

IN THE SENATE

SENATE BILL NO. 1148

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO ALCOHOL; AMENDING SECTION 23-217, IDAHO CODE, TO REVISE
2 TERMINOLOGY AND TO REVISE PROVISIONS RELATING TO CERTAIN
3 DISCOUNTS; AMENDING SECTION 23-603, IDAHO CODE, TO REVISE
4 PROVISIONS RELATING TO CERTAIN ADMINISTRATIVE ACTIONS UPON
5 CONVICTION FOR DISPENSING ALCOHOL TO PERSONS UNDER TWENTY-ONE
6 YEARS OF AGE AND TO DEFINE A TERM; AMENDING SECTION 23-604, IDAHO
7 CODE, TO PROHIBIT CERTAIN CONDUCT RELATING TO PERSONS UNDER
8 TWENTY-ONE YEARS OF AGE, TO PROVIDE EXCEPTIONS AND TO DEFINE
9 A TERM; AMENDING SECTION 23-605, IDAHO CODE, TO PROVIDE THAT
10 DISPENSING ALCOHOL TO AN OBVIOUSLY INTOXICATED PERSON SHALL
11 BE A MISDEMEANOR, TO PROVIDE PENALTIES, TO PROVIDE FOR DEPOSIT
12 OF FINES, TO PROVIDE FOR NOTIFICATION, TO PROVIDE FOR CERTAIN
13 ADMINISTRATIVE ACTION AND TO DEFINE A TERM; AMENDING CHAPTER
14 6, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 23-617,
15 IDAHO CODE, TO PROVIDE ADMINISTRATIVE PENALTIES FOR SPECIFIED
16 VIOLATIONS, TO PROVIDE FOR THE PAYMENT AND DISTRIBUTION OF
17 FINES AND TO DEFINE A TERM; AMENDING SECTION 23-901, IDAHO
18 CODE, TO AUTHORIZE THE BOARDS OF COUNTY COMMISSIONERS AND
19 CITY COUNCILS TO GRANT LICENSES FOR LIQUOR BY THE DRINK TO
20 CERTAIN QUALIFIED PERSONS IN ACCORDANCE WITH CERTAIN LAWS,
21 RULES AND ORDINANCES AND TO PROVIDE CORRECT TERMINOLOGY;
22 AMENDING SECTION 23-902, IDAHO CODE, TO REVISE DEFINITIONS AND
23 TO DEFINE TERMS; REPEALING SECTIONS 23-903, 23-903a, 23-903b, 23-904,
24 23-905, 23-906, 23-907 AND 23-908, IDAHO CODE, RELATING TO RETAIL SALE
25 OF LIQUOR BY THE DRINK; AMENDING CHAPTER 9, TITLE 23, IDAHO
26 CODE, BY THE ADDITION OF A NEW SECTION 23-903, IDAHO CODE, TO
27 PROVIDE CERTAIN RESTRICTIONS RELATING TO ALCOHOLIC BEVERAGES;
28 AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A
29 NEW SECTION 23-904, IDAHO CODE, TO PROVIDE "GRANDFATHER RIGHTS"
30 AND TO PROVIDE THAT CERTAIN LICENSES ARE TRANSFERABLE AND
31 CERTAIN LICENSES ARE NOT TRANSFERABLE; AMENDING CHAPTER 9,
32 TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 23-905,
33 IDAHO CODE, TO AUTHORIZE COUNTIES AND CITIES TO ISSUE CERTAIN
34 MUNICIPAL LICENSES; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE,
35 BY THE ADDITION OF A NEW SECTION 23-906, IDAHO CODE, TO PROVIDE
36 CONDITIONS UNDER WHICH MUNICIPAL LICENSES MAY NOT BE ISSUED
37 AND TO PROVIDE A PROCEDURE FOR A REFERENDUM RELATING TO THE
38 AUTHORITY OF A GOVERNING BODY TO ISSUE MUNICIPAL LICENSES;
39 AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF
40 A NEW SECTION 23-907, IDAHO CODE, TO PROVIDE FOR THE FORM OF
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1 BALLOT; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION
2 OF A NEW SECTION 23-908, IDAHO CODE, TO PROVIDE FOR THE EFFECT
3 OF AN ELECTION AND TO PROVIDE THAT CERTAIN SALES SHALL NOT
4 BE AFFECTED; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE
5 ADDITION OF A NEW SECTION 23-909, IDAHO CODE, TO PROVIDE FOR
6 SUBSEQUENT ELECTIONS; REPEALING SECTIONS 23-910, 23-911, 23-912,
7 23-913, 23-914, 23-915, 23-916, 23-917, 23-918, 23-919, 23-920 AND 23-921,
8 IDAHO CODE, RELATING TO RETAIL SALE OF LIQUOR BY THE DRINK;
9 AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF
10 A NEW SECTION 23-910, IDAHO CODE, TO PROVIDE FOR APPLICATIONS
11 FOR MUNICIPAL LICENSES; AMENDING CHAPTER 9, TITLE 23, IDAHO
12 CODE, BY THE ADDITION OF A NEW SECTION 23-911, IDAHO CODE, TO
13 PROVIDE FOR THE INVESTIGATION OF APPLICATIONS, TO PROVIDE THAT
14 FALSE STATEMENTS SHALL CONSTITUTE A FELONY AND TO PROVIDE
15 A PENALTY; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE
16 ADDITION OF A NEW SECTION 23-912, IDAHO CODE, TO PROVIDE FOR
17 RULES AND REGULATIONS, TO PROVIDE FOR ADDITIONAL AUTHORITY
18 AND DUTIES OF THE ADMINISTRATOR, TO PROVIDE FOR THE POWERS
19 OF LICENSING AUTHORITIES OF COUNTIES AND CITIES AND TO PROVIDE
20 THAT LICENSEES SHALL ADVISE THEMSELVES OF THE RULES AND
21 REGULATIONS; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE
22 ADDITION OF A NEW SECTION 23-913, IDAHO CODE, TO PROVIDE FOR FEES;
23 AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A
24 NEW SECTION 23-914, IDAHO CODE, TO PROVIDE FOR THE DISPOSITION
25 OF FUNDS; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE
26 ADDITION OF A NEW SECTION 23-915, IDAHO CODE, TO PROHIBIT THE
27 ISSUANCE OR TRANSFER OF CERTAIN LICENSES TO SPECIFIED PERSONS
28 AND TO PROVIDE FOR THE REVOCATION OF CERTAIN LICENSES; AMENDING
29 CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW
30 SECTION 23-916, IDAHO CODE, TO PROVIDE LOCATION AND DISTANCE
31 PROVISIONS RELATING TO THE LOCATION OF PREMISES BEING ISSUED
32 OR TRANSFERRED A LICENSE AND TO PROVIDE EXCEPTIONS; AMENDING
33 CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION
34 23-917, IDAHO CODE, TO PROHIBIT SPECIFIED PERSONS AND ENTITIES FROM
35 PROVIDING EQUIPMENT, FIXTURES OR OTHERWISE FURNISHING FINANCIAL
36 AID TO ONE ENGAGED IN THE SALE OF LIQUOR AND TO PROHIBIT
37 LICENSEES FROM RECEIVING SUCH EQUIPMENT, FIXTURES OR FINANCIAL
38 AID; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF
39 A NEW SECTION 23-918, IDAHO CODE, TO PROVIDE CERTAIN RESTRICTIONS
40 FOR PERSONS INTERESTED IN THE PREMISES, TO PROVIDE AN EXCEPTION,
41 TO PROVIDE FOR THE APPLICABILITY OF RULES, REGULATIONS AND LAW,
42 TO PROVIDE THAT CERTAIN PERSONS SHALL NOT BE DISQUALIFIED FROM
43 HOLDING CERTAIN LICENSES AND TO CLARIFY THAT LICENSES FOR THE
44 RETAIL SALE OF LIQUOR BY THE DRINK MUST BE OBTAINED THROUGH
45 NORMAL MEANS; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE
46 ADDITION OF A NEW SECTION 23-919, IDAHO CODE, TO PROVIDE FOR

1 THE FORM AND DISPLAY OF MUNICIPAL LICENSES, TO PROHIBIT CERTAIN
2 TRANSFERS, TO PROVIDE THAT MUNICIPAL AND STATE LIQUOR LICENSES
3 ARE SEPARATE AND DISTINCT, TO RESTRICT THE EXERCISE OF PRIVILEGES
4 UNDER A LICENSE TO THE NAMED LICENSEE, TO PROVIDE FOR EXPIRATION
5 AND RENEWAL, TO PROVIDE FOR TRANSFERS OF STATE LIQUOR LICENSES,
6 TO PROVIDE FOR FEES AND TO PROVIDE EXCEPTIONS; AMENDING
7 CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION
8 23-920, IDAHO CODE, TO PROVIDE RESTRICTIONS ON THE TRANSFER OF
9 STATE LIQUOR LICENSES AND TO PROVIDE THAT CERTAIN LICENSES SHALL
10 BE SUBJECT TO LEVY AND DISTRAINT; AMENDING CHAPTER 9, TITLE 23,
11 IDAHO CODE, BY THE ADDITION OF A NEW SECTION 23-921, IDAHO CODE,
12 TO PROVIDE FOR SUSPENSION, REVOCATION AND REFUSAL TO RENEW
13 LICENSES, TO PROVIDE FOR PETITIONS REQUESTING MONETARY PAYMENT
14 IN LIEU OF SUSPENSION, TO PROVIDE FOR GUIDELINES AND RULES
15 RELATING TO PERIODS OF SUSPENSION AND MONETARY PAYMENTS IN
16 LIEU OF SUSPENSION, TO PROVIDE FOR ADDITIONAL SUSPENSIONS AND TO
17 PROVIDE FOR THE RENEWAL OF CERTAIN LICENSES; AMENDING CHAPTER
18 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 23-921A,
19 IDAHO CODE, TO PROVIDE FOR LICENSE SUSPENSION OR REVOCATION
20 UPON CONVICTION FOR VIOLATION OF OBSCENITY LAWS; AMENDING
21 CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION
22 23-922, IDAHO CODE, TO PROVIDE THAT THE SALE OF LIQUOR WITHOUT A
23 LICENSE IS A FELONY AND TO PROVIDE A PENALTY; AMENDING CHAPTER
24 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 23-923,
25 IDAHO CODE, TO PROVIDE THAT CERTAIN LIQUOR SOLD BY LICENSEES
26 SHALL BE PURCHASED FROM THE STATE LIQUOR DIVISION, TO PROVIDE
27 FOR SALES BY THE STATE LIQUOR DIVISION TO LICENSEES AND TO
28 DEFINE A TERM; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE
29 ADDITION OF A NEW SECTION 23-924, IDAHO CODE, TO PROVIDE FOR
30 THE EXAMINATION AND INSPECTION OF PREMISES BY OFFICERS AND TO
31 PROVIDE FOR NOTICE OF VIOLATION; AMENDING CHAPTER 9, TITLE 23,
32 IDAHO CODE, BY THE ADDITION OF A NEW SECTION 23-925, IDAHO CODE,
33 TO PROVIDE THAT LICENSEES HAVING ILLEGAL LIQUOR ON PREMISES
34 SHALL BE GUILTY OF A FELONY, TO PROVIDE PENALTIES, TO PROVIDE
35 FOR LICENSE REVOCATION, TO PROVIDE FOR A DETERMINATION OF THE
36 AMOUNT OF LIQUOR TO BE SOLD TO LICENSEES, TO PROVIDE FOR THE
37 SEIZURE OF ILLEGAL LIQUOR AND TO PROVIDE AN EXCEPTION; REPEALING
38 SECTIONS 23-926, 23-927 AND 23-928, IDAHO CODE, RELATING TO RETAIL
39 SALE OF LIQUOR BY THE DRINK; AMENDING CHAPTER 9, TITLE 23, IDAHO
40 CODE, BY THE ADDITION OF A NEW SECTION 23-926, IDAHO CODE, TO
41 PROVIDE FOR THE POSTING OF AGE RESTRICTION SIGNS; AMENDING
42 CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION
43 23-927, IDAHO CODE, TO PROHIBIT DISPENSING LIQUOR OFF PREMISES,
44 TO PROVIDE EXCEPTIONS, TO PROHIBIT GAMING ON PREMISES AND TO
45 PROVIDE AN EXCEPTION; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE,
46 BY THE ADDITION OF A NEW SECTION 23-928, IDAHO CODE, TO PROVIDE

