

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 28

BY STATE AFFAIRS COMMITTEE

AN ACT

RELATING TO THE STATE LIQUOR DISPENSARY; AMENDING THE HEADING FOR CHAPTER 2, TITLE 23, IDAHO CODE, TO REVISE TERMINOLOGY; AND AMENDING SECTIONS 23-102, 23-201, 23-202, 23-203, 23-204, 23-205, 23-206, 23-207, 23-208, 23-209, 23-211, 23-212, 23-214, 23-215, 23-216, 23-217, 23-301, 23-302, 23-305, 23-306, 23-307, 23-308, 23-308B AND 23-309, IDAHO CODE, TO REVISE TERMINOLOGY; AMENDING SECTION 23-311, IDAHO CODE, TO REVISE TERMINOLOGY AND TO MAKE A TECHNICAL CORRECTION; AMENDING SECTIONS 23-312, 23-313, 23-402, 23-403, 23-404, 23-406, 23-407, 23-408, 23-409, 23-502, 23-506, 23-507, 23-508, 23-510, 23-512, 23-513, 23-514, 23-515, 23-517, 23-518, 23-519, 23-601, 23-607, 23-608, 23-610, 23-805, 23-914, 23-1303, 23-1305 AND 23-1311, IDAHO CODE, TO REVISE TERMINOLOGY; AMENDING SECTION 33-2105, IDAHO CODE, TO REVISE TERMINOLOGY AND TO MAKE TECHNICAL CORRECTIONS; AND AMENDING SECTIONS 57-1113, 63-3622M, 63-3638A AND 67-802, IDAHO CODE, TO REVISE TERMINOLOGY.

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

SECTION 1. That the Heading for Chapter 2, Title 23, Idaho Code, be, and the same is hereby amended to read as follows:

CHAPTER 2
STATE LIQUOR ~~DISPENSARY~~ DIVISION

SECTION 2. That Section 23-102, Idaho Code, be, and the same is hereby amended to read as follows:

23-102. PURPOSE OF ACT. This act is passed in the exercise of the police power of the state. It is not designed to abridge the personal privilege of a responsible adult to consume alcoholic liquor as a beverage, except in cases of the abuse of that privilege to the detriment of others. The public interest requires that traffic in alcoholic liquor be regulated and controlled by the state, through the medium of a state liquor ~~dispensary~~ division vested with exclusive authority to import and sell such liquor, with certain exceptions, which are subject to its regulation.

SECTION 3. That Section 23-201, Idaho Code, be, and the same is hereby amended to read as follows:

23-201. ~~SUPERINTENDENT~~ DIRECTOR – APPOINTMENT AND TERM. There shall be a state liquor ~~dispensary~~ division (in this act referred to as the "~~dispensary~~division"), in the office of the governor. The ~~dispensary~~ division shall be a division of the office of the governor for the purposes of chapter 24, title 67, Idaho Code, and the administrator of the

1 division shall be known as the ~~superintendent~~ director of the state liquor ~~dispensary~~ division.
 2 The ~~dispensary~~ division shall be conducted by the ~~superintendent~~ director of the ~~state liquor~~
 3 ~~dispensary~~ division. The ~~superintendent~~ director shall be appointed by the governor for a term
 4 of three (3) years, but may be removed by the governor at will.

5 SECTION 4. That Section 23-202, Idaho Code, be, and the same is hereby amended to
 6 read as follows:

7 23-202. PRINCIPAL PLACE OF BUSINESS. The principal place of business of the
 8 ~~dispensary~~ division shall be in Ada county.

9 SECTION 5. That Section 23-203, Idaho Code, be, and the same is hereby amended to
 10 read as follows:

11 23-203. POWERS AND DUTIES. The ~~dispensary~~ division shall have the following
 12 general powers and duties:

13 (a) Regulation of Liquor Traffic. To permit, license, inspect, and regulate the
 14 manufacture, importation, transportation, storage, sale, and delivery of alcoholic liquor for
 15 purposes permitted by this act.

16 (b) Traffic in Liquor. To buy, import, transport, store, sell, and deliver alcoholic liquor.

17 (c) Operation of Liquor Stores. To establish, maintain, and discontinue warehouses, state
 18 liquor stores and distribution stations, and in the operation thereof to buy, import, transport,
 19 store, sell and deliver such other nonalcohol merchandise as may be reasonably related to its
 20 sale of alcoholic liquor.

21 (d) Acquisition of Real Estate. To acquire, buy, and lease real estate, and to improve and
 22 equip the same for the conduct of its business.

23 (e) Acquisition of Personal Property. To acquire, buy, and lease personal property
 24 necessary and convenient for the conduct of its business.

25 (f) Making Reports. To report to the governor annually, and at such other times as
 26 he may require, concerning the condition, management, and financial transactions of the
 27 ~~dispensary~~ division.

28 (g) General Powers. To do all things necessary and incidental to its powers and duties
 29 under this act.

30 The ~~dispensary~~ division shall so exercise its powers as to curtail the intemperate use
 31 of alcoholic beverages. It shall not attempt to stimulate the normal demands of temperate
 32 consumers thereof, irrespective of the effect on the revenue derived by the state from the resale
 33 of intoxicating liquor.

34 SECTION 6. That Section 23-204, Idaho Code, be, and the same is hereby amended to
 35 read as follows:

36 23-204. SUCCESSOR TO PROPERTY OF FORMER ADMINISTRATORS. The
 37 ~~dispensary~~ division shall succeed to the property and records of the Idaho Liquor Control
 38 Commission created by chapter 103 of the 1935 Session Laws, and the Idaho Liquor Board
 39 created by Senate Bill No. 26 of the Twenty-fifth Session, approved January 26, 1939.

40 SECTION 7. That Section 23-205, Idaho Code, be, and the same is hereby amended to
 41 read as follows:

1 23-205. SECRETARY – APPOINTMENT, TERM AND DUTIES. The ~~superintendent~~
 2 ~~director~~ of the ~~Idaho liquor dispensary~~ division shall appoint a secretary, to serve at the pleasure
 3 of the ~~superintendent~~ director. The secretary shall keep the records of the ~~dispensary~~ division,
 4 and perform such other duties as the ~~superintendent~~ director may prescribe.

5 SECTION 8. That Section 23-206, Idaho Code, be, and the same is hereby amended to
 6 read as follows:

7 23-206. POWERS AND DUTIES OF ~~SUPERINTENDENT~~ DIRECTOR AS
 8 SUCCESSOR TO IDAHO LIQUOR BOARD. The ~~superintendent~~ director of the ~~dispensary~~
 9 division shall have the following general powers and duties. (a) Supervision: To exercise
 10 general supervision of the conduct and business of the ~~dispensary~~ division. (b) Rules and
 11 Regulations: To promulgate rules and regulations in the exercise of the governmental and
 12 proprietary powers and duties of the ~~dispensary~~ division.

13 SECTION 9. That Section 23-207, Idaho Code, be, and the same is hereby amended to
 14 read as follows:

15 23-207. SPECIFIC RULES AND REGULATIONS. Without attempting or intending to
 16 limit the general powers of the ~~superintendent~~ director of the ~~dispensary~~ division contained in
 17 section 23-206, Idaho Code, such powers shall extend to and include the following:

18 (a) To prescribe the duties of the secretary, and to supervise his conduct while in the
 19 discharge of his duties.

