

IN THE SENATE

SENATE BILL NO. 1194, As Amended in the House

BY JUDICIARY AND RULES COMMITTEE

AN ACT

RELATING TO ALCOHOLIC BEVERAGES; AMENDING SECTION 23-908, IDAHO CODE, TO  
PROVIDE AN EXEMPTION FROM A CERTAIN REQUIREMENT, TO PROVIDE A REQUIRE-  
MENT FOR A LICENSE ISSUED TO A THEATER, AND TO MAKE TECHNICAL CORREC-  
TIONS; AND DECLARING AN EMERGENCY.

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

SECTION 1. That Section 23-908, Idaho Code, be, and the same is hereby  
amended to read as follows:

23-908. FORM OF LICENSE -- AUTHORITY -- EXPIRATION -- LIMITATIONS. (1)  
Every license issued under the provisions of this chapter shall set forth the  
name of the person to whom issued, the location by street and number, or other  
definite designation, of the premises, and such other information as the di-  
rector shall deem necessary. If issued to a partnership, the names of the  
persons constituting such partnership shall be set forth in the application.  
If issued to a corporation or association, the names of the principal offi-  
cers and the governing board shall be set forth in the application. Such li-  
cense shall be signed by the licensee and prominently displayed in the place  
of business at all times. Every license issued under the provisions of this  
chapter is separate and distinct and no person except the licensee therein  
named, except as herein otherwise provided, shall exercise any of the privi-  
leges granted thereunder. All licenses shall expire at 1:00 o'clock a.m. on  
the first day of the renewal month, which shall be determined by the director  
by administrative rule, and shall be subject to annual renewal upon proper  
application. The director will determine the renewal month by county based  
on the number of current licenses within each county, distributing renewals  
throughout the licensing year. The director may adjust the renewal month to  
accommodate population increases. Each licensee will be issued a temporary  
license to operate until ~~their~~ the renewal month has been determined. There-  
after, renewals will occur annually on ~~their~~ the renewal month. Renewal ap-  
plications for liquor by the drink licenses accompanied by the required fee  
must be filed with the director on or before the first day of the designated  
renewal month. Any licensee holding a valid license who fails to file an  
application for renewal of his current license on or before the first day  
of the designated renewal month shall have a grace period of an additional  
thirty-one (31) days in which to file an application for renewal of the li-  
cense. The licensee shall not be permitted to sell and dispense liquor by the  
drink at retail during the thirty-one (31) day extended time period unless  
and until the license is renewed. In any city of less than sixteen thousand  
(16,000) population, as established in the last preceding census or any sub-  
sequent special census conducted by the United States bureau of the census,  
no person shall be granted more than one (1) license in any city for any one  
(1) year; and no partnership, association or corporation in such city of less

1 than sixteen thousand (16,000) population holding a license under the pro-  
 2 visions of this chapter shall have as a member, officer or stockholder any  
 3 person who has any financial interest of any kind in, or is a member of, an-  
 4 other partnership or association or an officer of another corporation hold-  
 5 ing a license in the same city for the same year; ~~provided that~~ however, this  
 6 section shall not prevent any person, firm or corporation, owning two (2) or  
 7 more buildings on connected property in a city from making application for  
 8 and receiving licenses permitting the sale of liquor by the drink in such  
 9 building.

10 (2) An application to transfer any license issued pursuant to chapter  
 11 9, title 23, Idaho Code, shall be made to the director. Upon receipt of such  
 12 an application, the director shall make the same investigation and deter-  
 13 minations with respect to the transferee as are required by section 23-907,  
 14 Idaho Code, and if the director shall determine that all of the conditions  
 15 required of a licensee under chapter 9, title 23, Idaho Code, have been met by  
 16 the proposed transferee, then the license shall be ~~indorsed~~ endorsed over to  
 17 the proposed transferee by said licensee for the remainder of the period for  
 18 which such license has been issued and the director shall issue a license to  
 19 the transferee.

20 (3) The director, in his discretion, may deny the transfer of a license  
 21 during the ~~pendancy~~ pendency of any proceedings for suspension or revocation  
 22 ~~which that~~ were instituted pursuant to the terms of this chapter.

23 (4) Each new license issued on or after July 1, 1980, shall be placed  
 24 into actual use by the original licensee at the time of issuance and remain  
 25 in use for at least six (6) consecutive months or be forfeited to the state  
 26 and be eligible for issue to another person by the director after compliance  
 27 with the provisions of section 23-907, Idaho Code. Such license shall not  
 28 be transferable for a period of two (2) years from the date of original is-  
 29 suance, except as provided by subsection (~~5~~7) (a), (b), (c), (d) or (e) of  
 30 this section.

31 (5) For any license issued to a city, as of January 1, 2023, with a  
 32 population of seven thousand (7,000) or fewer as of the most recent federal  
 33 decennial census, the use requirements contained in subsection (4) of this  
 34 section shall not apply until July 1, 2026, unless such lack of use would  
 35 result in one (1) or fewer such licenses being in use in the city.

36 (6) For any license issued to a theater or movie theater built prior to  
 37 January 1, 1950, and listed on the national register of historic places, such  
 38 license need only be placed into actual use not less than two (2) times per  
 39 year in order to satisfy the use requirements of subsection (4) of this sec-  
 40 tion.

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

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

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 (~~68~~) The fee for transferring a liquor license for other than a sale  
7 shall be fifty percent (50%) of the per annum license fee set forth in sec-  
8 tion 23-904, Idaho Code; except no fee shall be collected for transfers as  
9 outlined in subsection (~~57~~) (a), (b), (c), (d) or (e) of this section.

10 SECTION 2. An emergency existing therefor, which emergency is hereby  
11 declared to exist, this act shall be in full force and effect on and after its  
12 passage and approval.