prescribed holiday, it shall be lawful
24 for a licensee having a banquet area or meeting room facilities, sep-
25 arate and apart from the usual dispersing area (barroom) and separate
26 and apart from a normal public dining room unless such dining room is
27 closed to the public, to therein dispense liquor between the hours of
28 two o'clock p.m. and eleven o'clock p.m. to bona fide participants of
29 banquets, receptions or conventions for consumption only within the
30 confines of the banquet area or meeting room facility; and

31 (b) On any other day between one o'clock a.m. and ten o'clock a.m.

32 (2) When a city or county has an ordinance further limiting the hours of
33 sale of liquor by the drink, then such hours shall be fixed by such ordinance.

34 (3) A county or city may, by ordinance, allow the sale of liquor by the
35 drink on a Sunday, Memorial Day, Thanksgiving or Christmas and may also ex-
36 tend until two o'clock a.m. the hours of the sale of liquor by the drink.

37 (4) Any patron present on the licensed premises after the sale of liquor
38 has stopped as provided in subsections (1), (2) and (3) of this section shall
39 have a reasonable time, not to exceed thirty (30) minutes, to consume any
40 beverages already served.

41 (5) Any person who consumes or intentionally permits the consumption
42 of any alcohol beverage on licensed premises after the time provided for in
43 subsection (4) of this section shall be guilty of a misdemeanor.

44 (6) It shall be the duty of every person who is employed at or on a li-
45 censed premises or who owns or manages a licensed premises, and is present
46 on the licensed premises during the hours and at the time set forth in sub-
47 sections (1), (2) and (3) of this section, to lock up and keep locked up in

1 a locked room or locked cabinet all unsealed containers of liquor during the
2 hours and at the times set forth in subsections (1), (2) and (3) of this sec-
3 tion. Any such person who fails to perform the duty provided herein shall be
4 guilty of a misdemeanor.

5 SECTION 62. That Section [23-933](#), Idaho Code, be, and the same is hereby
6 repealed.

7 SECTION 63. That Chapter 9, Title 23, Idaho Code, be, and the same is
8 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
9 ignated as Section 23-933, Idaho Code, and to read as follows:

10 23-933. DUTY OF PUBLIC OFFICERS. It is hereby made the duty of the di-
11 rector, prosecuting attorneys, sheriffs and peace officers of the counties
12 and incorporated cities of this state knowing of any violation of this act to
13 make complaint before the proper tribunal and perform the duties of their of-
14 fice with respect to the prosecution and conviction of such offenders. Any
15 such person knowingly refusing to inform against or prosecute any offender
16 under the provisions of this act shall be subject to action against such per-
17 son as provided in chapter 41, title 19, Idaho Code.

18 SECTION 64. That Section [23-933A](#), Idaho Code, be, and the same is hereby
19 repealed.

20 SECTION 65. That Section [23-933B](#), Idaho Code, be, and the same is hereby
21 repealed.

22 SECTION 66. That Section [23-934](#), Idaho Code, be, and the same is hereby
23 repealed.

24 SECTION 67. That Chapter 9, Title 23, Idaho Code, be, and the same is
25 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
26 ignated as Section 23-934, Idaho Code, and to read as follows:

27 23-934. MITIGATION FOR LOST VALUE OF LICENSE. (1) There is hereby es-
28 tablished in the state treasury a fund to be known as the state license value
29 loss mitigation fund. Moneys in the fund shall consist of moneys deposited
30 pursuant to sections 23-617, 23-913 and 23-914, Idaho Code, and legislative
31 appropriation, and shall be used for the purposes of this section. The state
32 treasurer shall disburse moneys from the fund in accordance with instruc-
33 tions from the director and the provisions of this section.

34 (2) Subsections (3) through (6) of this section shall apply if:

35 (a) A state liquor license was issued more than two (2) years prior to
36 the effective date of this act;

37 (b) The holder of the license purchased the license from a private party
38 prior to January 31, 2017;

39 (c) The holder of the license sells the license during a period of not
40 less than two (2) years and not more than five (5) years after the effec-
41 tive date of this act; and

42 (d) The holder of the license sells such license for less than fifty
43 percent (50%) of its value as of the effective date of this act. The

1 value shall be determined by the price the holder paid for the license
2 prior to January 31, 2017.