20 (b) Subject to the provisions of chapter 53, title 67, Idaho Code, to prescribe the
 21 qualifications of and to select clerks, accountants, agents, vendors, inspectors, servants, legal
 22 counsel, and other personnel to conduct its business and perform its functions; to require that
 23 those holding positions of trust be bonded to the state of Idaho in the time, form and manner
 24 prescribed by chapter 8, title 59, Idaho Code; to fix the compensation of all appointees and
 25 employees, assign their duties, and to discharge them.

26 (c) To regulate the management, operation, bookkeeping, reporting, equipment, records,
 27 and merchandise of state liquor stores and distribution stations and warehouses.

28 (d) To regulate the importation, purchase, transportation, and storage of alcoholic
 29 liquor and the furnishing of alcoholic liquor to state liquor stores, distribution stations, and
 30 warehouses established under this act.

31 (e) To determine the classes, varieties, and brands of alcoholic liquors to be kept in state
 32 warehouses and for sale at state liquor stores and distribution stations.

33 (f) To determine the nature, form, and capacity of packages containing liquor kept or
 34 sold.

35 (g) To prescribe the kinds and character of official seals or labels to be attached to
 36 packages of liquor sold.

37 (h) From time to time to fix the sale prices, which shall be uniform throughout the state,
 38 of the different classes, varieties, or brands of alcoholic liquor, and to issue and distribute price
 39 lists thereof.

40 (i) To prescribe, prepare, and furnish printed forms and information blanks necessary or
 41 convenient for administering this act, and printed copies of the regulations made thereunder. To
 42 contract for the printing thereof and of all necessary records and reports.

1 (j) To regulate the issuance, suspension and revocation of permits and licenses to
2 purchase, manufacture and handle or traffic in alcoholic liquor.

3 (k) To prescribe the conditions and qualifications necessary for obtaining permits and
4 licenses, and the conditions of use of privileges under them; and to provide for the inspection
5 of the records and the conduct of use of permittees and licensees.

6 (l) To prescribe the kind, quality, and character of alcoholic liquors which may be
7 purchased or sold under any and all licenses and permits, including the quantity which may
8 be purchased or sold at any one (1) time or within any specified period of time.

9 SECTION 10. That Section 23-208, Idaho Code, be, and the same is hereby amended to
10 read as follows:

11 23-208. ~~SUPERINTENDENT~~ DIRECTOR – POWERS AND DUTIES. The
12 ~~superintendent~~ director as the executive officer of the ~~dispensary~~ division, shall exercise all the
13 powers and duties vested in the ~~dispensary~~ division.

14 SECTION 11. That Section 23-209, Idaho Code, be, and the same is hereby amended to
15 read as follows:

16 23-209. OFFICIAL BOND OF ~~SUPERINTENDENT~~ DIRECTOR. The ~~superintendent~~
17 director shall be bonded to the state of Idaho in the time, form and manner as prescribed by
18 chapter 8, title 59, Idaho Code.

19 SECTION 12. That Section 23-211, Idaho Code, be, and the same is hereby amended to
20 read as follows:

21 23-211. PERSONNEL NOT TO BE INTERESTED IN PRIVATE LIQUOR
22 TRAFFIC. Neither the ~~superintendent~~ director, the secretary, nor any other officer or employee
23 of the ~~dispensary~~ division shall, directly or indirectly, individually, or as a member of a
24 partnership or as a shareholder in a corporation, have any private interest whatsoever in the
25 business of manufacturing, transporting, distributing, or selling of alcoholic liquor; nor shall
26 he receive any kind of profit whatsoever, or have any interest whatsoever in the purchases or
27 sale by the persons herein authorized to purchase and sell alcoholic liquor, except that such
28 provisions shall not prevent any such person from purchasing and keeping in his possession
29 for the personal use of himself, his family, or his guests, of any liquor which may be lawfully
30 purchased.

31 SECTION 13. That Section 23-212, Idaho Code, be, and the same is hereby amended to
32 read as follows:

33 23-212. PERSONNEL DISQUALIFIED FROM OTHER OFFICE OR BUSINESS. No
34 officer or employee of the ~~dispensary~~ division shall, while holding such office or position, hold
35 any other office or position or engage in any occupation or business inconsistent or interfering
36 with the duties of such employment.

37 SECTION 14. That Section 23-214, Idaho Code, be, and the same is hereby amended to
38 read as follows:

1 23-214. OFFICERS AND EMPLOYEES NOT PERSONALLY LIABLE. Neither the
2 ~~superintendent~~ director, secretary, nor any of the officers or employees of the ~~dispensary~~
3 division shall be liable for damages sustained by any person because of any act done in the
4 performance of their respective duties under this act.

5 SECTION 15. That Section 23-215, Idaho Code, be, and the same is hereby amended to
6 read as follows:

7 23-215. PRICE LISTS TO BE FURNISHED BY SELLERS. All sellers of liquors or
8 wines to the ~~state liquor dispensary~~ division shall furnish to the ~~superintendent~~ director or other
9 executive officer of said ~~dispensary~~ division, upon demand of such officer, a sworn statement
10 showing the prices at which the same kind and grade of liquors or wines are currently sold
11 to the official buying agencies of all states whose border touches the border of the state of
12 Idaho; and it shall be the duty of the ~~superintendent~~ director or other executive officer of said
13 ~~dispensary~~ division, to keep such listed prices on file in his office and to permit the examination
14 of the same at all times during regular office hours by any person desiring to inspect the same.

15 SECTION 16. That Section 23-216, Idaho Code, be, and the same is hereby amended to
16 read as follows:

17 23-216. ATTORNEY OR AGENT OF SELLER – NAME AND ADDRESS TO BE
18 FURNISHED. Any firm or person interested in the sale of liquors or wines to the ~~state liquor~~
19 ~~dispensary~~ division shall file with said ~~dispensary~~ division the name and address of any attorney
20 or agent employed by such firm or person in the state of Idaho, and designating the services
21 to be performed by such attorney or agent, which information shall be filed in the office of the
22 ~~state liquor dispensary~~ division and shall be available at all times during regular office hours to
23 any person desiring to inspect the same.

24 SECTION 17. That Section 23-217, Idaho Code, be, and the same is hereby amended to
25 read as follows:

26 23-217. SURCHARGE ADDED TO PRICE OF ALCOHOLIC LIQUOR AND
27 ALL OTHER MERCHANDISE SOLD – COLLECTION AND REMISSION BY
28 ~~SUPERINTENDENT~~ DIRECTOR. (1) The ~~superintendent~~ director of the ~~state liquor~~
29 ~~dispensary~~ division is hereby authorized and directed to include in the price of alcoholic liquor
30 and all other merchandise sold in the ~~dispensary~~ division, and its branches, a surcharge equal to
31 two percent (2%) of the current price per unit computed to the nearest multiple of five cents
32 (5¢).

33 (2) After the price of the surcharge has been included, the ~~superintendent~~ director of the
34 ~~state liquor dispensary~~ division is hereby authorized and directed to allow a discount of five
35 percent (5%) from the price of each order of alcoholic liquor and all other merchandise sold to
36 any licensee, as defined in section 23-902(7), Idaho Code.