1 FOR ALCOHOL BEVERAGE CATERING PERMITS AND APPLICATIONS;
2 AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF
3 A NEW SECTION 23-929, IDAHO CODE, TO PROVIDE A PROCEDURE FOR
4 CITIES AND COUNTIES UPON THE FILING OF AN APPLICATION FOR AN
5 ALCOHOL BEVERAGE CATERING PERMIT, TO PROVIDE FOR APPROVAL OR
6 DISAPPROVAL, TO PROVIDE THAT COPIES SHALL BE SENT OR RETAINED
7 BY SPECIFIED PERSONS AND TO PROVIDE THAT CERTAIN DOCUMENTS
8 SHALL CONSTITUTE PERMITS; REPEALING SECTIONS 23-930, 23-931, 23-932,
9 23-933, 23-933A, 23-933B, 23-934, 23-934A, 23-934B, 23-934C, 23-935, 23-936,
10 23-937, 23-938, 23-939, 23-940, 23-941, 23-942, 23-943, 23-943A, 23-944, 23-945,
11 23-946, 23-947, 23-948, 23-949, 23-950, 23-951, 23-952, 23-953, 23-954, 23-955,
12 23-956 AND 23-957, IDAHO CODE, RELATING TO THE RETAIL SALE OF LIQUOR
13 BY THE DRINK; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE
14 ADDITION OF A NEW SECTION 23-930, IDAHO CODE, TO PROVIDE FOR THE
15 APPLICABILITY OF CERTAIN REGULATORY AND PENALTY PROVISIONS;
16 AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A
17 NEW SECTION 23-931, IDAHO CODE, TO PROVIDE FOR THE DESTRUCTION
18 OF STAMPS, TO PROVIDE SANITARY REQUIREMENTS AND TO PROVIDE
19 THAT A VIOLATION SHALL CONSTITUTE A MISDEMEANOR; AMENDING
20 CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION
21 23-932, IDAHO CODE, TO PROHIBIT THE SALE OF LIQUOR ON CERTAIN
22 DAYS AND AT CERTAIN TIMES, TO PROVIDE EXCEPTIONS, TO PROVIDE
23 FOR THE CONSUMPTION OF LIQUOR ALREADY SERVED, TO PROVIDE THAT
24 SPECIFIED CONDUCT RELATING TO ALCOHOLIC BEVERAGE CONSUMPTION
25 SHALL CONSTITUTE A MISDEMEANOR, TO SET FORTH DUTIES RELATING
26 TO LOCKING UNSEALED CONTAINERS OF LIQUOR AND TO PROVIDE
27 THAT A VIOLATION SHALL CONSTITUTE A MISDEMEANOR; AMENDING
28 CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION
29 23-933, IDAHO CODE, TO PROVIDE FOR THE DUTY OF PUBLIC OFFICERS;
30 AMENDING SECTION 23-1001, IDAHO CODE, TO DEFINE TERMS; AMENDING
31 SECTION 23-1003, IDAHO CODE, TO DELETE UNNECESSARY VERBIAGE AND
32 TO REVISE TERMINOLOGY; AMENDING SECTION 23-1005A, IDAHO CODE,
33 TO REVISE TERMINOLOGY AND TO MAKE A TECHNICAL CORRECTION;
34 AMENDING SECTION 23-1006, IDAHO CODE, TO REVISE TERMINOLOGY;
35 AMENDING SECTION 23-1007, IDAHO CODE, TO REVISE TERMINOLOGY AND
36 TO REVISE CODE REFERENCES; AMENDING SECTION 23-1007A, IDAHO CODE,
37 TO DELETE REFERENCE TO THE DIRECTOR OF THE IDAHO STATE POLICE,
38 TO REVISE TERMINOLOGY AND TO MAKE A TECHNICAL CORRECTION;
39 AMENDING SECTION 23-1009, IDAHO CODE, TO DELETE REFERENCE TO THE
40 DIRECTOR OF THE IDAHO STATE POLICE AND TO REVISE TERMINOLOGY;
41 AMENDING SECTION 23-1010, IDAHO CODE, TO REVISE TERMINOLOGY
42 AND TO MAKE A TECHNICAL CORRECTION; AMENDING SECTION 23-1011,
43 IDAHO CODE, TO DELETE REFERENCE TO THE DIRECTOR OF THE IDAHO
44 STATE POLICE AND TO REVISE TERMINOLOGY; AMENDING SECTION 23-1014,
45 IDAHO CODE, TO REVISE LICENSE FEE PROVISIONS AND TO PROVIDE
46 LICENSE FEES FOR CERTAIN PREMISES RETAILING BEER; AMENDING

1 CHAPTER 10, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION
2 23-1014A, IDAHO CODE, TO PROVIDE FOR THE DISPOSITION OF FUNDS;
3 REPEALING SECTIONS 23-1020 AND 23-1022, IDAHO CODE, RELATING TO
4 PROVISIONS GOVERNING THE SALE OF BEER; AMENDING SECTIONS 23-1027
5 AND 23-1029, IDAHO CODE, TO REVISE TERMINOLOGY; AMENDING SECTION
6 23-1033, IDAHO CODE, TO REVISE CODE REFERENCES AND TO MAKE
7 TECHNICAL CORRECTIONS; AMENDING SECTION 23-1035, IDAHO CODE,
8 TO REVISE TERMINOLOGY; AMENDING SECTION 23-1037, IDAHO CODE,
9 TO PROVIDE FOR GUIDELINES AND RULES RELATING TO PERIODS OF
10 SUSPENSION AND MONETARY PAYMENTS IN LIEU OF SUSPENSION AND
11 TO REVISE TERMINOLOGY; AMENDING SECTION 23-1037A, IDAHO CODE,
12 TO REVISE TERMINOLOGY AND TO MAKE TECHNICAL CORRECTIONS;
13 AMENDING SECTION 23-1038, IDAHO CODE, TO PROVIDE FOR SUSPENSION,
14 REVOCATION AND REFUSAL TO RENEW LICENSES, TO PROVIDE FOR
15 PETITIONS REQUESTING MONETARY PAYMENT IN LIEU OF SUSPENSION, TO
16 PROVIDE FOR ADDITIONAL SUSPENSIONS, TO PROVIDE FOR GUIDELINES
17 AND RULES RELATING TO PERIODS OF SUSPENSION AND MONETARY
18 PAYMENTS IN LIEU OF SUSPENSION, TO PROVIDE FOR THE RENEWAL OF
19 CERTAIN LICENSES AND TO MAKE A TECHNICAL CORRECTION; AMENDING
20 SECTIONS 23-1042 AND 23-1044, IDAHO CODE, TO REVISE TERMINOLOGY;
21 REPEALING SECTION 23-1046, IDAHO CODE, RELATING TO PROVISIONS
22 GOVERNING THE SALE OF BEER; AMENDING SECTION 23-1052, IDAHO
23 CODE, TO REVISE TERMINOLOGY; AMENDING TITLE 23, IDAHO CODE,
24 BY THE ADDITION OF A NEW CHAPTER 12, TITLE 23, IDAHO CODE,
25 TO PROVIDE FOR CLERK AND SERVER TRAINING, TO DEFINE TERMS,
26 TO PROVIDE FOR APPROVED TRAINING, TO PROVIDE FOR MANDATORY
27 TRAINING FOR ON-PREMISES SALES, TO PROVIDE FOR VOLUNTARY
28 TRAINING FOR OFF-PREMISES SALES AND TO PROVIDE FOR ENFORCEMENT;
29 AMENDING SECTION 23-1303, IDAHO CODE, TO DEFINE TERMS AND TO
30 REVISE DEFINITIONS; AMENDING CHAPTER 13, TITLE 23, IDAHO CODE, BY
31 THE ADDITION OF A NEW SECTION 23-1304A, IDAHO CODE, TO PROVIDE
32 FOR CERTIFICATION OF CERTAIN RESOLUTIONS AND ELECTIONS AND
33 TO CLARIFY EFFECTIVENESS OF CERTAIN RESOLUTIONS AND ELECTION
34 RESULTS; AMENDING SECTIONS 23-1306, 23-1307, 23-1308, 23-1308A, 23-1309A
35 AND 23-1314, IDAHO CODE, TO REVISE TERMINOLOGY; AMENDING CHAPTER
36 13, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 23-1315A,
37 IDAHO CODE, TO PROVIDE FOR THE DISPOSITION OF FUNDS; AMENDING
38 SECTION 23-1316, IDAHO CODE, TO REVISE TERMINOLOGY AND TO MAKE
39 A TECHNICAL CORRECTION; AMENDING SECTION 23-1317, IDAHO CODE,
40 TO REVISE TERMINOLOGY AND TO MAKE TECHNICAL CORRECTIONS;
41 AMENDING SECTIONS 23-1327 AND 23-1329, IDAHO CODE, TO REVISE
42 TERMINOLOGY; AMENDING SECTION 23-1330, IDAHO CODE, TO REVISE
43 TERMINOLOGY AND TO MAKE TECHNICAL CORRECTIONS; AMENDING
44 SECTION 23-1331, IDAHO CODE, TO REVISE TERMINOLOGY, TO PROVIDE
45 THAT CERTAIN MANUFACTURING AND BOTTLING FUNCTIONS OF WINERIES
46 SHALL NOT BE SUBJECT TO SUSPENSION, REVOCATION OR NONRENEWAL

1 OF LICENSES AND TO PROVIDE FOR GUIDELINES AND RULES RELATING
 2 TO PERIODS OF SUSPENSION AND MONETARY PAYMENT IN LIEU OF
 3 SUSPENSION; REPEALING SECTION 23-1335, IDAHO CODE, RELATING TO
 4 PROVISIONS GOVERNING THE COUNTY OPTION KITCHEN AND TABLE WINE
 5 ACT; AMENDING SECTION 23-1336, IDAHO CODE, TO REVISE TERMINOLOGY;
 6 AMENDING SECTION 23-1338, IDAHO CODE, TO PROVIDE THAT WINERIES
 7 SHALL NOTIFY THE ADMINISTRATOR PRIOR TO CERTAIN SPONSORED
 8 EVENTS, TO PROVIDE FOR RESPONSE BY THE ADMINISTRATOR AND TO
 9 PROVIDE FOR THE EFFECT OF AN APPROVAL; AMENDING TITLE 54, IDAHO
 10 CODE, BY THE ADDITION OF A NEW CHAPTER 54, TITLE 54, IDAHO CODE,
 11 TO PROVIDE FOR THE IDAHO DIVISION OF ALCOHOL BEVERAGE LICENSING
 12 AND REGULATION, TO PROVIDE A SHORT TITLE, TO DECLARE POLICY,
 13 TO PROVIDE POWERS AND DUTIES AND TO PROVIDE FOR THE ALCOHOL
 14 BEVERAGE LICENSING AND REGULATORY FUND; AMENDING SECTION
 15 18-7803, IDAHO CODE, TO DELETE AND TO REVISE CODE REFERENCES;
 16 AMENDING SECTIONS 23-1312, 23-1406, 39-5502, 49-307 AND 67-7446, IDAHO
 17 CODE, TO REVISE CODE REFERENCES; AND PROVIDING SEVERABILITY.

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

19 SECTION 1. That Section 23-217, Idaho Code, be, and the same is hereby amended to
 20 read as follows:

21 23-217. SURCHARGE ADDED TO PRICE OF ALCOHOLIC LIQUOR AND
 22 ALL OTHER MERCHANDISE SOLD – COLLECTION AND REMISSION BY
 23 ~~SUPERINTENDENT~~ DIRECTOR. (1) The ~~superintendent~~ director of the state liquor
 24 ~~dispensary division~~ is hereby authorized and directed to include in the price of alcoholic liquor
 25 and all other merchandise sold in the ~~dispensary division~~, and its branches, a surcharge equal to
 26 two percent (2%) of the current price per unit computed to the nearest multiple of five cents
 27 (5¢).

28 (2) After the price of the surcharge has been included, the ~~superintendent~~ director of the
 29 state liquor ~~dispensary division~~ is hereby authorized and directed to allow a discount of ~~five ten~~
 30 percent (~~5~~10%) from the price of each order of alcoholic liquor and all other merchandise sold
 31 to any ~~licensee~~ person holding a state liquor license, as defined in section 23-902(~~7~~16), Idaho
 32 Code.