3 (3) If the holder of a state liquor license sells the license accord-
4 ing to the provisions of this section, the state shall reimburse such holder
5 from the fund established by this section. The amount of reimbursement shall
6 be the difference between fifty percent (50%) of the value of the license,
7 which value shall be determined as provided in subsection (2) (d) of this sec-
8 tion, and the price at which the holder sells the license. Provided how-
9 ever, that the amount of reimbursement shall not exceed fifty thousand dol-
10 lars (\$50,000).

11 (4) Reimbursement for a state liquor license may be paid only once.
12 This section shall not apply to subsequent sales.

13 (5) The holder of a state liquor license who intends to sell the license
14 and avail himself of the provisions of this section, and the intended buyer
15 of such license, shall sign an affidavit and submit it to the director prior
16 to the sale, which affidavit shall attest that:

17 (a) The holder of the license and the intended buyer share no common fi-
18 nancial interests; and

19 (b) The holder of the license will not receive any direct or indirect
20 pecuniary benefit from the sale of the license, other than the consider-
21 ation paid for the license.

22 (6) A person who sells a state liquor license subject to the provisions
23 of this section shall be deemed ineligible for the purchase of another state
24 liquor license indefinitely.

25 (7) After all persons eligible for reimbursement under this section
26 have been paid such reimbursement, the fund shall be dissolved, and any
27 remaining moneys in the fund shall be distributed as provided in section
28 23-914(2), Idaho Code.

29 SECTION 68. That Section [23-934A](#), Idaho Code, be, and the same is hereby
30 repealed.

31 SECTION 69. That Section [23-934B](#), Idaho Code, be, and the same is hereby
32 repealed.

33 SECTION 70. That Section [23-934C](#), Idaho Code, be, and the same is hereby
34 repealed.

35 SECTION 71. That Section [23-935](#), Idaho Code, be, and the same is hereby
36 repealed.

37 SECTION 72. That Section [23-936](#), Idaho Code, be, and the same is hereby
38 repealed.

39 SECTION 73. That Section [23-937](#), Idaho Code, be, and the same is hereby
40 repealed.

41 SECTION 74. That Section [23-938](#), Idaho Code, be, and the same is hereby
42 repealed.

43 SECTION 75. That Section [23-939](#), Idaho Code, be, and the same is hereby
44 repealed.

1 SECTION 76. That Section 23-940, Idaho Code, be, and the same is hereby
2 amended to read as follows:

3 23-940. ALCOHOL BEVERAGE CONTROL FUND. (1) There is hereby created
4 in the state treasury the alcohol beverage control fund. All moneys from
5 license and transfer fees that are collected by the director pursuant to
6 the provisions of this chapter shall be paid over to the state treasurer for
7 deposit in the alcohol beverage control fund except as provided in section
8 23-914, Idaho Code, or another applicable provision of law. Expenditures
9 of moneys in the fund shall be subject to legislative appropriation for the
10 use of the Idaho state police alcohol beverage control bureau in carrying
11 out the provisions of title 23, Idaho Code, and the rules promulgated by the
12 director thereunder. At the beginning of each fiscal year, those moneys in
13 the alcohol beverage control fund that exceed two hundred percent (200%) of
14 that fiscal year appropriation, as certified by the state treasurer, shall
15 be transferred to the general fund.

16 (2) All other moneys collected by the director pursuant to the provi-
17 sions of this chapter shall be paid over to the state treasurer for deposit in
18 the general fund except as provided in section 23-914, Idaho Code, or another
19 applicable provision of law.