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

40 SECTION 18. That Section 23-301, Idaho Code, be, and the same is hereby amended to
41 read as follows:

1 23-301. LIQUOR STORES – NOTICE OF INTENT TO LOCATE. (a) The ~~dispensary~~
 2 division may establish and maintain liquor stores under the management of a vendor in any
 3 city organized under general or special law. Before any store site or distributing station may
 4 be established within a city or unincorporated area that does not have a distributing station,
 5 the ~~dispensary~~ division shall have printed in the city's official newspaper, as defined in section
 6 50-213, Idaho Code, a legal notice of the ~~dispensary's~~ division's intent to establish a liquor
 7 store or distributing station in the city and that a public hearing will be held regarding the
 8 proposed liquor store if the requirements specified herein are satisfied. The legal notice
 9 shall contain the time, date and place of the hearing and the address where the liquor store
 10 or distributing station is proposed to be located, notice of the right to protest the location,
 11 the requirements necessary to be satisfied before a public hearing will be held, and shall
 12 be a twenty (20) days' notice as described in section 60-109, Idaho Code. If the lesser of
 13 twenty-five (25) people or ten percent (10%) of the eligible voters living in precincts, any part
 14 of which is located within a one thousand (1,000) foot radius surrounding of the proposed site,
 15 sign a petition which protests the proposed site of the liquor store or distributing station and
 16 present it to the ~~superintendent~~ director or his designated representative, a public hearing shall
 17 be held within one (1) week after the last legal notice has been published.

18 (b) If fifty percent (50%) or more of the eligible voters living in precincts, any part of
 19 which is located within a one thousand (1,000) foot radius surrounding the proposed site of
 20 the liquor store or distributing station, sign a petition which protests the proposed site of the
 21 liquor store or distributing station and present it to the ~~superintendent~~ director or his designated
 22 representative within five (5) business days after the public hearing, the ~~dispensary~~ division
 23 shall not place a liquor store or distributing station at the proposed site.

24 (c) The ~~dispensary~~ division may classify liquor stores according to the volume of their
 25 sales.

26 SECTION 19. That Section 23-302, Idaho Code, be, and the same is hereby amended to
 27 read as follows:

28 23-302. DISTRIBUTING STATIONS – NOTICE OF INTENT TO LOCATE. (a) The
 29 ~~dispensary~~ division may select a special distributor in any municipality where in its judgment
 30 a liquor store is not required; or in any unincorporated locality, but only if satisfied of the
 31 existence therein of adequate local police protection, upon the furnishing by said distributor of
 32 a bond satisfactory to the ~~dispensary~~ division, conditioned for his faithful observance of this
 33 act and the rules and regulations of the ~~dispensary~~ division thereunder, and if the provisions of
 34 section 23-301, Idaho Code, are complied with.

35 (b) In maintaining the location of any such store or station, or in discontinuing the same,
 36 the ~~dispensary~~ division shall give due consideration to the normal local demand for alcoholic
 37 liquor by resident temperate adult consumers and the local community sentiment with respect to
 38 the liquor traffic as expressed by ordinance or otherwise.

39 SECTION 20. That Section 23-305, Idaho Code, be, and the same is hereby amended to
 40 read as follows:

41 23-305. COMPENSATION OF VENDORS AND SPECIAL DISTRIBUTORS. Vendors
 42 and special distributors shall receive uniform compensation, which compensation shall be

1 considered a part of the cost of sales, according to classifications, fixed by the ~~dispensary~~
2 division.

3 SECTION 21. That Section 23-306, Idaho Code, be, and the same is hereby amended to
4 read as follows:

5 23-306. GENERAL CONDUCT AND MANAGEMENT. In the conduct and
6 management of liquor stores and distributing stations, vendors and special distributors shall be
7 subject to the provisions of this act and the rules and regulations of the ~~dispensary~~ division.

8 SECTION 22. That Section 23-307, Idaho Code, be, and the same is hereby amended to
9 read as follows:

10 23-307. DAYS WHEN SALES ARE PROHIBITED. It shall be unlawful to transact the
11 sale or delivery of any alcoholic liquor in, on, or from the premises of any state liquor store or
12 distributing station:

- 13 (a) After the closing hours as established by the ~~dispensary~~ division.
14 (b) On any Thanksgiving, Christmas or Memorial Day.
15 (c) On any Sunday, except as provided by county option pursuant to section 23-308,
16 Idaho Code.
17 (d) During such other periods or days as may be designated by the ~~dispensary~~ division.

18 SECTION 23. That Section 23-308, Idaho Code, be, and the same is hereby amended to
19 read as follows:

20 23-308. COUNTY OPTION SUNDAY LIQUOR SALES – RESOLUTION OF
21 COUNTY COMMISSIONERS – LOCAL OPTION COUNTY ELECTION. (1) The board of
22 county commissioners of each county may, by resolution regularly adopted, allow for the sale
23 or delivery of any alcoholic liquor in, on, or from the premises of any state liquor store or
24 distributing station in the county on any Sunday which does not fall on Christmas Day, and
25 such sales shall be allowed so long as the resolution remains in effect. If such a resolution is
26 adopted by the board, a copy of such resolution shall be delivered to the ~~superintendent~~ director
27 of the ~~state liquor dispensary~~ division and to the director of the Idaho state police.

28 (2) Within thirty (30) days after the effective date of this act, a petition in writing signed
29 by not less than twenty percent (20%) of the registered, qualified electors of any county may be
30 filed with the clerk of said county requesting an election to be held to determine whether or not
31 the sale or delivery of any alcoholic liquor in, on, or from the premises of any state liquor store
32 or distributing station in the county on any Sunday which does not fall on Christmas Day, shall
33 be allowed.

34 (3) In the event a petition is presented, the county commissioners of any such county
35 shall, within five (5) days after the presentation of the petition, meet and determine the
36 sufficiency thereof by ascertaining whether such petition is signed by the required number of
37 registered, qualified electors of the county affected.

38 (4) In the event that a petition does not contain the required number of certified
39 signatures, the commissioners shall inform the person or organization under whose authority the
40 petition was circulated that the petition is defective for lack of certified signatures, and specify
41 the number of additional signatures required to make the petition valid. The petition must be

1 perfected within sixty (60) days of the date that the commissioners find the petition defective
 2 for lack of certified signatures. If the petition is not perfected within the sixty (60) day period,
 3 the commissioners shall declare the petition null and void ab initio in its entirety.

4 (5) In the event the county commissioners of said county determine that the petition
 5 is signed by the required percentage of registered, qualified electors, the commissioners shall
 6 forthwith make an order calling an election to be held within the county, subject to the
 7 provisions of section 34-106, Idaho Code, in the manner provided by law for holding elections
 8 for county officers. All the laws of the state of Idaho relating to the holding of elections of
 9 county officers for such county shall apply to the holding of the election provided for in this
 10 section. In addition to the other requirements of law, the notice of election shall notify the
 11 electors of the issue to be voted upon at said election.

12 SECTION 24. That Section 23-308B, Idaho Code, be, and the same is hereby amended
 13 to read as follows:

14 23-308B. EFFECT OF LOCAL OPTION COUNTY ELECTION. Upon a canvass of
 15 the votes cast, the clerk of the county shall certify the result thereof to the director of the
 16 Idaho state police and to the ~~superintendent~~ director of the ~~state liquor dispensary~~ division. If
 17 a majority of the votes cast are "Shall the sale or delivery of any alcoholic liquor in, on, or
 18 from the premises of any state liquor store or distributing station be allowed on any Sunday
 19 which does not fall on Christmas Day, Yes," then all liquor stores and distributing stations in
 20 the county shall be allowed to transact the sale or delivery of any alcoholic liquor in, on, or
 21 from all such premises in the county on any Sunday which does not fall on Christmas Day.