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

36 SECTION 2. That Section 23-603, Idaho Code, be, and the same is hereby amended to
 37 read as follows:

38 23-603. DISPENSING TO A PERSON UNDER THE AGE OF TWENTY-ONE
 39 YEARS. (1) Any person who is eighteen (18) years of age or older who shall sell, give, or
 40 furnish, or cause to be sold, given, or furnished, alcohol beverage, including any distilled
 41 spirits, beer or wine, to a person under the age of twenty-one (21) years shall be guilty of
 42 a misdemeanor and upon conviction thereof may be punished by a fine of not less than five

1 hundred dollars (\$500) nor more than one thousand dollars (\$1,000) per violation, or by
 2 imprisonment in the county jail for a period not to exceed one (1) year, or by both such fine
 3 and imprisonment. A second or subsequent violation of this section by the same defendant
 4 shall constitute a misdemeanor and upon conviction thereof the defendant shall be punished
 5 by a fine of not less than one thousand dollars (\$1,000) nor more than two thousand dollars
 6 (\$2,000) per violation, or imprisonment in the county jail for a period not to exceed one
 7 (1) year, or by both such fine and imprisonment. Notwithstanding the provisions of section
 8 19-4705, Idaho Code, moneys received pursuant to such fines shall be deposited in the
 9 substance abuse treatment fund, as created in section 23-408, Idaho Code. Upon conviction of
 10 any person for a violation of the provisions of this section, the court shall notify the ~~director of~~
 11 ~~the Idaho state police~~ responsible authority. The ~~director~~ responsible authority shall review the
 12 circumstances of the conviction, and if the dispensing took place at a licensed ~~establishment or~~
 13 ~~other retailer or distributor~~ premises, the ~~director~~ responsible authority may take administrative
 14 action ~~he considers appropriate against the licensee or business including suspension of the~~
 15 ~~license for not to exceed six (6) months, a fine, or both such suspension and fine~~ consistent
 16 with section 23-617, Idaho Code.

17 (2) For the purposes of this section "responsible authority" shall mean the administrator
 18 of the division of alcohol beverage licensing and regulation for state licensees, or the city
 19 council, chief executive of a city, mayor, board of county commissioners or entity established
 20 by ordinance that issued the municipal license for municipal licensees.

21 SECTION 3. That Section 23-604, Idaho Code, be, and the same is hereby amended to
 22 read as follows:

23 23-604. MINORS – PURCHASE, CONSUMPTION OR POSSESSION PROHIBITED
 24 – PERSONS UNDER SPECIFIED AGES FORBIDDEN TO ENTER, REMAIN IN OR
 25 LOITER AT CERTAIN LICENSED PLACES. (1) Any person under twenty-one (21) years
 26 of age who shall purchase, attempt to purchase, or otherwise consume or possess any alcohol
 27 beverage, including any distilled spirits, beer or wine, or who knowingly misrepresents his or
 28 her age for the purpose of entering a licensed premises shall be guilty of a misdemeanor and
 29 shall be punished according to the schedule set out in section 18-1502, Idaho Code.

30 (2) No person under the age of twenty-one (21) years shall enter, remain in or loiter in
 31 or about any place, as herein defined, licensed for the sale of liquor by the drink at retail, or
 32 sale of beer for consumption on the premises; nor shall any licensee of either such place, or any
 33 person in charge thereof, or on duty while employed by the licensee therein, permit or allow
 34 any person under the age specified with respect thereto to remain in or loiter in or about such
 35 place.

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

1 (4) For purposes of this section, "place," means any room of any premises licensed for
 2 the sale of liquor by the drink at retail wherein there is a bar and liquor, bar supplies and
 3 equipment are kept and where beverages containing alcoholic liquor are prepared or mixed and
 4 served for consumption therein, and any room of any premises licensed for the sale of beer for
 5 consumption on the premises wherein there is a bar and beer, bar supplies and equipment are
 6 kept and where beer is drawn or poured and served for consumption therein.

7 SECTION 4. That Section 23-605, Idaho Code, be, and the same is hereby amended to
 8 read as follows:

9 23-605. DISPENSING TO DRUNK. (1) Any person who sells, gives, or dispenses
 10 any alcohol beverage, including any distilled spirits, beer or wine, to another person who is
 11 ~~intoxicated or apparently~~ obviously intoxicated shall be guilty of a misdemeanor and upon
 12 conviction thereof may be punished by a fine of not less than five hundred dollars (\$500) nor
 13 more than one thousand dollars (\$1,000) per violation, or by imprisonment in the county jail
 14 for a period not to exceed one (1) year, or by both such fine and imprisonment. A second or
 15 subsequent violation of this section by the same defendant shall constitute a misdemeanor and
 16 upon conviction thereof the defendant shall be punished by a fine of not less than one thousand
 17 dollars (\$1,000) nor more than two thousand dollars (\$2,000) per violation, or imprisonment in
 18 the county jail for a period not to exceed one (1) year, or by both such fine and imprisonment.
 19 Notwithstanding the provisions of section 19-4705, Idaho Code, moneys received pursuant
 20 to such fines shall be deposited in the substance abuse treatment fund, as created in section
 21 23-408, Idaho Code. Upon conviction of any person for a violation of the provisions of
 22 this section, the court shall notify the responsible authority. The responsible authority shall
 23 review the circumstances of the conviction, and if the dispensing took place at a licensed
 24 establishment or other retailer or distributor, the responsible authority may take administrative
 25 action consistent with section 23-617, Idaho Code.

26 (2) For the purposes of this section, "responsible authority" shall mean the administrator
 27 of the division of alcohol beverage licensing and regulation for state licensees, or the city
 28 council, chief executive of a city, mayor, board of county commissioners or entity established
 29 by ordinance that issued the municipal license for municipal licensees.

30 SECTION 5. That Chapter 6, Title 23, Idaho Code, be, and the same is hereby amended
 31 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-617,
 32 Idaho Code, and to read as follows:

33 23-617. VIOLATIONS – ADMINISTRATIVE PENALTIES. (1) The following
 34 administrative penalties shall apply to licensees for violations of the provisions of chapter
 35 6, title 23, Idaho Code, if all of the licensee's employees, at the time of the violation, have
 36 completed an approved alcohol training program in accordance with chapter 12, title 23, Idaho
 37 Code:

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

41 (b) For the third violation within a three (3) year period, the responsible authority shall
 42 impose an administrative fine in the amount of five hundred dollars (\$500) on the licensee
 43 who employs or employed the violator.

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

5 (2) The following administrative penalties shall apply to licensees for violations of the
 6 provisions of chapter 6, title 23, Idaho Code, if any of the licensee's employees, at the time
 7 of the violation, have not completed an approved alcohol training program in accordance with
 8 chapter 12, title 23, Idaho Code:

9 (a) For the first violation within a three (3) year period, the responsible authority shall
 10 impose an administrative fine in the amount of three hundred dollars (\$300) on the
 11 licensee who employs or employed the violator.

12 (b) For a second violation within a three (3) year period, the responsible authority shall
 13 impose an administrative fine in the amount of one thousand dollars (\$1,000) on the
 14 licensee who employs or employed the violator.

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

19 (3) Any fines imposed on a state licensee pursuant to the provisions of this section shall
 20 be paid to the division to be distributed pursuant to section 23-914, Idaho Code.

21 (4) Any fines imposed on a municipal licensee pursuant to the provisions of this section
 22 shall be paid to the city or county that issued the municipal license.

23 (5) For the purposes of this section "responsible authority" shall mean the administrator
 24 of the division of alcohol beverage licensing and regulation for state licensees, or the city
 25 council, chief executive of a city, mayor, board of county commissioners or entity established
 26 by ordinance that issued the municipal license for municipal licensees.

27 SECTION 6. That Section 23-901, Idaho Code, be, and the same is hereby amended to
 28 read as follows:

29 23-901. DECLARATION OF POLICY – RETAIL SALE OF LIQUOR. It is hereby
 30 declared as the policy of the state of Idaho that it is necessary to further regulate and control
 31 the sale and distribution within the state of alcoholic beverages and to eliminate certain illegal
 32 traffic in liquor now existing and to ~~insure~~ ensure the entire control of the sale of liquor it is
 33 advisable and necessary, in addition to the operation of the state liquor stores now provided
 34 by law, that the ~~director of the Idaho state police and the~~ boards of county commissioners
 35 and the councils of cities in the state of Idaho be empowered and authorized to grant licenses
 36 for liquor by the drink to persons qualified under this ~~act~~ chapter to sell liquor purchased
 37 by them at state liquor stores at retail posted prices in accordance with this ~~act~~ title and
 38 under the rules promulgated by ~~said director and under his strict supervision and control and~~
 39 ~~to provide severe penalty for the sale of liquor except by and in state liquor stores and by~~
 40 ~~persons licensed under this act~~ the administrator of the division of alcohol beverage licensing
 41 and regulation or ordinance enacted by a board of county commissioners or by a city council.
 42 The restrictions, rules, and provisions contained in this ~~act~~ chapter are enacted by the legislature
 43 for the protection, health, welfare and safety of the people of the state of Idaho and for the
 44 purpose of promoting and encouraging temperance in the use of alcoholic beverages within the
 45 state of Idaho.

1 SECTION 7. That Section 23-902, Idaho Code, be, and the same is hereby amended to
2 read as follows:

3 23-902. DEFINITIONS. The following words and phrases used in this chapter shall be
4 given the following interpretation:

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

7 ~~(a) A post, chapter, camp or other local unit composed solely of veterans and their duly
8 recognized auxiliary, and which is a post, chapter, camp or other local unit composed
9 solely of veterans which has been chartered by the congress of the United States for
10 patriotic, fraternal or benevolent purposes, and which has, as the owner, lessee or
11 occupant, operated an establishment for that purpose in this state; or~~

12 ~~(b) A chapter, aerie, parlor, lodge or other local unit of an American national fraternal
13 organization, which has as the owner, lessee or occupant, operated an establishment for
14 fraternal purposes in this state and actively operates in not less than thirty six (36) states
15 or has been in continuous existence for not less than twenty (20) years; and which has
16 not less than fifty (50) bona fide members in each unit, and which owns, maintains
17 or operates club quarters, and is authorized and incorporated to operate as a nonprofit
18 club under the laws of this state, and which has recognized tax exempt status under
19 section 501(c)(8) or 501(c)(10) of the Internal Revenue Code, and has been continuously
20 incorporated and operating for a period of not less than one (1) year. The club shall have
21 had during that period of one (1) year, a bona fide membership with regular meetings
22 conducted at least once each month, and the membership shall be and shall have been
23 actively engaged in carrying out the objects of the club. The club membership shall
24 consist of bona fide dues paying members, recorded by the secretary of the club, paying
25 at least six dollars (\$6.00) per year in dues, payable monthly, quarterly or annually; and
26 the members at the time of application for a club license shall be in good standing, having
27 paid dues for at least one (1) full year.~~

28 "Administrator" means the administrator of the division of alcohol beverage licensing and
29 regulation.

30 (2) "Convention" means a formal meeting of members, representatives, or delegates, as
31 of a political party, fraternal society, profession or industry.

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

33 (4) "Eating establishment" means a restaurant, cafe, dining room, coffee shop, cafeteria
34 or other establishment that must utilize at least seventy-five percent (75%) of the gross floor
35 area for the preparation, cooking and serving of complete meals, have and actively operate
36 a commercial kitchen that includes a type one (1) commercial hood and cooking equipment,
37 excluding microwave ovens and grills, capable of cooking complete meals and be a public
38 place kept, maintained and advertised as a place where complete meals are served and where
39 complete meals are actually and regularly served during the time the establishment is open to
40 the public. Limited food service, such as is provided by luncheonettes, drive-ins, sandwich
41 shops and other similar uses does not meet the requirements of this definition.

42 (5) "Gaming" means any and all gambling or games of chance defined in chapters 38 and
43 49, title 18, Idaho Code, or any section or sections thereof, whether those games are licensed or
44 unlicensed.

1 ~~(5) "Interdicted person" means a person to whom the sale of liquor is prohibited under~~
2 ~~law.~~

3 ~~(6) "License" means a license issued by the director to a qualified person, under which it~~
4 ~~shall be lawful for the licensee to sell and dispense liquor by the drink at retail, as provided by~~
5 ~~law.~~

6 ~~(7)~~ "Licensee" means the person to whom a license is issued under the provisions of law.

7 ~~(8)~~ "Liquor" means all kinds of liquor sold by and in a state liquor store of the state of
8 Idaho.

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

11 (8) "Lodging facility" means a building with permanent bona fide overnight
12 accommodations available to the general public.

13 ~~(10)~~ "Municipal license" means a license issued by a ~~municipality~~ county or
14 incorporated city of the state of Idaho under the provisions of law.

15 ~~(11)~~ "Party" means a social gathering especially for pleasure or amusement and includes,
16 but is not limited to, such social events as weddings, birthdays, and special holiday celebrations
17 to include, but not be limited to, New Year's celebrations, Super Bowl Sunday, St. Patrick's
18 Day, the Fourth of July and Labor Day.

19 ~~(12)~~ "Person" means ~~every~~ any individual, partnership, corporation, organization, or
20 association ~~holding a retail liquor license, whether conducting the business singularly or~~
21 ~~collectively.~~

22 ~~(13)~~ "Premises" means the building and contiguous property owned, or leased or used
23 under a government permit by a licensee as part of the business establishment in the business
24 of sale of liquor by the drink at retail, which property is improved to include decks, docks,
25 boardwalks, lawns, gardens, golf courses, ski resorts, courtyards, patios, poolside areas or
26 similar improved appurtenances in which the sale of liquor by the drink at retail is authorized
27 under the provisions of law.

28 (13) "Qualified applicant" means any person who has a valid retail beer license issued
29 under the laws of the state of Idaho.