20 SECTION 77. That Section 23-941, Idaho Code, be, and the same is hereby
21 repealed.

22 SECTION 78. That Section 23-942, Idaho Code, be, and the same is hereby
23 repealed.

24 SECTION 79. That Section 23-943, Idaho Code, be, and the same is hereby
25 amended to read as follows:

26 23-943. PERSONS UNDER SPECIFIED AGES FORBIDDEN TO ENTER, REMAIN IN OR
27 LOITER AT CERTAIN LICENSED PLACES. No person under the age of twenty-one (21)
28 years shall enter, remain in or loiter in or about any place, ~~as herein de-~~
29 ~~defined,~~ licensed for the sale of liquor by the drink at retail, or sale of
30 beer for consumption on the premises; nor shall any licensee of either such
31 place, or any person in charge thereof, or on duty while employed by the li-
32 censee therein, permit or allow any person under the age specified with re-
33 spect thereto to remain in or loiter in or about such place.

34 Provided, however, it is lawful for persons who are musicians and
35 singers eighteen (18) years of age or older, to enter and to remain in any
36 such place as defined in section 23-942, Idaho Code, but only during and in
37 the course of their employment as musicians and singers. Provided further,
38 that it is lawful for persons who are nineteen (19) years of age or older to
39 sell, serve, possess or dispense liquor, beer or wine in the course of their
40 employment in any place ~~as defined in section 23-942, Idaho Code, or in any~~
41 ~~other place~~ where liquor, beer or wine are lawfully present, ~~so~~ as long as
42 such place is the place of employment for such person under twenty-one (21)
43 years of age. However the foregoing shall not permit the sale or distribu-
44 tion of any alcoholic beverages to any person under the ages specified for
45 sale of alcoholic beverages.

1 SECTION 80. That Section [23-943A](#), Idaho Code, be, and the same is hereby
2 repealed.

3 SECTION 81. That Section [23-944](#), Idaho Code, be, and the same is hereby
4 repealed.

5 SECTION 82. That Section [23-945](#), Idaho Code, be, and the same is hereby
6 repealed.

7 SECTION 83. That Section [23-946](#), Idaho Code, be, and the same is hereby
8 repealed.

9 SECTION 84. That Section [23-947](#), Idaho Code, be, and the same is hereby
10 repealed.

11 SECTION 85. That Section [23-948](#), Idaho Code, be, and the same is hereby
12 repealed.

13 SECTION 86. That Section 23-949, Idaho Code, be, and the same is hereby
14 amended to read as follows:

15 23-949. PERSONS NOT ALLOWED TO SELL, SERVE OR DISPENSE BEER, WINE OR
16 OTHER ALCOHOLIC LIQUOR. (1) It is unlawful for any person under the age of
17 twenty-one (21) years to sell, serve or dispense beer, wine or other alco-
18 holic liquor; provided, however, that any person who is nineteen (19) years
19 of age or older may sell, serve and dispense liquor, beer or wine in the
20 course of his employment in any place ~~as defined in section 23-942, Idaho~~
21 ~~Code, or other place~~ where liquor, beer or wine is lawfully present ~~so~~ as long
22 as such place is the place of employment for ~~such~~ the person under twenty-one
23 (21) years of age.

24 (2) For purposes of this section, a person who sells, serves or dis-
25 penses liquor, beer or wine in compliance with the provisions of this sec-
26 tion shall not be deemed to "possess" alcohol in violation of section 23-604,
27 Idaho Code.

28 (3) Any person violating the provisions of this section shall be guilty
29 and punished in accordance with section 18-1502, Idaho Code.

30 SECTION 87. That Section [23-950](#), Idaho Code, be, and the same is hereby
31 repealed.

32 SECTION 88. That Section [23-951](#), Idaho Code, be, and the same is hereby
33 repealed.

34 SECTION 89. That Section [23-952](#), Idaho Code, be, and the same is hereby
35 repealed.

36 SECTION 90. That Section [23-953](#), Idaho Code, be, and the same is hereby
37 repealed.

38 SECTION 91. That Section [23-954](#), Idaho Code, be, and the same is hereby
39 repealed.

1 SECTION 92. That Section [23-955](#), Idaho Code, be, and the same is hereby
2 repealed.

3 SECTION 93. That Section [23-956](#), Idaho Code, be, and the same is hereby
4 repealed.

5 SECTION 94. That Section [23-957](#), Idaho Code, be, and the same is hereby
6 repealed.

7 SECTION 95. That Section 18-7803, Idaho Code, be, and the same is hereby
8 amended to read as follows:

9 18-7803. DEFINITIONS. As used in this chapter, (a) "Racketeering"
10 means any act which is chargeable or indictable under the following sections
11 of the Idaho Code or which are equivalent acts chargeable or indictable as
12 equivalent crimes under the laws of any other jurisdiction:

- 13 (1) Homicide (section 18-4001, Idaho Code);
- 14 (2) Robbery, burglary, theft, forgery, counterfeiting, and related
15 crimes (sections 18-1401, 18-1405, 18-2403, 18-2407, 18-3123, 18-3124,
16 18-3125, 18-3601, 18-3602, 18-3603, 18-3605, 18-3606, 18-3607,
17 18-3609, 18-3610, 18-3614, 18-3615, 18-4630, 18-6501 and 49-518, Idaho
18 Code);
- 19 (3) Kidnapping (section 18-4501, Idaho Code);
- 20 (4) Prostitution (sections 18-5601, 18-5602, 18-5603, 18-5604,
21 18-5605, 18-5606, 18-5608 and 18-5609, Idaho Code);
- 22 (5) Arson (sections 18-801, 18-802, 18-803, 18-804 and 18-805, Idaho
23 Code);
- 24 (6) Assault (sections 18-908 and 18-4015, Idaho Code);
- 25 (7) Lotteries and gambling (sections 18-3801, 18-3802, 18-3809,
26 18-4902, 18-4903, 18-4904, 18-4905, 18-4906 and 18-4908, Idaho Code);
- 27 (8) Indecency and obscenity (sections 18-1515, 18-1518, 18-4103,
28 18-4103A, 18-4104, 18-4105, 18-4105A and 18-4107, Idaho Code);
- 29 (9) Poisoning (sections 18-4014 and 18-5501, Idaho Code);
- 30 (10) Fraudulent practices, false pretenses, insurance fraud, finan-
31 cial transaction card crimes and fraud generally (sections 18-2403,
32 18-2706, 18-3002, 18-3101, 18-3124, 18-3125, 18-3126, 18-6713, 41-293,
33 41-294 and 41-1306, Idaho Code);
- 34 (11) Alcoholic beverages (sections 23-602, 23-606, 23-610, 23-703,
35 ~~23-90511~~, ~~23-91422~~, ~~23-928~~, ~~23-934~~ and ~~23-93827~~, Idaho Code);
- 36 (12) Cigarette taxes (sections 63-2505 and 63-2512(b), Idaho Code);
- 37 (13) Securities (sections 30-14-401, 30-14-402, 30-14-403, 30-14-404,
38 30-14-501, 30-14-502, 30-14-505 and 30-14-506, Idaho Code);
- 39 (14) Horseracing (section 54-2512, Idaho Code);
- 40 (15) Interest and usurious practices (sections 28-45-401 and 28-45-
41 402, Idaho Code);
- 42 (16) Corporations (sections 18-1901, 18-1902, 18-1903, 18-1904,
43 18-1905, 18-1906 and 30-1510, Idaho Code);
- 44 (17) Perjury (sections 18-5401 and 18-5410, Idaho Code);
- 45 (18) Bribery and corrupt influence (sections 18-1352 and 18-1353, Idaho
46 Code);

1 (19) Controlled substances (sections 37-2732(a), (b), (c), (e) and (f),
2 37-2732B, 37-2734 and 37-2734B, Idaho Code);

3 (20) Motor vehicles (sections 49-228, 49-231, 49-232 and 49-518, Idaho
4 Code);

5 (21) Terrorism (section 18-8103, Idaho Code).

6 (b) "Person" means any individual or entity capable of holding a legal
7 or beneficial interest in property;

8 (c) "Enterprise" means any sole proprietorship, partnership, corpora-
9 tion, business, labor union, association or other legal entity or any group
10 of individuals associated in fact although not a legal entity, and includes
11 illicit as well as licit entities; and

12 (d) "Pattern of racketeering activity" means engaging in at least two
13 (2) incidents of racketeering conduct that have the same or similar in-
14 tents, results, accomplices, victims or methods of commission, or otherwise
15 are interrelated by distinguishing characteristics and are not isolated
16 incidents, provided at least one (1) of such incidents occurred after the ef-
17 fective date of this act and that the last of such incidents occurred within
18 five (5) years after a prior incident of racketeering conduct.