22 SECTION 25. That Section 23-309, Idaho Code, be, and the same is hereby amended to
 23 read as follows:

24 23-309. SALES. No vendor of any state liquor store or special distributor shall sell
 25 any alcoholic liquor or any other merchandise on behalf of the ~~dispensary~~ division except for
 26 cash, check, money order, credit card, electronic funds transfer or debit card. In addition, the
 27 ~~dispensary~~ division shall, under such rules as may be adopted by it, authorize the vendor of a
 28 state liquor store or special distributor to accept a check, credit cards, electronic funds transfer
 29 or debit card from persons licensed for the retail sale of liquor by the drink pursuant to chapter
 30 9, title 23, Idaho Code, as payment for purchases from the ~~dispensary~~ division. Dishonor of
 31 any credit device given by such person shall constitute grounds for suspension or revocation of
 32 such person's license pursuant to section 23-933, Idaho Code, in addition to any other remedy
 33 provided by law.

34 SECTION 26. That Section 23-311, Idaho Code, be, and the same is hereby amended to
 35 read as follows:

36 23-311. CONTAINERS AND LABELS. No alcoholic liquor shall be sold to any
 37 purchaser except in a sealed container with the official seal or label prescribed by the
 38 ~~dispensary~~ division and no such container shall be opened upon the premises of any state
 39 warehouse, store, or distributing station.

40 SECTION 27. That Section 23-312, Idaho Code, be, and the same is hereby amended to
 41 read as follows:

1 23-312. PERSONS UNDER TWENTY-ONE AND INTOXICATED PERSONS –
 2 INHIBITED SALES. No officer, agent, or employee of the ~~dispensary~~ division shall sell any
 3 alcoholic liquor to a person under the age of twenty-one (21) years or to any person intoxicated
 4 or apparently intoxicated.

5 SECTION 28. That Section 23-313, Idaho Code, be, and the same is hereby amended to
 6 read as follows:

7 23-313. LIQUOR NOT TO BE CONSUMED ON PREMISES. No vendor, officer,
 8 clerk, servant, agent, or employee of the ~~dispensary~~ division employed in any state liquor store,
 9 state-owned warehouse, or distributing station, shall allow any alcoholic liquor to be consumed
 10 on the premises of such state warehouse, store, or distributing station, nor shall any person
 11 consume any such liquor on such premises.

12 SECTION 29. That Section 23-402, Idaho Code, be, and the same is hereby amended to
 13 read as follows:

14 23-402. APPROPRIATION. All moneys appropriated for, accruing to, or received by
 15 said fund are hereby appropriated for the purpose of this act for the purchase of alcoholic
 16 liquor, and the purchase of other nonalcohol merchandise sold through the ~~dispensary~~ division
 17 and payment of expenses of administration and operation of the ~~dispensary~~ division, and the
 18 same shall be paid out by the state treasurer only upon vouchers prepared and certified to by
 19 the ~~dispensary~~ division and approved by the state board of examiners.

20 SECTION 30. That Section 23-403, Idaho Code, be, and the same is hereby amended to
 21 read as follows:

22 23-403. RESERVE. No distribution of any surplus from the liquor fund shall be made
 23 as provided in the following section, unless there shall be moneys in said fund after setting
 24 aside and reserving the following:

- 25 (a) Funds sufficient to pay all current obligations of the ~~dispensary~~ division.
 26 (b) A cash reserve of fifty thousand dollars (\$50,000) over and above all other assets.

27 SECTION 31. That Section 23-404, Idaho Code, be, and the same is hereby amended to
 28 read as follows:

29 23-404. DISTRIBUTION OF MONEYS IN LIQUOR ACCOUNT. (1) The moneys
 30 received into the liquor account shall be transferred or appropriated as follows:

31 (a) An amount of money equal to the actual cost of purchase of alcoholic liquor and
 32 payment of expenses of administration and operation of the ~~dispensary~~ division, as
 33 determined by the ~~superintendent~~ director and certified quarterly to the state controller,
 34 shall be transferred back to the ~~dispensary~~ division; provided, that the amount so
 35 transferred back for administration and operation of the ~~dispensary~~ division shall not
 36 exceed the amount authorized to be expended by regular appropriation authorization.

37 (b) From fiscal year 2006 through fiscal year 2009, forty percent (40%) of the balance
 38 remaining after transferring the amounts authorized by paragraph (a) of this subsection
 39 shall be transferred or appropriated pursuant to this paragraph (b). Beginning in fiscal
 40 year 2010 the percentage transferred pursuant to this paragraph (b) shall increase to

1 forty-two percent (42%) with an increase of two percent (2%) for each subsequent fiscal
 2 year thereafter until fiscal year 2014 when such percentage shall be fifty percent (50%).

3 (i) For fiscal year 2006 and through fiscal year 2009, one million eight hundred
 4 thousand dollars (\$1,800,000) shall be appropriated and paid to the cities and
 5 counties as set forth in paragraphs (c)(i) and (c)(ii) of this subsection;

6 (ii) Two million eighty thousand dollars (\$2,080,000) shall be transferred
 7 annually to the substance abuse treatment fund, which is created in section 23-408,
 8 Idaho Code;

9 (iii) Six hundred thousand dollars (\$600,000) shall be transferred annually to the
 10 community college account, created in section 33-2139, Idaho Code;

11 (iv) One million two hundred thousand dollars (\$1,200,000) shall be transferred
 12 annually to the public school income fund, as defined in section 33-903, Idaho
 13 Code;

14 (v) Six hundred fifty thousand dollars (\$650,000) shall be transferred annually to
 15 the cooperative welfare account in the dedicated fund;

16 (vi) Six hundred eighty thousand dollars (\$680,000) shall be transferred annually
 17 to the drug court, mental health court and family court services fund;

18 (vii) Four hundred forty thousand dollars (\$440,000) shall be transferred annually
 19 to the drug and mental health court supervision fund which is created in section
 20 23-409, Idaho Code; and

21 (viii) The balance shall be transferred to the general fund.

22 (c) The remainder of the moneys received in the liquor account shall be appropriated and
 23 paid as follows:

24 (i) Forty percent (40%) of the balance remaining after the transfers authorized by
 25 paragraphs (a) and (b) of this subsection have been made is hereby appropriated
 26 to and shall be paid to the several counties. Each county shall be entitled to an
 27 amount in the proportion that liquor sales through the ~~dispensary~~ division in that
 28 county during the state's previous fiscal year bear to total liquor sales through
 29 the ~~dispensary~~ division in the state during the state's previous fiscal year, except
 30 that no county shall be entitled to an amount less than that county received in
 31 distributions from the liquor account during the state's fiscal year 1981.

32 (ii) Sixty percent (60%) of the balance remaining after the transfers authorized by
 33 paragraphs (a) and (b) of this subsection have been made is hereby appropriated to
 34 and shall be paid to the several cities as follows:

35 1. Ninety percent (90%) of the amount appropriated to the cities shall
 36 be distributed to those cities which have a liquor store or distribution
 37 station located within the corporate limits of the city. Each such city shall
 38 be entitled to an amount in the proportion that liquor sales through the
 39 ~~dispensary~~ division in that city during the state's previous fiscal year bear
 40 to total liquor sales through the ~~dispensary~~ division in the state during
 41 the state's previous fiscal year, except that no city shall be entitled to an
 42 amount less than that city received in distributions from the liquor account
 43 during the state's fiscal year 1981;

44 2. Ten percent (10%) of the amount appropriated to the cities shall be
 45 distributed to those cities which do not have a liquor store or distribution
 46 station located within the corporate limits of the city. Each such city shall

1 be entitled to an amount in the proportion that that city's population bears
 2 to the population of all cities in the state which do not have a liquor store
 3 or distribution station located within the corporate limits of the city, except
 4 that no city shall be entitled to an amount less than that city received in
 5 distributions from the liquor account during the state's fiscal year 1981.