30 (14) "Rules" means rules promulgated by the ~~director~~ administrator, or ordinances enacted
31 by a county or city in accordance with the provisions of law.

32 (15) "Specialty license" means a license duly issued by the director prior to July 1,
33 2009, to a person, owner, operator or lessee of a: golf course; winery; ski resort; equestrian
34 facility; restaurant operated in an airport; club; convention center; gondola resort complex;
35 food, conference and lodging facility; dining club or buffet car operated in connection with
36 regularly operated train service, or common carrier boat or common carrier airline; waterfront
37 resort; cross-country skiing facility; racing facility; theme park; ski resort facility or golf course
38 which has had a split in ownership; or a year-round resort.

39 (16) "State liquor license" means a license issued by the director prior to July 1, 2009,
40 under which it shall be lawful for the licensee to sell and dispense liquor by the drink at retail,
41 as provided by law.

42 (17) "State liquor store" means a liquor store or distributor established under and
43 pursuant to the laws of the state of Idaho for the package sale of liquor at retail.

44 ~~(18)~~ "Theater" means a room, place or outside structure for performances or readings
45 of dramatic literature, plays or dramatic representations of an art form not in violation of any
46 provision of Idaho law.

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

3 SECTION 8. That Sections [23-903](#), [23-903a](#), [23-903b](#), [23-904](#), [23-905](#), [23-906](#), [23-907](#)
4 and [23-908](#), Idaho Code, be, and the same are hereby repealed.

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

8 23-903. NO RETAIL SALE EXCEPT BY THE DRINK – RESTRICTIONS ON
9 SALES. (1) It shall be unlawful for any licensee to sell, keep for sale, dispense, give away, or
10 otherwise dispose of any liquor in the original containers or otherwise than by retail sale by the
11 drink.

12 (2) No person licensed pursuant to title 23, Idaho Code, or his agent, officer, or employee
13 shall sell, deliver, give away, or allow the consumption of any alcohol beverage, including
14 distilled spirits, beer or wine, to:

15 (a) Any person under the age of twenty-one (21) years. Proof of proper age shall be
16 a validly issued state, district, territorial, provincial, national or other equivalent driver's
17 license, government identification card, military identification card or passport bearing a
18 photograph and date of birth; or

19 (b) Any person obviously intoxicated.

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

23 23-904. GRANDFATHER CLAUSE. Any person who, on July 1, 2009, holds a valid
24 retail liquor license shall be accorded "grandfather rights," and shall be deemed to have
25 a state liquor license and be subject to the applicable provisions of this chapter and rules
26 promulgated by the administrator. State liquor licenses, unless stated otherwise or prohibited
27 by ordinance, shall be freely transferable throughout the state of Idaho wherever liquor by the
28 drink establishments are allowed. Specialty licenses that were issued prior to July 1, 2009,
29 shall also be deemed state liquor licenses; however these licenses shall not be transferred to any
30 other location or person.

31 SECTION 11. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
32 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-905,
33 Idaho Code, and to read as follows:

34 23-905. AUTHORIZATION FOR CITIES AND COUNTIES TO LICENSE RETAIL
35 LIQUOR. (1) Counties are hereby empowered and authorized to issue municipal licenses to
36 qualified applicants for eating establishments and lodging facilities outside the incorporated
37 limits of any city within said county, as herein provided, whereby the licensee shall be
38 authorized and permitted to sell liquor by the drink at retail and, upon the issuance of such
39 license, the licensee therein named shall be authorized to sell liquor by the drink at retail, but
40 only in accordance with the provisions of this chapter and any rules promulgated or ordinance
41 adopted by the board of county commissioners of the licensing county.

1 (2) Incorporated cities are hereby empowered and authorized to issue municipal licenses
 2 to qualified applicants for eating establishments and lodging facilities within the corporate
 3 limits of such city, as herein provided, whereby the licensee shall be authorized and permitted
 4 to sell liquor by the drink at retail and, upon the issuance of such license, the licensee therein
 5 named shall be authorized to sell liquor by the drink at retail, but only in accordance with the
 6 provisions of this chapter and any rules promulgated or ordinance adopted by the city council
 7 of the licensing city.

8 (3) The boards of county commissioners and city councils are empowered to create
 9 rules, requirements and criteria by ordinance for the equitable and fair administration of
 10 municipal licenses consistent with state law; provided however, that any such criteria shall not
 11 be inconsistent with this chapter.

12 SECTION 12. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
 13 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-906,
 14 Idaho Code, and to read as follows:

15 23-906. REFERENDUM. Municipal licenses may be issued after sixty (60) days of the
 16 effective date of this act unless there is an existing resolution or ordinance, or one is adopted
 17 by a city council or county commission, or an election pursuant to this chapter and Idaho law
 18 is held to prohibit municipal licenses for the retail of liquor by the drink. Within sixty (60)
 19 days after the effective date of this act, a petition in writing proposed by a person and signed
 20 by not less than twenty percent (20%) of the registered, qualified electors of any county or city
 21 may be filed with the clerk of said county or city as their protest against the authority of the
 22 governing body to issue municipal licenses in said county or city under the provisions of this
 23 act. In the event said petition is presented, the governing body of any such county or city shall,
 24 within five (5) days after the presentation of said petition, meet and determine the sufficiency
 25 thereof by ascertaining whether said petition is signed by the required number of registered,
 26 qualified electors of the county or city affected. In the event the governing body of said county
 27 or city determines that said petition is signed by the required percentage of registered, qualified
 28 electors, said governing body shall forthwith make an order calling an election to be held
 29 within said county or city, subject to the provisions of title 34, chapter 6, Idaho Code, in the
 30 manner provided by law for holding elections for county or city officers. All laws of the state
 31 of Idaho relating to the holding of elections of county or city officers for such county or city,
 32 whether special charter or general law of the state, shall apply to the holding of the election
 33 provided for in this section, except where specifically modified herein. In addition to the other
 34 requirements of law, the notice of election shall notify the electors of the issue to be voted upon
 35 at said election.

36 SECTION 13. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
 37 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-907,
 38 Idaho Code, and to read as follows:

39 23-907. FORM OF BALLOT. The county or city clerk must furnish the ballots to be
 40 used in such election, which ballots must contain the following words:

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

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

1 and the elector in order to vote must mark opposite one (1) of the questions in a space provided
2 therefor.

3 SECTION 14. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
4 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-908,
5 Idaho Code, and to read as follows:

6 23-908. EFFECT OF ELECTION – LIQUOR STORE SALES NOT AFFECTED. Upon
7 a canvass of the votes cast, the clerk of the county or city shall certify the result thereof to
8 the governing body. If a majority of the votes cast are "sale of liquor by the drink, Yes,"
9 municipal licenses shall be issued in said county or city as provided in this act. If a majority of
10 the votes cast are "sale of liquor by the drink, No," then no municipal licenses shall be issued
11 in said county or city unless thereafter authorized by a subsequent election in said county or
12 city; provided however, that nothing herein contained, nor any resolution shall be construed to
13 prevent or prohibit the sale of liquor at or by a state liquor store, state distributor or holder of a
14 state liquor license issued for a premise within such county or city.

15 SECTION 15. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
16 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-909,
17 Idaho Code, and to read as follows:

18 23-909. SUBSEQUENT ELECTIONS. An election may be subsequently called and
19 held upon the issue of whether the sale of liquor by the drink shall be prohibited or, if
20 prohibited, then an election to determine whether sale of liquor by the drink shall be permitted.
21 Such subsequent election shall be held upon the filing of a petition, as provided in section
22 23-906, Idaho Code, signed by the requisite percentage of qualified electors. No such
23 subsequent election shall be held prior to November 1, 2009, or more often than two (2) years
24 after the holding of any such subsequent election.

25 SECTION 16. That Sections [23-910](#), [23-911](#), [23-912](#), [23-913](#), [23-914](#), [23-915](#), [23-916](#),
26 [23-917](#), [23-918](#), [23-919](#), [23-920](#) and [23-921](#), Idaho Code, be, and the same are hereby repealed.

27 SECTION 17. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
28 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-910,
29 Idaho Code, and to read as follows:

30 23-910. APPLICATION FOR MUNICIPAL LICENSES. (1) Prior to the issuance of
31 a municipal license as herein provided, an applicant shall file with the county, if outside
32 the limits of an incorporated city or alternatively, the city, if the premises is located within
33 an incorporated city, an application, in writing, signed by the applicant and containing such
34 information and statements relative to the applicant and the premises where the liquor is to be
35 sold as may be required by the county or city, along with a nonrefundable application fee of
36 four hundred dollars (\$400). The application shall be verified by the affidavit of the person
37 making the same before a person authorized to administer oaths and shall be accompanied by
38 the license fee herein required.

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

- 1 (a) A complete copy of the beer license application filed with the state pursuant to
 2 chapter 10, title 23, Idaho Code;
 3 (b) A copy of a valid state beer license issued to the applicant;
 4 (c) A copy of a valid county beer license issued to the applicant;
 5 (d) If during the period of any license issued hereunder any change shall take place in
 6 any of the requirements of subsection (2)(a), (b) or (c) of this section, the licensee shall
 7 forthwith make a written report of such change to the respective local authority.

8 SECTION 18. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
 9 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-911,
 10 Idaho Code, and to read as follows:

11 23-911. INVESTIGATION OF APPLICATIONS – PENALTY FOR FALSE
 12 STATEMENTS. (1) Upon receipt of an application for a municipal license under this act,
 13 accompanied by the necessary license fee, the county or city, if the premises are within
 14 an incorporated city, within ninety (90) days thereafter, may cause to be made a thorough
 15 investigation of all matters pertaining thereto. If the county or city, if applicable, determines
 16 that the contents of the application are true, that such applicant is qualified to receive a license,
 17 and that the requirements of this act and the rules promulgated by the county or city are met
 18 and complied with, they shall issue such license; otherwise the application shall be denied and
 19 the license fee, less the costs and expenses of investigation, returned to the applicant.

20 (2) In making an investigation pursuant to this section the county or city shall have the
 21 power to investigate and examine the books and records of the licensee and any person having
 22 a financial interest in any business to be conducted on the licensed premises, including, but not
 23 limited to, their bank accounts, returns filed under the Idaho income tax act, as amended, and
 24 any other sources of information deemed desirable by the county or city and not specifically
 25 prohibited by law.

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

31 SECTION 19. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
 32 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-912,
 33 Idaho Code, and to read as follows:

34 23-912. RULES AND REGULATIONS – FORMS AND RECORDS. (1) For the
 35 purpose of the administration of state liquor licenses the administrator shall make, promulgate
 36 and publish such rules and regulations as said administrator may deem necessary for carrying
 37 out the provisions of this act and for the orderly and efficient administration hereof, and except
 38 as may be limited or prohibited by law and the provisions of this act, such rules and regulations
 39 so made and promulgated shall have the force of statute. Without limiting the generality of the
 40 foregoing provisions, the administrator shall be empowered and it is made his duty to prescribe
 41 forms to be used in the administration of this act, the proof to be furnished and the conditions
 42 to be observed in the issuance of state liquor licenses, prescribing forms or records to be kept
 43 of the sale of liquor, prescribing notices required by this act or the regulations thereof, and the

1 manner of giving and serving the same, prescribing, subject to the provisions of this act, the
2 conditions and qualifications necessary to transfer a license if allowed, the books and records to
3 be kept by the licensee, the form of returns to be made by the licensee, and providing for the
4 inspection of such licensed premises, specifying and describing the place and manner in which
5 the liquor may be lawfully kept or stored, covering the conduct, management and equipment
6 of premises licensed to sell liquor and make regulations respecting the sale and consumption
7 of liquor.

8 (2) The licensing authority of any county or incorporated city shall have and exercise
9 the same powers to administer municipal licenses issued or issuable by it, as are granted to the
10 administrator in this section.

11 (3) Every licensee shall advise himself of such rules and regulations, and ignorance
12 thereof shall be no defense.

13 SECTION 20. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
14 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-913,
15 Idaho Code, and to read as follows:

16 23-913. LICENSE FEES. (1) Each city council and board of county commissioners is
17 authorized and empowered to impose and collect a one-time, nonrefundable application fee and
18 the annual license fee from qualified applicants.

19 (2) Each city council and board of county commissioners is authorized and empowered
20 to impose and collect an annual license fee for municipal licenses it issues in an amount
21 not less than three thousand dollars (\$3,000). In establishing the amount of such fee, a city
22 or county may consider the impacts of newly licensed establishments, including both direct
23 and indirect costs, upon municipal services, maintenance of public safety and other costs of
24 managing municipal licenses.

25 (3) The administrator is hereby authorized and empowered to impose and collect an
26 annual license fee for state liquor licenses as follows:

27 (a) For a state liquor license in a city of one thousand (1,000) population or less or in
28 a county of ten thousand (10,000) population or less, three hundred seventy-five dollars
29 (\$375) per annum.