19 SECTION 96. That Section 23-217, Idaho Code, be, and the same is hereby
20 amended to read as follows:

21 23-217. SURCHARGE ADDED TO PRICE OF ALCOHOLIC LIQUOR AND ALL OTHER
22 MERCHANDISE SOLD -- COLLECTION AND REMISSION BY DIRECTOR. (1) The director
23 of the division is hereby authorized and directed to include in the price
24 of alcoholic liquor and all other merchandise sold in the division, and its
25 branches, a surcharge equal to two percent (2%) of the current price per unit
26 computed to the nearest multiple of five cents (5¢).

27 (2) After the price of the surcharge has been included, the director of
28 the division is hereby authorized and directed to allow a discount of ~~five~~
29 ten percent (510%) from the price of each order of alcoholic liquor and all
30 other merchandise sold to any ~~licensee~~ person holding a state liquor li-
31 cence, as defined in section 23-902(8), Idaho Code.

32 (3) The surcharge imposed pursuant to this section shall be collected
33 and credited monthly to the drug court, mental health court and family court
34 services fund, as set forth in section 1-1625, Idaho Code.

35 SECTION 97. That Section 23-309, Idaho Code, be, and the same is hereby
36 amended to read as follows:

37 23-309. SALES. No state liquor store or special distributor shall
38 sell any alcoholic liquor or any other merchandise on behalf of the division
39 except for cash, check, money order, credit card, electronic funds transfer
40 or debit card. In addition, the division shall, under such rules as may
41 be adopted by it, authorize state liquor stores or special distributors to
42 accept a check, credit cards, electronic funds transfer or debit card from
43 persons licensed for the retail sale of liquor by the drink pursuant to
44 chapter 9, title 23, Idaho Code, as payment for purchases from the division.
45 Dishonor of any credit device given by such person shall constitute grounds
46 for suspension or revocation of such person's license pursuant to section
47 23-93321, Idaho Code, in addition to any other remedy provided by law.

1 SECTION 98. That Section 23-1312, Idaho Code, be, and the same is hereby
2 amended to read as follows:

3 23-1312. BY THE DRINK LIQUOR RETAILERS MAY PURCHASE FROM DISTRIBUTU-
4 TORS. Any law to the contrary notwithstanding, including but not limited to
5 section 23-91423, Idaho Code, the holder of a license for the retail sale of
6 liquor by the drink as defined in chapter 9, title 23, Idaho Code, is hereby
7 authorized to purchase wine from persons holding valid wine distributor's
8 licenses.

9 SECTION 99. That Section 23-1406, Idaho Code, be, and the same is hereby
10 amended to read as follows:

11 23-1406. STORAGE AND RESTOCKING. (1) All alcoholic beverages, which
12 are used to restock and replenish a facility's hospitality cabinets, shall
13 be kept locked in a separate, secure room or cabinet, except when the hospi-
14 tality cabinets are being restocked and replenished.

15 (2) The hospitality cabinets can be restocked and replenished with al-
16 coholic beverages only during those hours when liquor can be sold as provided
17 in section 23-92732, Idaho Code.

18 SECTION 100. That Section 67-7446, Idaho Code, be, and the same is
19 hereby amended to read as follows:

20 67-7446. RESTRICTIONS. Notwithstanding the provisions of section
21 23-9287, Idaho Code, nothing in that section shall be construed to authorize
22 any form of games of chance or private lotteries, except as may be authorized
23 expressly by this chapter in accordance with the Idaho Constitution.

24 SECTION 101. SEVERABILITY. The provisions of this act are hereby de-
25 clared to be severable and if any provision of this act or the application
26 of such provision to any person or circumstance is declared invalid for any
27 reason, such declaration shall not affect the validity of the remaining por-
28 tions of this act.