6 (2) All transfers and distributions shall be made periodically, but not less frequently than
 7 quarterly but, the apportionments made to any county or city, which may during the succeeding
 8 three (3) year period be found to have been in error either of computation or transmittal, shall
 9 be corrected during the fiscal year of discovery by a reduction of apportionments in the case
 10 of over-apportionment or by an increase of apportionments in the case of under-apportionment.
 11 The decision of the ~~superintendent~~ director on entitlements of counties and cities shall be final,
 12 and shall not be subject to judicial review.

13 SECTION 32. That Section 23-406, Idaho Code, be, and the same is hereby amended to
 14 read as follows:

15 23-406. ADMINISTRATIVE EXPENSE. Claims for salaries, wages, and other
 16 compensation, premiums on official bonds, traveling and other expenses of the ~~superintendent~~
 17 director, secretary and other officers and employees, and all other expenditures made by the
 18 ~~dispensary~~ division in the exercise of its powers hereunder, shall be paid from the liquor fund
 19 as a part of the cost of the administration of this act.

20 SECTION 33. That Section 23-407, Idaho Code, be, and the same is hereby amended to
 21 read as follows:

22 23-407. DEPOSIT OF REVENUE. It shall be the duty of all special distributors,
 23 vendors, officers, agents, and employees to report and pay over to the ~~dispensary~~ division, in
 24 such manner and pursuant to such rules as may be adopted by it, all revenues derived from the
 25 sale of alcoholic beverages, all revenues derived from the sale of all other merchandise sold on
 26 behalf of the ~~dispensary~~ division, excise taxes, licenses, permits, fees, profits on sales, or other
 27 revenues resulting from the operation of this act, and the ~~dispensary~~ division shall deposit the
 28 same with the state treasurer to the credit of the liquor fund.

29 SECTION 34. That Section 23-408, Idaho Code, be, and the same is hereby amended to
 30 read as follows:

31 23-408. SUBSTANCE ABUSE TREATMENT FUND. There is hereby created in the
 32 state treasury, the substance abuse treatment fund. Moneys remitted to the substance abuse
 33 treatment fund by the ~~state liquor dispensary~~ division and from the tax on beer and wine are
 34 intended to be utilized for substance abuse treatment services at both the state and local levels.
 35 Moneys in the fund may be expended pursuant to appropriation and are intended to assist
 36 state government and local units of government in providing affordable, accessible substance
 37 abuse treatment services, including crisis intervention and detoxification services, inpatient and
 38 outpatient treatment services, and recovery support services for all Idaho residents. The state
 39 treasurer is authorized to invest all idle moneys in the fund and the interest earned on such
 40 investment shall be returned to the fund.

1 SECTION 35. That Section 23-409, Idaho Code, be, and the same is hereby amended to
2 read as follows:

3 23-409. DRUG AND MENTAL HEALTH COURT SUPERVISION FUND. There is
4 hereby created in the state treasury, the drug and mental health court supervision fund. Moneys
5 remitted to the drug and mental health court supervision fund by the ~~state liquor dispensary~~
6 division are intended to be utilized by the Idaho department of correction for the supervision
7 of offenders sentenced to drug or mental health court. Moneys in the fund may be expended
8 pursuant to appropriation and are intended to assist the courts in managing and monitoring this
9 high-risk and high-need population. The state treasurer is authorized to invest all idle moneys
10 in the fund and the interest earned on such investment shall be returned to the fund.

11 SECTION 36. That Section 23-502, Idaho Code, be, and the same is hereby amended to
12 read as follows:

13 23-502. SACRAMENTAL WINE. A minister, priest, rabbi, or religious organization
14 shall have the privilege of purchasing wine for sacramental purposes from the ~~dispensary~~
15 division or from any other source within or without the state.

16 SECTION 37. That Section 23-506, Idaho Code, be, and the same is hereby amended to
17 read as follows:

18 23-506. PERMISSIVE USES SUBJECT TO REGULATION. Any person shall have the
19 privilege of the permissive uses hereinbefore referred to in this article without payment of fee,
20 subject to such reasonable general regulations as the ~~dispensary~~ division may promulgate for
21 the purpose of preventing any abuses of the privileges thereby permitted.

22 SECTION 38. That Section 23-507, Idaho Code, be, and the same is hereby amended to
23 read as follows:

24 23-507. MANUFACTURERS' LICENSES. The ~~dispensary~~ division may grant a license
25 to a manufacturer of alcoholic liquor for sale to the ~~dispensary~~ division and to customers
26 outside of the state, subject to such regulations as the ~~dispensary~~ division may adopt. The
27 fee for such permit shall be one hundred dollars (\$100).

28 SECTION 39. That Section 23-508, Idaho Code, be, and the same is hereby amended to
29 read as follows:

30 23-508. MANUFACTURER'S BOND. As a condition precedent to the issuance of a
31 manufacturer's license, the applicant shall post a bond, written by a surety company authorized
32 to do business in Idaho, in the penal sum of one thousand dollars (\$1,000), conditioned for
33 the faithful observation of the provisions of this act and the ~~regulations~~ rules of the ~~dispensary~~
34 division promulgated thereunder. For a violation of the conditions thereof, said bond shall be
35 forfeited to the state of Idaho, and any recovery thereon shall be covered into the liquor fund.

36 SECTION 40. That Section 23-510, Idaho Code, be, and the same is hereby amended to
37 read as follows:

1 23-510. INSPECTION OF MANUFACTORY. The ~~dispensary~~ division shall have the
2 power at all times to inspect any manufactory for which a license is granted hereunder.

3 SECTION 41. That Section 23-512, Idaho Code, be, and the same is hereby amended to
4 read as follows:

5 23-512. SALES FOR MEDICAL OR SCIENTIFIC PURPOSES. Under such rules and
6 regulations as the ~~dispensary~~ division may adopt, it has authority to make sales of alcoholic
7 liquor and ethyl alcohol from the ~~dispensary~~ division only:

8 (a) To a registered pharmacist operating a drug store, for scientific and mechanical
9 purposes and for compounding and preparing medicines.

10 (b) To a licensed physician, dentist, or veterinarian or other licensed practitioner
11 entitled to prescribe for healing purposes, for administering medicinally and in compounding
12 prescriptions.

13 (c) To a person in charge of a regularly conducted hospital or sanitorium for
14 administering to the sick and aged.

15 (d) To a person in charge of a laboratory for use in scientific pursuits and experiments.

16 (e) For other purposes, similar to those mentioned in this section and not specifically
17 covered by this act.

18 SECTION 42. That Section 23-513, Idaho Code, be, and the same is hereby amended to
19 read as follows:

20 23-513. TERM OF PERMITS OR LICENSES. Every permit or license issued by the
21 ~~dispensary~~ division shall expire on December 31st of the year in which issued.