30 (b) For a state liquor license in a city of one thousand (1,000) to three thousand (3,000)
31 population or in a county of ten thousand (10,000) to twenty-five thousand (25,000)
32 population, six hundred dollars (\$600) per annum.

33 (c) For a state liquor license in a city having a population of more than three thousand
34 (3,000) or in a county having a population of more than twenty-five thousand (25,000),
35 nine hundred dollars (\$900) per annum.

36 (d) For each railroad train for sale only in buffet, club or dining cars, seventy-five dollars
37 (\$75.00) per annum of the scheduled run of such train within the state of Idaho; provided,
38 that such license shall be in full, and in lieu of all other licenses herein provided.

39 (e) For each common carrier boat line for sale only in buffet, club dining rooms, three
40 hundred dollars (\$300) per annum. Such license shall be in full, and in lieu of all other
41 licenses herein provided.

42 (f) For each common carrier airline for sale only in common carrier aircraft, three
43 hundred fifty dollars (\$350) per annum. Such license shall be in full, and in lieu of
44 all other licenses herein provided.

1 (g) For each state liquor license held by an owner or operator of a year-round resort,
 2 three thousand five hundred dollars (\$3,500) per annum. For each state liquor license
 3 held by an owner or operator of a beverage, lodging or dining facility within the premises
 4 of a year-round resort, three thousand five hundred dollars (\$3,500) per annum. For
 5 each state liquor license held by a lessee of a beverage, lodging or dining facility within
 6 the premises of the year-round resort, three thousand five hundred dollars (\$3,500) per
 7 annum.

8 (h) Provided that any state liquor licensee who operates for only a portion of a year may
 9 have his license fee prorated from the date he commences operation to the end of the
 10 calendar year, but in no event for less than six (6) months.

11 (i) In the event a state liquor licensee who was previously issued a license on a prorated
 12 basis under the provisions hereof desires to have such license renewed for the same
 13 period for the next succeeding year, he shall file his intention to so apply for such license
 14 with the director, accompanied by the fee required for the issuance of such license on or
 15 before December 31 of the year preceding.

16 (j) The license fees herein provided for are exclusive of and in addition to other license
 17 fees chargeable in the state of Idaho.

18 (k) The basis upon which respective populations of municipalities shall be determined is
 19 the last preceding census or any subsequent special census conducted by the United States
 20 bureau of the census, unless a direct enumeration of the inhabitants thereof be made by
 21 the state of Idaho, in which case such later direct enumeration shall constitute such basis.

22 (4) City councils may impose and collect an annual renewal fee not to exceed
 23 seventy-five percent (75%) of the amount of the license fee collected by the administrator
 24 as herein provided for premises with state liquor licenses within their jurisdictions. Boards
 25 of county commissioners may also impose and collect an annual renewal fee not to exceed
 26 twenty-five percent (25%) of the amount of the license fee collected by the administrator as
 27 herein provided for premises with state liquor licenses within their jurisdictions.

28 SECTION 21. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
 29 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-914,
 30 Idaho Code, and to read as follows:

31 23-914. DISPOSITION OF FUNDS. All money collected by the administrator under
 32 this act shall be apportioned as follows:

33 (1) Forty-two and one-half percent (42.5%) to the state treasurer to be placed in the
 34 general fund;

35 (2) Forty percent (40%) to the law enforcement fund established in section 67-2914,
 36 Idaho Code; and

37 (3) Seventeen and one-half percent (17.5%) to the state treasurer to be credited to the
 38 alcohol beverage licensing and regulatory fund established under section 54-5405, Idaho Code,
 39 and all costs and expenses incurred by the division of alcohol beverage licensing and regulation
 40 under the provisions of this title shall be charged against and paid from said fund for such
 41 purposes. Notwithstanding the provisions of any other law, the funds collected hereunder shall
 42 be immediately available for the administration of this title.

43 The money paid into the alcohol beverage licensing and regulatory fund is continuously
 44 appropriated to the division of alcohol beverage licensing and regulation for expenditure in the

1 manner prescribed herein to defray the expenses of the division in carrying out and enforcing
2 the provisions of title 23, Idaho Code.

3 SECTION 22. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
4 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-915,
5 Idaho Code, and to read as follows:

6 23-915. PERSONS NOT QUALIFIED TO BE LICENSED. No municipal license shall
7 be issued to, nor shall a state liquor license be transferred, if allowed, to:

8 (1) Any person, or any one (1) of its members, officers, or governing board, who has,
9 within three (3) years prior to the date of making application, been convicted of any violation
10 of the laws of the United States, the state of Idaho, or any other state of the United States, or
11 of the resolutions or ordinances of any county or city of this state, relating to the importation,
12 transportation, manufacture or sale of alcoholic liquor or beer; or who has been convicted of,
13 paid any fine, been placed on probation, received a deferred sentence, received a withheld
14 judgment or completed any sentence of confinement for any felony within five (5) years prior
15 to the date of making application for any license.

16 (2) A person who is engaged in the operation, or interested therein, of any house or
17 place for the purpose of prostitution or who has been convicted of any crime or misdemeanor
18 opposed to decency and morality.

19 (3) A person whose license issued under this act has been revoked; an individual who
20 was a member of a partnership or association that was a licensee under this act and whose
21 license has been revoked; an individual who was an officer, member of the governing board or
22 one (1) of the ten (10) principal stockholders of a corporation that was a licensee under this act
23 and whose license has been revoked; a partnership or association, one (1) of whose members
24 was a licensee under this act and whose license was revoked; a corporation, one (1) of whose
25 officers, member of the governing board or ten (10) principal stockholders was a licensee under
26 the provisions of this act and whose license has been revoked; an association or partnership,
27 one (1) of whose members was a member of a partnership or association licensed under the
28 provisions of this act and whose license has been revoked; a partnership or association, one
29 (1) of whose members was an officer, a member of the governing board, or one (1) of the ten
30 (10) principal stockholders of a corporation licensed under the provisions of this act and whose
31 license has been revoked; a corporation, one (1) of whose officers, member of the governing
32 board, or ten (10) principal stockholders was a member of a partnership or association licensed
33 under the provisions of this act and whose license was revoked; a corporation, one (1) of
34 whose officers, member of the governing board, or ten (10) principal stockholders was an
35 officer, member of the governing board, or one (1) of the ten (10) principal stockholders of
36 a corporation licensed under the provisions of this act and whose license was revoked.

37 (4) Any officer, agent, or employee of any distillery, winery, brewery, or any wholesaler,
38 or jobber, of liquor or malt beverages except as provided in section 23-918, Idaho Code. This
39 prohibition shall not apply to officers, agents, or employees of any winery operating a golf
40 course on the same premises as the winery.

41 (5) A person who does not hold a retail beer license issued by the state of Idaho.

42 (6) Any license, held by any licensee disqualified under the provisions of this section
43 from being issued a license, shall forthwith be revoked.

1 SECTION 23. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
2 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-916,
3 Idaho Code, and to read as follows:

4 23-916. LICENSEE NOT ALLOWED NEAR CHURCHES OR SCHOOLS –
5 EXCEPTIONS. No municipal or state liquor license shall be issued or transferred, respectively
6 to any premises in any neighborhood that is predominantly residential or within three hundred
7 (300) feet of any public school, church, or any other place of worship, measured in a straight
8 line to the nearest entrance to the licensed premises, except with the approval of the city
9 council or board of county commissioners; provided, that this limitation shall not apply to any
10 duly licensed premises that at the time of licensing did not come within the restricted area but
11 subsequent to licensing came within the restricted area.

12 SECTION 24. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
13 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-917,
14 Idaho Code, and to read as follows:

15 23-917. RESTRICTIONS ON MANUFACTURERS, TRANSPORTERS OR
16 DISTILLERS. Except as provided in sections 23-915 and 23-918, Idaho Code, no
17 manufacturer, rectifier, wholesaler, stockholder, shareholder, partner or the owner of any other
18 interest in any corporation, association or partnership financially interested in the manufacture,
19 transportation or sale of liquor shall furnish, give, rent, lend or sell any equipment or fixtures
20 directly or indirectly, or through a subsidiary or affiliate or by any officer, director or firm
21 member of the industry or otherwise furnish financial aid to any person engaged in the sale of
22 liquor hereunder and no licensee hereunder shall receive or be the beneficiary of any of the
23 benefits hereby prohibited.

24 SECTION 25. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
25 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-918,
26 Idaho Code, and to read as follows:

27 23-918. RESTRICTIONS OF PERSONS INTERESTED IN PREMISES. (1) Except as
28 provided in subsection (2) of this section, no manufacturer, rectifier, wholesaler, stockholder,
29 shareholder, partner or the owner of any other interest in any corporation, association or
30 partnership financially interested in the manufacture, transportation, (except public carriers), or
31 sale of liquor shall hold any interest in any premise licensed hereunder for the sale of liquor or
32 receive any rental or remuneration from any such premise.

33 (2) A manufacturer, rectifier, wholesaler, stockholder, shareholder, partner or the owner
34 of any interest in any corporation, association or partnership financially interested in the
35 manufacture, transportation or sale of liquor may hold interest in a licensed premises if the
36 licensed premises serves food cooked on the site of the licensed premises, and the person or
37 entity can show through recordkeeping that no more than fifty percent (50%) of the gross
38 revenue to the licensed premises is derived from the sale of alcoholic beverages on-site.
39 The owner of the licensed premises pursuant to this subsection shall comply with and be
40 subject to all other rules, regulations or other provisions of law that apply to manufacturers,
41 rectifiers, wholesalers, stockholders, shareholders, partners or the owners of any interest in any
42 corporation, association or partnership financially interested in the manufacture, transportation

1 or sale of liquor save and except as such rules, regulations or laws may restrict such sales at
 2 the licensed premises. The holder of a license pursuant to this section shall not be disqualified
 3 from holding a beer license, a retail wine license or wine by the drink license for the sale of
 4 beer or wine at the licensed premises on the grounds that the licensee is also a manufacturer,
 5 wholesaler, stockholder, shareholder, partner or the owner of any interest in any corporation,
 6 association or partnership financially interested in the manufacture, transportation or sale of
 7 liquor, beer or wine. This subsection shall not be deemed to grant a license for the retail sale
 8 of liquor by the drink and the license must be obtained through normal lawful means.

9 SECTION 26. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
 10 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-919,
 11 Idaho Code, and to read as follows:

12 23-919. FORM OF LICENSE – AUTHORITY – EXPIRATION – LIMITATIONS. (1)
 13 Every municipal license issued under the provisions of this chapter shall set forth the name of
 14 the person to whom it is issued, the location by street and number, or other definite designation,
 15 of the premises, and such other information as the county or city, if the premises are within an
 16 incorporated city, shall deem necessary. If issued to a partnership, the names of the persons
 17 constituting such partnership shall be set forth in the application. If issued to a corporation or
 18 association, the names of the principal officers and the governing board shall be set forth in the
 19 application. Such license shall be signed by the licensee and prominently displayed in the place
 20 of business at all times.

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

23 (3) Every municipal and state liquor license is separate and distinct and no person except
 24 the licensee therein named, except as herein otherwise provided, shall exercise any of the
 25 privileges granted thereunder. All licenses shall expire at 1:00 a.m. on the first day of the
 26 renewal month which shall be determined by rule and shall be subject to annual renewal upon
 27 proper application. Renewal applications for liquor by the drink licenses accompanied by the
 28 required fee must be filed on or before the first day of the designated renewal month. Any
 29 licensee holding a valid license who fails to file an application for renewal of his current license
 30 on or before the first day of the designated renewal month shall have a grace period of an
 31 additional thirty-one (31) days in which to file an application for renewal of the license. The
 32 licensee shall not be permitted to sell and dispense liquor by the drink at retail during the
 33 thirty-one (31) day extended time period unless and until the license is renewed.

34 (4) An application to transfer any state liquor license shall be made to the administrator.
 35 Upon receipt of such an application, the administrator shall make the same investigation and
 36 determinations with respect to the transferee as are required by sections 23-910 and 23-911,
 37 Idaho Code, and if the administrator shall determine that all of the conditions required of a
 38 licensee under chapter 9, title 23, Idaho Code, have been met by the proposed transferee, then
 39 the license shall be endorsed over to the proposed transferee by said licensee for the remainder
 40 of the period for which such license has been issued and the administrator shall issue a license
 41 to the transferee.

42 (5) The administrator, in his discretion, may deny the transfer of a license during the
 43 pendency of any proceedings for suspension or revocation that were instituted pursuant to the
 44 terms of this chapter.