22 SECTION 43. That Section 23-514, Idaho Code, be, and the same is hereby amended to
23 read as follows:

24 23-514. NATURE OF PERMIT. A permit shall be a personal privilege, subject to be
25 denied, revoked, or canceled for its abuse. It shall not constitute property; nor shall it be
26 subject to attachment and execution; nor shall it be alienable or assignable. Every permit shall
27 be issued in the name of the applicant and no person holding a permit shall allow any other
28 person to use the same. The ~~dispensary~~ division, if not satisfied of the integrity and good faith
29 of an applicant for a permit, may refuse to issue the same, or may refuse to issue a renewal
30 thereof.

31 SECTION 44. That Section 23-515, Idaho Code, be, and the same is hereby amended to
32 read as follows:

33 23-515. INSPECTION AND EXAMINATION OF RECORDS OF PERMITS AND
34 SALES. The records of the ~~dispensary~~ division with respect to permits and sales thereunder
35 shall be subject to disclosure according to chapter 3, title 9, Idaho Code.

36 SECTION 45. That Section 23-517, Idaho Code, be, and the same is hereby amended to
37 read as follows:

1 23-517. SUSPENSION AND REVOCATION OF PERMITS. The ~~dispensary~~ division
2 may suspend or revoke a permit, for the abuse of its privileges, after reasonable notice and fair
3 hearing in accordance with reasonable rules of procedure prescribed by it.

4 In lieu of other remedies in this section authorized, the ~~dispensary~~ division may, as a
5 condition precedent to a continuance of his permit, in any case where the permittee has not
6 theretofore given bond, exact from him a bond, written by a surety company authorized to
7 do business in Idaho, in the penal sum of one thousand dollars (\$1,000), conditioned for the
8 faithful observance of the provisions of this act and the regulations of the ~~dispensary~~ division
9 promulgated thereunder. For a violation of the conditions thereof, said bond shall be forfeited
10 to the state of Idaho, and any recovery thereon shall be covered into the liquor fund.

11 SECTION 46. That Section 23-518, Idaho Code, be, and the same is hereby amended to
12 read as follows:

13 23-518. SURRENDER OF PERMITS. Whenever a permit shall have been voided,
14 canceled or suspended, the holder thereof shall forthwith deliver the same to the ~~dispensary~~
15 division. The ~~dispensary~~ division shall notify all vendors and special distributors of voidances,
16 cancellations and suspensions. No permit shall be issued to a person whose permit has been
17 voided or canceled within a period of one (1) year from the date of voidance or cancellation
18 of his former permit.

19 SECTION 47. That Section 23-519, Idaho Code, be, and the same is hereby amended to
20 read as follows:

21 23-519. SPECIFIC GROUNDS OF SUSPENSION AND REVOCATION OF
22 PERMITS. Without limiting the powers of the ~~dispensary~~ division in the matter of revocation
23 of permits for other cause of abuse of the privilege, the ~~dispensary~~ division is hereby
24 empowered to revoke or suspend a permit of any permittee upon satisfactory proof of any of
25 the following grounds or causes:

- 26 (a) Drunkenness or apparent drunkenness, within or without the state of Idaho.
27 (b) Desertion or nonsupport of family or dependents.
28 (c) Dependence upon public assistance or relief in any case where it appears that the
29 purchase or consumption of intoxicating liquor by the permittee tends to deprive his family and
30 dependents of needed subsistence.

31 SECTION 48. That Section 23-601, Idaho Code, be, and the same is hereby amended to
32 read as follows:

33 23-601. VIOLATION OF DUTY BY OFFICERS AND EMPLOYEES OF
34 ~~DISPENSARY DIVISION~~. Any officer or employee of the ~~dispensary~~ division who
35 shall knowingly and willfully violate any of the provisions of this act, shall be guilty of a
36 misdemeanor; and, upon conviction, shall be punishable by a fine of not less than three hundred
37 dollars (\$300), nor more than one thousand dollars (\$1,000), or by imprisonment in the county
38 jail for not less than three (3) months, nor more than one (1) year, or by both such fine and
39 imprisonment.

40 SECTION 49. That Section 23-607, Idaho Code, be, and the same is hereby amended to
41 read as follows:

1 23-607. ADVERTISING. Except as permitted by federal statute and regulations, there
 2 shall be no public advertisement or advertising of alcoholic liquors in any manner or form
 3 within the state of Idaho.

4 (1) No person shall publish, exhibit, or display or permit to be displayed any other
 5 advertisement or form of advertisement, or announcement, publication, or price list of, or
 6 concerning any alcoholic liquors, or where, or from whom the same may be purchased or
 7 obtained, unless permitted so to do by the regulations enacted by the ~~dispensary~~ division and
 8 then only in strict accordance with such regulations.

9 (2) This section of the act shall not apply however:

10 (a) To the ~~state liquor dispensary~~ division.

11 (b) To the correspondence, or telegrams, or general communications of the commission,
 12 or its agents, servants, and employees.

13 (c) To the receipt or transmission of a telegram or telegraphic copy in the ordinary course
 14 of the business of such agents, servants, or employees of any telegraph company.

15 A violation of this section shall constitute a misdemeanor.

16 SECTION 50. That Section 23-608, Idaho Code, be, and the same is hereby amended to
 17 read as follows:

18 23-608. ADDED PENALTY – FORFEITURE OF LICENSE OR PERMIT –
 19 TRANSMISSION OF RECORD. Whenever, in any court in this state, a defendant is convicted
 20 of a violation of title 23, Idaho Code, or of any law of this state relating to alcohol beverages
 21 including distilled spirits, beer or wine, or in any case in which it appears that the crime was
 22 committed while the defendant was under the influence of alcohol beverages, it shall be the
 23 duty of the court to include in its judgment the forfeiture of any license or permit issued to the
 24 defendant by the ~~state liquor dispensary~~ division or the Idaho state police pursuant to title 23,
 25 Idaho Code, and the court shall forthwith transmit to the issuing authority a certified copy of
 26 its judgment.

27 SECTION 51. That Section 23-610, Idaho Code, be, and the same is hereby amended to
 28 read as follows:

29 23-610. POSSESSION OF UNSTAMPED LIQUOR ILLEGAL – EXCEPTIONS. It
 30 shall be unlawful for any person to possess more than two (2) quarts of alcoholic liquor that
 31 does not have affixed thereto the official seal or label prescribed by the ~~Idaho liquor dispensary~~
 32 division, except public carriers transporting alcoholic liquor for the ~~Idaho liquor dispensary~~
 33 division.

34 SECTION 52. That Section 23-805, Idaho Code, be, and the same is hereby amended to
 35 read as follows:

36 23-805. DUTIES OF PROSECUTING ATTORNEYS, SHERIFFS, AND OTHER
 37 OFFICERS. It shall be the duty of the ~~superintendent~~ director of the ~~state liquor dispensary~~
 38 division and every prosecuting attorney, sheriff, police or other peace officer to cooperate with
 39 the Idaho state police in the enforcement of such laws, and any such officer refusing to so
 40 cooperate or divulge any information he may have in any such prosecution shall be subject to
 41 action against him as provided in chapter 41, title 19, Idaho Code. Any such action may be

1 brought in the name of the state of Idaho by any resident of the county, or officer of the state
 2 or county. Upon the conviction of a person for a violation of the provisions of the Idaho liquor
 3 act, or of the provisions of chapter 9, title 23, Idaho Code, the judge of the court imposing
 4 the judgment of conviction shall immediately send to the director of the Idaho state police a
 5 statement setting forth the title of the court, the name and residence of the defendants, the
 6 nature of the offense and the fine and sentence or judgment imposed.

7 SECTION 53. That Section 23-914, Idaho Code, be, and the same is hereby amended to
 8 read as follows:

9 23-914. LICENSEE MUST PURCHASE FROM ~~DISPENSARY~~ DIVISION –
 10 PRICE. All liquor sold by any licensee shall be purchased from the ~~Idaho liquor dispensary~~
 11 division through its regular retail stores and distributors at the posted price thereof. The ~~state~~
 12 ~~liquor dispensary~~ division is hereby authorized and directed to make such sales for cash, check
 13 or money order to be paid at the time of purchase upon a special permit issued to such licensee
 14 in such form as shall be prescribed by the ~~superintendent~~ director of the ~~state liquor dispensary~~
 15 division. The posted price as used herein shall mean the retail price of such liquor as fixed and
 16 determined by the ~~state liquor dispensary~~ division.

17 It shall be unlawful for any licensee to sell, or keep for sale, or have on his premises for
 18 any purpose whatsoever, any liquor except that purchased as herein authorized and provided,
 19 and any licensee found in possession of, selling or keeping for sale any liquor not purchased
 20 as herein authorized shall be guilty of a felony and upon conviction thereof shall be fined
 21 not less than one thousand dollars (\$1,000) nor more than five thousand dollars (\$5,000), or
 22 by imprisonment in the state prison for not more than five (5) years, or by both such fine
 23 and imprisonment. Any license issued to such person shall be immediately and permanently
 24 revoked. The amount of liquor to be sold to licensees hereunder in any city or village shall
 25 be determined by the ~~superintendent~~ director or other executive officer of the ~~Idaho liquor~~
 26 ~~dispensary~~ division, but such sales shall be regulated so as to maintain adequate stocks of
 27 merchandise for sale to persons other than said licensees.

28 The provisions of this section notwithstanding, railroad companies shall have the right to
 29 have in their possession liquors other than those purchased from the ~~Idaho liquor dispensary~~
 30 division.

31 SECTION 54. That Section 23-1303, Idaho Code, be, and the same is hereby amended to
 32 read as follows:

33 23-1303. DEFINITIONS. (1) The following terms as used in this chapter are hereby
 34 defined as follows:

- 35 (a) "Dessert wine" means only those beverages that are designated or labeled, pursuant
 36 to the federal alcohol administration act, as "sherry," "madeira" or "port," which contain
 37 more than sixteen percent (16%) alcohol by volume, but do not exceed twenty-one
 38 percent (21%) alcohol by volume. Dessert wine as defined herein shall not be deemed to
 39 be a spirit based beverage for the purposes of paragraph (g) of this subsection.
 40 (b) "Director" means the director of the Idaho state police.
 41 (c) "Distributor" means a person to whom a wine distributor's license has been issued.
 42 (d) "Domestic produced product" means wine at least seventy-five percent (75%) of
 43 which by volume is derived from fruit or agricultural products grown in Idaho.

1 (e) "Importer" means a person to whom a wine importer's license has been issued.

2 (f) "Live performance" means a performance occurring in a theater and not otherwise in
3 violation of any provision of Idaho law.

4 (g) "Low proof spirit beverages" means any alcoholic beverage containing not more than
5 fourteen percent (14%) alcohol by volume obtained by distillation mixed with drinkable
6 water, fruit juices and/or other ingredients in solution. These products shall be considered
7 and taxed as wine. Spirit based beverages exceeding fourteen percent (14%) alcohol by
8 volume shall be considered as liquor and sold only through the ~~state liquor dispensary~~
9 division system.

10 (h) "Person" includes an individual, firm, copartnership, association, corporation, or any
11 group or combination acting as a unit, and includes the plural as well as the singular
12 unless the intent to give a more limited meaning is disclosed by the context in which it is
13 used.

14 (i) "Retailer" means a person to whom a retail wine license has been issued.

15 (j) "Retail wine license" means a license issued by the director, authorizing a person to
16 sell table wine and/or dessert wine at retail for consumption off the licensed premises.

17 (k) "Table wine" shall mean any alcoholic beverage containing not more than sixteen
18 percent (16%) alcohol by volume obtained by the fermentation of the natural sugar
19 content of fruits or other agricultural products containing sugar whether or not other
20 ingredients are added.

21 (l) "Theater" means a room, place or outside structure for performances or readings of
22 dramatic literature, plays or dramatic representations of an art form not in violation of any
23 provision of Idaho law.

24 (m) "Vintner" means a person who manufactures, bottles, or sells table wine or dessert
25 wine to importers for resale within this state other than a licensed "winery" as herein
26 defined.

27 (n) "Wine" includes table wine and dessert wine, unless the context requires otherwise.

28 (o) "Wine by the drink license" means a license to sell table wine or dessert wine by the
29 individual glass or opened bottle at retail, for consumption on the premises only.

30 (p) "Wine distributor's license" means a license issued by the director to a person
31 authorizing such person to distribute table wine or dessert wine to retailers within the
32 state of Idaho.

33 (q) "Wine importer's license" means a license issued by the director to a person
34 authorizing such person to import table wine or dessert wine into the state of Idaho and to
35 sell and distribute such wines to a distributor.

36 (r) "Winery" means a place, premises or establishment within the state of Idaho for the
37 manufacture or bottling of table wine or dessert wine for sale. Two (2) or more wineries
38 may use the same premises and the same equipment to manufacture their respective
39 wines, to the extent permitted by federal law.

40 (s) "Winery license" means a license issued by the director authorizing a person to
41 maintain a winery.

42 (2) All other words and phrases used in this chapter, the definitions of which are not
43 herein given, shall be given their ordinary and commonly understood and accepted meanings.

44 SECTION 55. That Section 23-1305, Idaho Code, be, and the same is hereby amended to
45 read as follows:

1 23-1305. RESTRICTIONS – AUTHORITY OF ~~STATE LIQUOR DISPENSARY~~
 2 DIVISION PRESERVED. (a) Wine, as defined in this act, may be manufactured, imported into
 3 this state, possessed, distributed and sold in this state in the manner and under the conditions
 4 prescribed in this act and not otherwise.

5 (b) Nothing contained in this act shall prohibit the ~~state liquor dispensary~~ division
 6 from selling wine pursuant to the Idaho liquor act in any outlet of the ~~state liquor dispensary~~
 7 division.

8 SECTION 56. That Section 23-1311, Idaho Code, be, and the same is hereby amended to
 9 read as follows:

10 23-1311. SALES BY DISTRIBUTORS – RESTRICTIONS. No distributor may sell any
 11 wine produced, manufactured, imported, or bought by such distributor, for use within this state,
 12 except to the holder of a valid retail wine license or wine by the drink license, or valid
 13 wine distributor's license or to the ~~state liquor dispensary~~ division. Provided however, any
 14 distributor may sell any wine produced, manufactured, imported, or bought by such distributor,
 15 for use within this state, to a bona fide employee of such distributor. No distributor shall
 16 permit, for a consideration, wine to be consumed upon the premises of the distributor.

17 SECTION 57. That Section 33-2105, Idaho Code, be, and the same is hereby amended to
 18 read as follows:

19 33-2105. ADDITION OF TERRITORY TO ~~JUNIOR~~ COMMUNITY COLLEGE
 20 DISTRICTS. Any territory not in an existing ~~junior~~ community college district may become a
 21 part of a ~~junior~~ community college district by a vote of the school district electors resident of
 22 said territory, voting at an election called and held as herein provided.