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

4 (a) The transfer of a license between husband and wife in the event of a property
 5 division;

6 (b) The transfer of a license to a receiver, trustee in bankruptcy or similar person or
 7 officer;

8 (c) The transfer of a license to the heirs or personal representative of the estate in the
 9 event of the death of the licensee;

10 (d) The transfer of a license arising out of the dissolution of a partnership where the
 11 license is transferred to one (1) or more of the partners; or

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

14 (7) The fee for transferring a state liquor license for other than a sale shall be fifty
 15 percent (50%) of the per annum license fee for state liquor licenses set forth in section 23-913,
 16 Idaho Code; except no fee shall be collected for transfers as outlined in subsection (6)(a), (b),
 17 (c), (d) or (e) of this section.

18 SECTION 27. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
 19 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-920,
 20 Idaho Code, and to read as follows:

21 23-920. RESTRICTION AGAINST TRANSFER OF STATE LIQUOR LICENSES. (1)
 22 No state liquor license shall be transferred, assigned, leased or sold if:

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

24 (b) The state tax commission has notified the administrator and the licensee in writing
 25 that any tax imposed by chapters 30 and 36, title 63, Idaho Code, interest, penalty,
 26 and additional amount, which has accrued as a result of the operation of the licensed
 27 premises has been assessed as that term is defined in section 63-3045A, Idaho Code,
 28 against the licensee or any person operating the licensed premises with the permission of
 29 the licensee; or

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

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

39 SECTION 28. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
 40 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-921,
 41 Idaho Code, and to read as follows:

42 23-921. SUSPENSION, REVOCATION AND REFUSAL TO RENEW LICENSES. (1)
 43 The administrator may suspend, revoke or refuse to renew a state liquor license for any

1 violation of, or failure to comply with, the provisions of this chapter or rules and regulations
 2 promulgated by the administrator pursuant to the terms and conditions of this chapter.
 3 Procedures for the suspension, revocation or refusal to renew licenses issued under this chapter
 4 shall be in accordance with the provisions of chapter 52, title 67, Idaho Code.

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

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

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

27 (5) When a proceeding to revoke or suspend a state liquor license has been or is about to
 28 be instituted, during the time when renewal of such state liquor license is pending before the
 29 administrator, the administrator shall renew the state liquor license notwithstanding the pending
 30 proceedings, but such renewed state liquor license may be revoked or suspended without
 31 hearing if and when the previous state liquor license is, for any reason, revoked or suspended.

32 SECTION 29. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
 33 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-921A,
 34 Idaho Code, and to read as follows:

35 23-921A. LICENSES – SUSPENSION OR REVOCATION FOR VIOLATION OF
 36 OBSCENITY LAWS. In the event of a conviction for a violation of chapter 41, title 18, Idaho
 37 Code, relating to obscenity, by any:

- 38 (1) Licensee;
- 39 (2) Agent of licensee; or
- 40 (3) Employee or licensee if such licensee knew or should have known in the exercise
 41 of reasonable diligence that said employee was violating the provisions of chapter 41, title 18,
 42 Idaho Code.

43 If the violation committed by any of the above occurred on, or in connection with, premises
 44 licensed under this act by such licensee, the administrator shall suspend the license of such
 45 licensee for a period of six (6) months. If such licensee, or his agent or employee, has

1 previously been convicted of a violation of chapter 41, title 18, Idaho Code, relating to
2 obscenity, which violation occurred on, or in connection with, the premises licensed under this
3 act by such licensee, the administrator shall revoke the license of such licensee.

4 SECTION 30. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
5 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-922,
6 Idaho Code, and to read as follows:

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

12 SECTION 31. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
13 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-923,
14 Idaho Code, and to read as follows:

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

23 SECTION 32. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
24 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-924,
25 Idaho Code, and to read as follows:

26 23-924. OFFICERS MAY EXAMINE PREMISES. (1) The director or his duly
27 authorized representative, the sheriff of any county, or other police officer, shall have the right
28 at any time to make an examination of the premises of any licensee as to whether the laws of
29 the state of Idaho, the rules and regulations of the administrator, and the ordinances of any
30 county or city are being complied with, and shall also have the right to inspect the cars of any
31 railroad system licensed under this act.

32 (2) The director of the Idaho state police or his designee, in cooperation with the sheriff
33 of a county or city police officer shall conduct at least one (1) random, unannounced inspection
34 per year at all locations where alcoholic products are sold or distributed at retail to ensure
35 compliance with this chapter. The Idaho state police may contract with outside companies or
36 agencies to perform such compliance inspections.

37 (3) Minors may assist with random, unannounced inspections with the written consent
38 of a parent or legal guardian. When assisting with these inspections, minors shall not provide
39 false identification, nor make any false statements regarding their age.

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

4 SECTION 33. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
5 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-925,
6 Idaho Code, and to read as follows:

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

19 The director, or any of his agents, any sheriff, or other police officer who shall find any
20 liquor kept or held by any person in violation of the provisions of this act may forthwith seize
21 and remove the same and keep the same as evidence and, upon conviction of the person for
22 violation of the provisions hereof, the said liquor, and all packages or receptacles containing the
23 same, shall be forfeited to the state of Idaho and, in addition, the person so violating this act
24 shall be subject to the other penalties herein prescribed.

25 The provisions of this section notwithstanding, common carriers shall have the right to
26 have in their possession liquors other than those purchased from the Idaho state liquor division.

27 SECTION 34. That Sections [23-926](#), [23-927](#) and [23-928](#), Idaho Code, be, and the same
28 are hereby repealed.

29 SECTION 35. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
30 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-926,
31 Idaho Code, and to read as follows:

32 23-926. POSTING SIGNS AS TO RESTRICTION. Every licensee herein referred to
33 shall keep a sign conspicuously posted over or near each entrance to any place from which
34 persons less than twenty-one (21) years are herein restricted giving public notice of such fact.
35 Such sign shall contain the following words in lettering of at least one (1) inch in height:
36 "Admittance of persons under twenty-one (21) years of age prohibited by law."

37 SECTION 36. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
38 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-927,
39 Idaho Code, and to read as follows:

40 23-927. SALE AWAY FROM LICENSED PREMISES PROHIBITED – GAMING
41 PROHIBITED. (1) It shall be unlawful for any licensee to sell, give away, dispense, vend or

1 deliver any liquor in any fashion or by means or device, except upon the licensed premises,
 2 unless permitted pursuant to section 23-928, Idaho Code, or expressed written permission
 3 granted by the administrator for state liquor licenses or the county or city for municipal licenses
 4 in response to damage or destruction that causes the closure of the premises.

5 (2) It shall be unlawful for any licensee granted a license under the authority of title 23,
 6 Idaho Code, to permit, conduct, play, carry on, open or cause to be opened any gaming in or
 7 upon the licensed premises or in or upon any premises directly connected by a door, hallway or
 8 other means of access from the licensed premises. Any licensee authorized under the authority
 9 of this title and who is also authorized by other Idaho law to conduct the lawful activities of
 10 lottery, bingo, raffles and pari-mutuel betting on the licensed premises shall be exempt from the
 11 provisions of this subsection as long as the lawful activities are conducted in conformity with
 12 statute and rules promulgated pursuant thereto.

13 SECTION 37. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
 14 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-928,
 15 Idaho Code, and to read as follows:

16 23-928. ALCOHOL BEVERAGE CATERING PERMIT – APPLICATION. An alcohol
 17 beverage catering permit is a permit issued pursuant to this section which authorizes the
 18 permittee to serve and sell liquor by the drink, beer and wine, or beer or wine, at a party
 19 or convention, for a period of time not to exceed three (3) consecutive days. An alcohol
 20 beverage catering permit shall be limited to authorization to sell liquor or beer or wine, or any
 21 combination thereof, based upon the type of license that the applicant possesses. Applications
 22 for such permit shall be made to the city within which the liquor, beer or wine is to be served,
 23 or if not within a city, then to the county, on such form as prescribed by the city or county that
 24 shall contain at a minimum, but not limited to, the following information:

25 (1) The name and address of the applicant and the number of his liquor, beer or wine
 26 license.

27 (2) The dates and hours during which the permit is to be effective, not to exceed three
 28 (3) consecutive days.

29 (3) The names of the organizations, groups or persons sponsoring the event.

30 (4) The address at which the liquor, beer or wine is to be served and, if a public building,
 31 the rooms in which the liquor, beer or wine is to be served.

32 The application shall be verified by the applicant and filed with the appropriate governing
 33 body or its designee. A filing fee in the amount of thirty dollars (\$30.00) for each day the
 34 permit is to be effective shall be paid to the treasury of the governing body, which shall not
 35 be refunded in any event. Any alcohol beverage catering permit shall be valid only within the
 36 issuing jurisdiction.

37 SECTION 38. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
 38 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-929,
 39 Idaho Code, and to read as follows:

40 23-929. FILING OF APPLICATION – APPROVAL. Upon the filing of an application
 41 for an alcohol beverage catering permit, the city council or its designee, or board of county
 42 commissioners receiving the application shall, upon the advice and recommendation of the
 43 chief of police or sheriff, approve or disapprove the application and indicate the determination

1 on the face of the application by endorsement signed by the clerk of the city or county. Copies
 2 of the application with signed endorsements thereon shall be mailed or delivered immediately
 3 to the chief of police or sheriff and the applicant, and a signed copy retained by the clerk. An
 4 application approved in this manner shall constitute an alcohol beverage catering permit.

5 SECTION 39. That Sections 23-930, 23-931, 23-932, 23-933, 23-933A, 23-933B,
 6 23-934, 23-934A, 23-934B, 23-934C, 23-935,
 7 23-936, 23-937, 23-938, 23-939, 23-940, 23-941,
 8 23-942, 23-943, 23-943A, 23-944, 23-945, 23-946, 23-947, 23-948, 23-949, 23-950, 23-951,
 9 23-952, 23-953, 23-954, 23-955, 23-956 and 23-957, Idaho Code, be, and the same are hereby
 repealed.

10 SECTION 40. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
 11 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-930,
 12 Idaho Code, and to read as follows:

13 23-930. REGULATORY AND PENALTY PROVISIONS APPLICABLE. All of the
 14 regulatory and penal provisions of title 23, Idaho Code, shall apply to the exercise of alcohol
 15 beverage catering permits, including the penalties for violations thereof, except such provisions
 16 declared to be inapplicable to alcohol beverage catering permits by rule; provided however,
 17 neither the administrator nor any county or city shall have the power to declare inapplicable
 18 any of the provisions of section 23-932, Idaho Code.

19 SECTION 41. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
 20 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-931,
 21 Idaho Code, and to read as follows:

22 23-931. DESTRUCTION OF STAMPS – SANITARY REQUIREMENTS. It shall be
 23 the duty of any licensee hereunder immediately upon emptying any liquor container to deface,
 24 so that the same may not again be used, all government or state stamps or labels. Any licensed
 25 premises shall be maintained in sanitary condition according to the requirements of the Idaho
 26 Code and any city or county ordinance pertaining thereto, and any such person who fails to
 27 perform the duty provided herein shall be guilty of a misdemeanor.

28 SECTION 42. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
 29 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-932,
 30 Idaho Code, and to read as follows:

31 23-932. HOURS OF SALE OF LIQUOR. (1) No liquor shall be sold, offered for sale,
 32 or given away upon any licensed premises or under a permit, and all liquor not in sealed bottles
 33 must be locked in a separate room or cabinet during the following hours:

34 (a) Sunday, Memorial Day, Thanksgiving and Christmas from 1 a.m., to 10 a.m. the
 35 following day; provided however, that on any Sunday not otherwise being a prescribed
 36 holiday, it shall be lawful for a licensee having banquet area or meeting room facilities,
 37 separate and apart from the usual dispensing area (bar room) and separate and apart from
 38 a normal public dining room unless such dining room is closed to the public, to therein
 39 dispense liquor between the hours of 2 p.m. and 11 p.m. to bona fide participants of

40 banquets, receptions or conventions for consumption only within the confines of such
41 banquet area or meeting room facility.

1 (b) On any other day between 1 a.m. and 10 a.m.

2 (c) When any city or county has any ordinance further limiting the hours of sale of
3 liquor, by the drink, then such hours shall be fixed by such ordinance.

4 (2) A county or city may however, by ordinance, allow the sale of liquor by the drink on
5 a Sunday, Memorial Day and Thanksgiving, and may also extend until 2 a.m. the hours of the
6 sale of liquor by the drink.

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

10 (4) Any person who consumes or intentionally permits the consumption of any alcoholic
11 beverage upon licensed premises after the time provided for in subsection (3) of this section
12 shall be guilty of a misdemeanor.

13 (5) It shall be the duty of every person who is employed at or upon a licensed premises
14 or who owns or manages a licensed premises and is present upon the licensed premises during
15 the hours and at the time set forth in subsection (1) and subsection (2) of this section, to
16 lock up and keep locked up in a locked room or locked cabinet all unsealed containers of
17 liquor during the hours and at the times set forth in subsection (1) and subsection (2) of this
18 section, and any such person who fails to perform the duty provided herein shall be guilty of a
19 misdemeanor.