23 A petition signed by not less than one hundred (100) school district electors of the
 24 territory proposed to be added to the ~~junior~~ community college district, or twenty ~~per cent~~
 25 percent (20%) of the school district electors within the territory, whichever is the lesser,
 26 describing the boundaries of the territory, and a true copy thereof, shall be filed with the board
 27 of trustees of the ~~junior~~ community college district. The board shall forward the original of
 28 said petition, with its recommendations, to the state board of education, and a copy thereof
 29 to the board of county commissioners of the home county of the ~~junior~~ community college
 30 district. The state board of education shall consider such petition, as it is required to consider
 31 a petition for the formation of a ~~junior~~ community college district. If it approve the petition,
 32 notice to that effect shall be given the board of trustees of the ~~junior~~ community college district
 33 and to the board of county commissioners of the home county of the ~~junior~~ community college
 34 district.

35 When any such petition has been approved by the state board of education, an election
 36 shall be held in the manner of elections for the creation of a ~~junior~~ community college district,
 37 except that polling places shall be established only in the territory proposed to be added to the
 38 district. The question shall be deemed approved only if a majority of the votes cast in the
 39 territory were cast in favor of the proposal, and if this be the case, the territory shall be part
 40 of said ~~junior~~ community college district with all the force and effect as though said territory
 41 had been originally included in said ~~junior~~ community college district at the time of its original
 42 organization.

1 Notices to and by boards of county commissioners and to the state board of education
 2 shall be as provided in section 33-2104, Idaho Code. The state board of education shall
 3 notify the state liquor ~~dispensary~~ division that such territory has become a part of the ~~junior~~
 4 community college district.

5 SECTION 58. That Section 57-1113, Idaho Code, be, and the same is hereby amended to
 6 read as follows:

7 57-1113. REFUND OF TAX. When it is determined that a taxpayer is entitled to a
 8 refund of beer tax, cigarette tax or the income tax filing fee, after such or any portion thereof
 9 has been credited to the permanent building fund, the tax collector hereby is empowered to
 10 authorize and direct refund of said tax, or portion thereof so credited, from said permanent
 11 building fund.

12 When it is determined that a taxpayer is entitled to a refund of liquor funds after the same
 13 has been credited to the permanent building fund, the ~~superintendent~~ director of the ~~Idaho~~
 14 ~~dispensary~~ liquor division hereby is empowered to authorize and direct refund of said tax, or
 15 portion thereof so credited, from said permanent building fund.

16 SECTION 59. That Section 63-3622M, Idaho Code, be, and the same is hereby amended
 17 to read as follows:

18 63-3622M. LIQUOR SALES. There are exempted from the taxes imposed by this
 19 chapter sales of liquor by the state liquor ~~dispensary~~ division to a person licensed under the
 20 provisions of chapter 9, title 23, Idaho Code, for resale as liquor by-the-drink.

21 SECTION 60. That Section 63-3638A, Idaho Code, be, and the same is hereby amended
 22 to read as follows:

23 63-3638A. SALES TAX ON LIQUOR TO BE PAID TO LIQUOR
 24 ACCOUNT. Notwithstanding the provisions of section 63-3638, Idaho Code, the sales
 25 tax collected on the retail sale of liquor and all other merchandise by or on behalf of the
 26 ~~superintendent~~ director of the state liquor ~~dispensary~~ division shall be credited directly to the
 27 liquor account, and shall not be or become a part of the sales tax account.

28 SECTION 61. That Section 67-802, Idaho Code, be, and the same is hereby amended to
 29 read as follows:

30 67-802. OFFICE OF GOVERNOR – DUTIES OF GOVERNOR. The office of the
 31 governor shall be composed of: the state liquor ~~dispensary~~ division, as provided by chapter 2,
 32 title 23, Idaho Code; the military division, as provided by title 46, Idaho Code; the division of
 33 financial management; and such other divisions and units as are established or assigned by law,
 34 or created through administrative action of the governor.

35 The governor shall appoint an administrator for each division, with the advice and consent
 36 of the senate. Administrators shall serve at the pleasure of the governor, and shall be exempt
 37 from the provisions of chapter 53, title 67, Idaho Code. Other subordinate staff necessary to
 38 accomplish a division's mission shall be subject to the provisions of chapter 53, title 67, Idaho
 39 Code.

1 The supreme executive power of the state is vested by section 5, article IV, of the
2 constitution of the state of Idaho, in the governor, who is expressly charged with the duty of
3 seeing that the laws are faithfully executed. In order that he may exercise a portion of the
4 authority so vested, the governor is authorized and empowered to implement and exercise those
5 powers and perform those duties by issuing executive orders from time to time which shall
6 have the force and effect of law when issued in accordance with this section and within the
7 limits imposed by the constitution and laws of this state. Such executive orders, when issued,
8 shall be serially numbered for each calendar year and may be referred to and cited by such
9 numerical designation and title. Each executive order issued hereunder shall be effective only
10 after signature by the governor, attestation by and filing with the secretary of state, who shall
11 keep a permanent register and file of such orders in the same manner as applies to acts of the
12 legislature. In addition, each executive order required by chapter 52, title 67, Idaho Code, to be
13 published in the administrative bulletin shall be filed with the administrative rules coordinator
14 and published in the bulletin. Each such executive order issued by the governor must prescribe
15 a date after which it shall cease to be effective, which shall be within four (4) calendar years of
16 the effective date of such order, and if no date after which such order shall cease to be effective
17 is contained in the order, then such order shall cease to be effective four (4) calendar years
18 from the issuance thereof, unless renewed by subsequent executive order. The governor may
19 modify or repeal any executive order by issuance of a new executive order. The procedures
20 expressly set forth in this section shall be sufficient to make an executive order effective.

21 In addition to those powers prescribed above, and those prescribed by the constitution,
22 the governor has the powers, and may perform the duties prescribed in this section and the
23 following sections:

- 24 1. To supervise the official conduct of all executive and ministerial officers.
- 25 2. To see that all offices are filled, and the duties thereof performed, or, in default
26 thereof, apply such remedy as the law allows; and if the remedy is imperfect, acquaint the
27 legislature therewith at its next session.
- 28 3. To make the appointments and supply the vacancies provided by law.
- 29 4. He is the sole official organ of communication between the government of this state
30 and the government of any other state or territory, or of the United States.
- 31 5. Whenever any suit or legal proceeding is pending in this state, or which may affect the
32 title of this state to any property, or which may result in any claim against the state, he may
33 direct the attorney general to appear on behalf of the state.
- 34 6. He may require the attorney general or prosecuting attorney of any county to inquire
35 into the affairs or management of any corporation existing under the laws of this state.
- 36 7. He may require the attorney general to aid any prosecuting attorney in the discharge of
37 his duties.
- 38 8. He may offer rewards not exceeding one thousand dollars (\$1,000) each, payable
39 out of the state treasury, for the apprehension of any convict who has escaped from the state
40 prison, or of any person who has committed, or is charged with the commission of, an offense
41 punishable with death; and also offer like rewards, not exceeding five hundred dollars (\$500)
42 each, in cases of felony, where the offense is not punishable with death.
- 43 9. To perform such duties respecting fugitives from justice as are prescribed by the penal
44 code.
- 45 10. To issue and transmit election proclamations as prescribed by law.
- 46 11. He may require any officer to make special reports to him in writing on demand.

1 12. He has such other powers and may perform such other duties as are devolved upon
2 him by any law of this state.