20 SECTION 43. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended
21 by the addition thereto of a NEW SECTION, to be known and designated as Section 23-933,
22 Idaho Code, and to read as follows:

23 23-933. DUTY OF PUBLIC OFFICERS. It is hereby made the duty of the director,
24 prosecuting attorneys, sheriffs and peace officers of the counties or incorporated cities knowing
25 of any violation of this act to make complaint before the proper tribunal and perform the duties
26 of their offices with respect to the prosecution and conviction of such offenders. Any such
27 officer knowingly refusing to inform against or prosecute any offender under the provisions of
28 this act shall be subject to action against him as provided in chapter 41, title 19, Idaho Code.

29 SECTION 44. That Section 23-1001, Idaho Code, be, and the same is hereby amended to
30 read as follows:

31 23-1001. DEFINITIONS. As used in this chapter:

32 ~~(a)~~ (1) The word "administrator" means the administrator of the division of alcohol
33 beverage licensing and regulation.

34 (2) The word "beer" means any beverage obtained by the alcoholic fermentation of an
35 infusion or decoction of barley, malt and/or other ingredients in drinkable water.

36 ~~(b)~~ (3) The word "brewer" means a person licensed to manufacture beer.

37 ~~(c)~~ (4) "Certificate of approval" means a license issued to a person whose business is
38 located outside of the state of Idaho, who sells beer to wholesalers or brewers located within
39 the state of Idaho.

40 ~~(d)~~ (5) The term "dealer" means a person licensed to import beer into this state for sale to a
41 wholesaler.

42 (6) The term "division" means the division of alcohol beverage licensing and regulation
 43 in the department of self-governing agencies.

1 ~~(e)~~7) The word "director" means the director of the Idaho state police.

2 ~~(f)~~8) The words "live performance" mean a performance occurring in a theater and not
 3 otherwise in violation of any provision of Idaho law.

4 ~~(g)~~9) The word "person" includes any individual, firm, copartnership, association,
 5 corporation or any group or combination acting as a unit, and the plural as well as the singular
 6 number unless the intent to give a more limited meaning is disclosed by the context.

7 ~~(h)~~10) The word "premises" means the building and contiguous property owned, or
 8 leased or used under government permit by a licensee as part of the business establishment
 9 in the business of sale of beer at retail, which property is improved to include decks, docks,
 10 boardwalks, lawns, gardens, golf courses, ski resorts, courtyards, patios, poolside areas or
 11 similar improved appurtenances in which the sale of beer at retail is authorized under the
 12 provisions of law.

13 ~~(i)~~11) The word "retailer" means a person licensed to sell beer to consumers at premises
 14 described in the license.

15 ~~(j)~~12) The word "theater" means a room, place or outside structure for performances or
 16 readings of dramatic literature, plays or dramatic representations of an art form not in violation
 17 of any provision of Idaho law.

18 ~~(k)~~13) The word "wholesaler" means any person licensed to sell beer to retailers,
 19 wholesalers, permittees or consumers and distribute beer from warehouse premises described in
 20 the license.

21 ~~(l)~~14) All other words and phrases used in this chapter, the definitions of which are not
 22 herein given, shall be given their ordinary and commonly understood and acceptable meanings.

23 SECTION 45. That Section 23-1003, Idaho Code, be, and the same is hereby amended to
 24 read as follows:

25 23-1003. BREWERS', DEALERS' AND WHOLESALERS' LICENSES. ~~(a)~~1) Before
 26 any brewer shall manufacture, or any dealer or wholesaler import or sell, beer within the state
 27 of Idaho he shall apply to the ~~director~~ administrator for a license ~~so to do~~. The application
 28 form shall be prescribed and furnished by the ~~director~~ administrator and require that the
 29 applicant therein show that he possesses all the qualifications and none of the disqualifications
 30 of a licensee. To determine qualification for a license, the ~~director~~ administrator shall cause an
 31 investigation which shall include a fingerprint-based criminal history check of the Idaho central
 32 criminal history database and the federal bureau of investigation criminal history database.
 33 Each person listed as an applicant on an initial application shall submit a full set of fingerprints
 34 and the fee to cover the cost of the criminal history background check for such person with the
 35 application. The application shall also be accompanied by the required licensee fee; provided,
 36 that where the applicant is or will be within more than one (1) of the foregoing classifications
 37 he shall apply for each classification but shall pay only one (1) license fee, which shall be for
 38 the classification applied for requiring the highest fee. If the ~~director~~ administrator is satisfied
 39 that the applicant possesses the qualifications and none of the disqualifications for such license,
 40 he shall issue a license for each classification applied for, subject to the restrictions and upon
 41 the conditions in this ~~act~~ chapter specified, which license or licenses shall be at all times
 42 prominently displayed in the place of business of the licensee.

43 **(b2)** Each wholesaler shall, in addition to the application, file with the ~~director~~
 44 administrator a notice in writing signed by the dealer or brewer and the wholesaler stating the
 45 geographic territory within which the wholesaler will distribute beer to retailers. Said territory
 1 will be the territory agreed upon between the dealer or brewer and the wholesaler and may not
 2 be changed or modified without the consent of both the dealer or brewer and the wholesaler.
 3 Provided however, nothing contained herein shall be interpreted to prohibit a brewer or dealer
 4 from permitting more than one (1) distributor for the same geographic territory.

5 **(e3)** In the event that a wholesaler sells beer to a retailer who is located outside the
 6 geographical territory designated by such wholesaler on the notice provided for in subsection
 7 ~~(b2)~~ of this section, the dealer or wholesaler who has designated the geographical territory
 8 in which the sale occurred may apply to a district court of this state for the issuance of an
 9 injunction enjoining sales of beer by the wholesaler outside of his designated geographical
 10 territory. The procedure for issuance of an injunction pursuant to this ~~act~~ chapter shall be
 11 subject to the provisions of chapter 4, title 8, Idaho Code, and the Idaho Rules of Civil
 12 Procedure. Upon proof to the court that a wholesaler has made a sale of beer outside his
 13 designated geographical territory, the court shall issue an injunction directed to the wholesaler
 14 prohibiting sales of beer outside his designated geographical territory.

15 **(d4)** Any brewer licensed within the state of Idaho who produces fewer than thirty
 16 thousand (30,000) barrels of beer annually, upon payment of a retailer's annual license fee,
 17 may be issued a brewer's retail beer license for the retail sale of the products of his brewery
 18 at his licensed premises or one (1) remote retail location, or both. Any brewer selling beer at
 19 retail or selling to a retailer must pay the taxes required in section 23-1008, Idaho Code, but
 20 need not be licensed as a wholesaler for the purpose of selling beer at the brewery or at one (1)
 21 remote retail location.

22 **(e5)** Any brewer licensed within the state of Idaho who produces fewer than thirty
 23 thousand (30,000) barrels of beer annually, may be issued a brewer's pub license. Upon
 24 payment of a retailer's annual license fee, and subject to the fees in sections 23-1015 and
 25 23-1016, Idaho Code, a brewer may, at his licensed brewery, at one (1) remote retail location,
 26 or both, sell at retail the products of any brewery by the individual bottle, can or glass. Any
 27 brewer selling beer at retail or selling to a retailer must pay the taxes required in section
 28 23-1008, Idaho Code, on the products of his brewery, but need not be licensed as a wholesaler
 29 for the purpose of selling beer at the brewery or at one (1) remote retail location.

30 **(f6)** A brewer licensed under the provisions of subsection ~~(d4)~~ or ~~(e5)~~ of this section may
 31 be licensed as a wholesaler for the sale of beer to retailers other than at the licensed brewery
 32 and one (1) remote retail location and shall not be required to pay an additional fee therefor.
 33 Such brewer shall, however, comply with and be subject to all other regulations or provisions
 34 of law which apply to a wholesaler's license, save and except as such laws may restrict such
 35 sales at the licensed brewery or one (1) other remote retail location. The holder of a brew pub
 36 license shall not be disqualified from holding a retail wine license or wine by the drink license
 37 for the sale of wine at the brew pub premises on the grounds that said licensee is also licensed
 38 as a wholesaler.

39 SECTION 46. That Section 23-1005A, Idaho Code, be, and the same is hereby amended
 40 to read as follows:

41 23-1005A. TRANSFER OF LICENSE – FEE – APPLICATION FOR APPROVAL. (a)
 42 No brewer, dealer or wholesaler of beer license issued pursuant to section 23-1003, Idaho Code,

43 or any beer retailer license issued pursuant to section 23-1010, Idaho Code, may be transferred
 44 to another person, including an executor, administrator, or trustee in bankruptcy of the estate
 45 of the licensee, unless the transferee shall first have obtained the approval of the ~~director~~
 1 administrator to such transfer upon application containing substantially the same information
 2 required of an applicant for a brewer's, dealer's, wholesaler's or retailer's beer license, as the
 3 case may be. If the transferee possesses all the qualifications and none of the disqualifications
 4 for such license, the ~~director~~ administrator shall approve the transfer by issuing a license to
 5 the transferee. The fee for each transfer of a brewer's, dealer's, wholesaler's or retailer's beer
 6 license shall be twenty dollars (\$20.00), which fee shall accompany the application for transfer.

7 (b) Application for a transfer of any beer license from one location to another shall
 8 be made to the ~~director~~ administrator on forms prescribed and furnished by the ~~director~~
 9 administrator. The ~~director~~ administrator shall approve such transfer upon submission of the
 10 application and receipt by the ~~director~~ administrator of a transfer fee of twenty dollars (\$20.00).

11 (c) The ~~director~~ administrator, in his discretion, may deny the transfer of a license during
 12 the ~~pendancy~~ pendency of any proceedings for suspension or revocation instituted pursuant to
 13 the provisions of this chapter.

14 SECTION 47. That Section 23-1006, Idaho Code, be, and the same is hereby amended to
 15 read as follows:

16 23-1006. RECORDS AND RETURNS OF LICENSEES – INVESTIGATIONS AND
 17 EXAMINATIONS. Every licensed dealer, brewer and wholesaler shall have, and notify the
 18 ~~director~~ administrator of, a place of business within the state of Idaho where such licensee
 19 will and shall keep a record of his or its imports into, and sales of beer within, the state,
 20 including the date, quantity, from whom purchased for import, the carrier or other person or
 21 means by whom or which transported for import, and the name and address of the vendee, and
 22 shall so keep such record of each such sale or import for a period of four (4) years thereafter.
 23 Such licensee shall, on or before the 15th day of each month, make a return to the ~~director~~
 24 administrator of the amount of beer sold in, and imported by him into, the state of Idaho for
 25 the preceding month, which shall be upon forms furnished by the ~~director~~ administrator. The
 26 ~~director~~ administrator may require such additional information to be included in such returns as
 27 shall assist him in determining whether or not such licensee is complying with, or violating,
 28 this ~~act~~ chapter and whether or not all taxes and license fees provided for by this ~~act~~ chapter
 29 are being fully paid. The ~~director~~ administrator shall have the right at any time to make an
 30 examination of each dealer's, brewer's and wholesaler's books, records and premises, make an
 31 inventory and otherwise check the accuracy of such returns, and investigate for any violation of
 32 this ~~act~~ chapter, and file, and retain in his office for not less than two (2) years, a report thereof.
 33 An application for, and acceptance of a license by, a dealer, brewer, wholesaler or retailer shall
 34 constitute consent to, and be authority for, entry by the ~~director~~ administrator, or his authorized
 35 agents, upon any premises related to the licensee's business, or wherein are, or should be, kept,
 36 any of the licensee's books, records, supplies or other property related to said business, and
 37 to make the inventory, check and investigations aforesaid with relation to said licensee or any
 38 other licensee.

39 SECTION 48. That Section 23-1007, Idaho Code, be, and the same is hereby amended to
 40 read as follows:

41 23-1007. SALES BY DEALERS AND WHOLESALERS – PROHIBITED UNLESS
 42 OBTAINED FROM LICENSEES – CONSUMPTION ON PREMISES PROHIBITED
 43 – MINIMUM SALE ON LICENSED PREMISES OF UNBROKEN PACKAGES OR
 1 KEGS. Except as provided in section 23-1007A, Idaho Code, it shall be unlawful for any
 2 dealer or wholesaler to sell for use within the state of Idaho any unbroken packages or
 3 kegs of beer produced, manufactured, imported or bought by such dealer except to licensed
 4 dealers, wholesalers, retailers to whom a license has been issued by the ~~director~~ administrator,
 5 or to employees of the wholesaler or dealer; nor shall any dealer or wholesaler allow for
 6 a consideration such beer to be consumed upon the premises of such dealer or wholesaler;
 7 provided, however, that any dealer or wholesaler shall be allowed to make sales of beer in kegs
 8 of not less than seven and three-quarters (7 3/4) gallons to a consumer at his licensed premises.
 9 Licensed brewers may sell at retail only as provided in section 23-1003(~~d4~~) and (~~e5~~), Idaho
 10 Code.

11 SECTION 49. That Section 23-1007A, Idaho Code, be, and the same is hereby amended
 12 to read as follows:

13 23-1007A. BEER SOLD OR DONATED FOR BENEVOLENT, CHARITABLE OR
 14 PUBLIC PURPOSES – PERMIT REQUIRED. (1) Notwithstanding the provisions of section
 15 23-1007, Idaho Code, to the contrary, nothing shall prevent any licensed dealer, wholesaler or
 16 retailer from selling or donating unbroken packages of beer or kegs of beer to a person which
 17 has not been issued any license for the sale of alcoholic beverages in this state, for benevolent,
 18 charitable or public purposes if a permit has been issued to the person or nonprofit entity as
 19 provided in subsection (2) of this section.

20 (2) Upon application to the ~~director of the Idaho state police~~ administrator, the ~~director~~
 21 administrator may issue a permit authorizing the sale or dispensing of beer by a person if
 22 the ~~director~~ administrator is satisfied that the proceeds, after deducting reasonable expenses
 23 incurred, will be donated for a benevolent, charitable or public purpose. The ~~director~~
 24 administrator shall prescribe the form of the application which may require:

- 25 (a) Disclosure of names of sponsors;
- 26 (b) Quantities and types of beer products to be used at the event;
- 27 (c) Names of the dealer or wholesaler from whom the beer is to be received;
- 28 (d) The retailer, if any, designated by such person or nonprofit entity to receive, store or
- 29 dispense beer on behalf of the permittee;
- 30 (e) Dates and hours during which the permit is to be effective, not to exceed three (3)
- 31 consecutive days;
- 32 (f) That the applicant submit a report to the ~~director~~ administrator subsequent to the
- 33 benevolent, charitable or public purpose event showing the disposition of funds from the
- 34 event; and
- 35 (g) Such other information directly related to the event and the applicant that the ~~director~~
 36 administrator may require.

37 The ~~director~~ administrator shall collect a twenty dollar (\$20.00) fee for each permit issued.

38 (3) Should the ~~director~~ administrator determine that an applicant, permittee or its
 39 representative is violating or has in the past violated any law pertaining to the dispensing or
 40 sale of beer by a licensed retailer relating to hours of sale, relating to restrictions concerning
 41 age provided in section 23-1013, Idaho Code, or has failed in the past to submit such
 42 information as may have been requested by the ~~director~~ administrator, such permit may be

43 summarily suspended by the ~~director~~ administrator prior to hearing, or may be denied or
 44 ~~cancelled~~ canceled pending a hearing.

1 (4) A licensed retailer may, on behalf of the permittee, receive or store beer to be used
 2 at the event and may dispense such beer to attendees of the benevolent, charitable or public
 3 purpose event for which the permit was issued.

4 SECTION 50. That Section 23-1009, Idaho Code, be, and the same is hereby amended to
 5 read as follows:

6 23-1009. RETAILERS' LOCAL LICENSES. No retailer shall sell beer within this
 7 state, until he or it shall be licensed therefor by a municipality, if the business is to be
 8 conducted therein, and by the county wherein said business is to be conducted, and by the
 9 ~~director~~ administrator. Applications for retailer's licenses shall be made under oath first to
 10 the ~~director of the Idaho state police~~ administrator, and if the license be issued, to the county
 11 and then to the municipality, upon forms to be supplied by each, which forms shall require
 12 that the applicant show that the applicant possesses all of the qualifications and none of the
 13 disqualifications of a retailer licensee under this ~~act~~ chapter, and, as to the municipal license,
 14 under any ordinance thereof. Each application shall be accompanied with the required license
 15 fee. If the applications conform hereto the ~~director~~ administrator, county and municipality
 16 respectively, shall each issue a retailer's license to the applicant, subject to the restrictions
 17 and upon the conditions in this ~~act~~ chapter specified, and, as to the municipal license, in the
 18 ordinance aforesaid. Said licenses shall at all times be prominently displayed in the place
 19 of business of the licensee, and shall be issued only for the particular premises described
 20 therein, but the municipality, county and ~~director~~ administrator may permit a transfer to other
 21 particularly described premises. No license transferred by process of law or otherwise shall
 22 authorize the transferee, including any executor, administrator or trustee in bankruptcy of the
 23 estate of the licensee, to retail beer thereunder until the transferee shall have filed under oath
 24 applications therefor containing substantially the same information required of an applicant for
 25 a license, and if the transferee possesses the qualifications and none of the disqualifications
 26 for a license as herein provided, the ~~director~~ administrator, county and municipality shall
 27 approve such transfer and issue a license so to show. The transferee shall accompany the state
 28 application for transfer with, and shall pay, the fee as set out in section 23-1005A, Idaho Code.
 29 Such transferee shall accompany each such county and municipality application for transfer
 30 with, and shall pay, the sum of five dollars (\$5.00).

31 SECTION 51. That Section 23-1010, Idaho Code, be, and the same is hereby amended to
 32 read as follows:

33 23-1010. LICENSE TO SELL BEER AT RETAIL – APPLICATION
 34 PROCEDURE AND FORM – SHOWING OF ELIGIBILITY FOR LICENSE AND
 35 DISQUALIFICATIONS. (1) Every person who shall apply for a state license to sell beer at
 36 retail shall tender the license fee to, and file written application for license with, the ~~director~~
 37 administrator. The application shall be on a form prescribed by the ~~director~~ administrator
 38 which shall require such information concerning the applicant, the premises for which license is
 39 sought and the business to be conducted thereon by the applicant as the ~~director~~ administrator
 40 may deem necessary or advisable, and which shall enable the ~~director~~ administrator to
 41 determine that the applicant is eligible and has none of the disqualifications for license, as

42 provided for in this section. If the applicant is applying for a license solely for a theater that is
1 presenting live performances as those terms are defined in section 23-1001, Idaho Code, the
2 application shall so state. Such information shall include the following:

3 (a) The name and place of residence of the applicant and length of his residence within
4 the state of Idaho, and if the applicant is a partnership, the names, places of residence
5 and lengths of residence within the state of Idaho of each partner, and, if the applicant
6 is a corporation or association, the date and place of incorporation or organization, the
7 location of its principal place of business in Idaho and the names and places of residence
8 of its officers, directors or members of its governing board, and of the person who
9 manages or will manage the business of selling beer at retail;

10 (b) The particular place for which the license is desired, designating the same by a street
11 and number, if practicable, or by such other apt description as definitely locates such
12 place, and the name of the owner of the premises for which license is sought;

13 (2) The application shall affirmatively show:

14 (a) That the applicant is the bona fide owner of the business which will be engaged in the
15 sale of beer at retail and with respect to which license is sought;

16 (b) That the condition of the place or building wherein it is proposed to sell beer at retail
17 conforms to all laws and rules of the state of Idaho and to the ordinances of the county
18 and municipality applicable thereto relating to public health and safety and to the zoning
19 ordinances of the municipality applicable thereto;

20 (c) That there is no stamp or permit outstanding and in force which has been issued to
21 any person by the United States government for the premises for which license to sell
22 beer at retail is sought which stamp or permit denotes payment of any special tax imposed
23 by the United States government on a retail dealer in liquor or wines, unless said premises
24 are premises for which a retail license for sale of liquor by the drink, issued under the
25 provisions of chapter 9, title 23, Idaho Code, is in force and effect;

26 (d) That the individual applicant, or each partner of a partnership applicant, or a
27 corporation applicant or an association applicant is qualified to do business within the
28 state of Idaho;

29 (e) That the applicant, if an individual, is not less than nineteen (19) years of age;

30 (f) That within three (3) years immediately preceding the date of filing the application
31 the applicant has not been convicted of the violation of any law of the state of Idaho,
32 any other state, or of the United States, regulating, governing or prohibiting the sale,
33 manufacture, transportation or possession of alcoholic beverages or intoxicating liquors,
34 or, within said time, suffered the forfeiture of a bond for failure to appear in answer to
35 charges of any such violation;

36 (g) That within five (5) years immediately preceding the date of filing the application the
37 applicant has not been convicted of any felony or paid any fine or completed any sentence
38 of confinement therefor within said time;

39 (h) That within three (3) years next preceding the date of filing said application the
40 applicant has not had any license provided for herein, or any license or permit issued to
41 the applicant pursuant to the law of this state, or any other state, or of the United States,
42 to sell, manufacture, transport or possess alcoholic beverages or intoxicating liquors,
43 revoked.

44 (3) To determine qualification for a license, the ~~director~~ administrator shall also cause an
45 investigation which shall include a fingerprint-based criminal history check of the Idaho central

46 criminal history database and the federal bureau of investigation criminal history database.
 1 Each person listed as an applicant on an initial application shall submit a full set of fingerprints
 2 and the fee to cover the cost of the criminal history background check for such person with the
 3 application.

4 (4) The affirmative showing required with respect to an applicant under paragraphs (e),
 5 (f), (g) and (h) of subsection (2) of this section shall also be required to be made with respect to
 6 each partner of a partnership applicant and to each incumbent officer, director or member of the
 7 governing board of a corporation or association applicant.

8 (5) The application must be subscribed and sworn to by the individual applicant, or by
 9 a partner of a partnership applicant, or by an officer or manager of a corporation or association
 10 applicant, before a notary public or other person authorized by law to administer oaths.

11 (6) If an applicant shall be unable to make any affirmative showing required in this
 12 section or if an application shall contain a false material statement, knowingly made, the same
 13 shall constitute a disqualification for license and license shall be refused. If license is received
 14 on any application containing a false material statement, knowingly made, such license shall
 15 be revoked. If at any time during the period for which license is issued a licensee becomes
 16 unable to make the affirmative showings required by this section, license shall be revoked,
 17 or, if disqualification can be removed, the license shall be suspended until the same shall be
 18 removed. The procedure to be followed upon refusal, revocation or suspension of license as
 19 herein provided for shall be in accordance with the procedure set forth in this ~~act~~ chapter.

20 (7) All licenses shall expire at 1:00 ~~o'clock~~ a.m. on the first day of the renewal month
 21 which shall be determined by the ~~director~~ administrator by administrative rule and shall be
 22 subject to annual renewal upon proper application. The ~~director~~ administrator will determine
 23 the renewal month by county based on the number of current licenses within each county,
 24 distributing renewals throughout the licensing year. The ~~director~~ administrator may adjust the
 25 renewal month to accommodate population increases. Each licensee will be issued a temporary
 26 license to operate until their renewal month has been determined. Thereafter, renewals will
 27 occur annually on their renewal month. Renewal applications for licenses accompanied by
 28 the required fee must be filed with the ~~director~~ administrator on or before the first day of the
 29 designated renewal month. Any licensee holding a valid license who fails to file an application
 30 for renewal of the current license on or before the first day of the designated renewal month
 31 shall have a grace period of an additional thirty-one (31) days in which to file an application
 32 for renewal of the license. The licensee shall not be permitted to sell beer at retail during the
 33 thirty-one (31) day extended time period unless and until the license is renewed.

34 SECTION 52. That Section 23-1011, Idaho Code, be, and the same is hereby amended to
 35 read as follows:

36 23-1011. ISSUANCE OF LICENSES. Notwithstanding any other provision of chapter
 37 10, title 23, Idaho Code, all applications for retail sale of beer licenses, renewals, or transfers
 38 thereof, shall be first presented to the ~~director of the Idaho state police~~ administrator for
 39 approval and issuance of the state license required by state law. If the license, renewal or
 40 transfer thereof is approved by the ~~director~~ administrator, then such license, renewal or transfer
 41 thereof may be issued by the city or county, or both, as the case may be. Approval of such
 42 license, renewal or transfer thereof may be by endorsement upon the state license or by the
 43 issuance of an additional license, at the option of the city or county.

1 SECTION 53. That Section 23-1014, Idaho Code, be, and the same is hereby amended to
2 read as follows:

3 23-1014. LICENSE FEES. Every person licensed under the provisions of this chapter
4 shall pay to the state of Idaho an annual license fee according to the following schedule:

	Fee
5 (1) Brewer annually producing	
6 (a) Under 10,000 gallons	\$ 50.00
7 (b) 10,000 to 100,000 gallons	\$100.00
8 (c) 100,000 to 930,000 gallons	\$200.00
9 (d) 930,000 gallons or more	\$500.00

10 A like amount shall be paid for each separate brewery operated by the licensee.

11 (2) Wholesaler	
12 (a) For each separate warehouse used for the purpose of wholesaling or dispensing beer	
13	\$30 450.00
14 (3) Dealer	\$100.00
15 (4) Retailer	
16 (a) For each store <u>premises</u> from which beer is retailed <u>only for consumption off the</u>	
17 <u>premises</u>	\$ 50 75.00
18 (b) For each store <u>premises</u> from which a licensed retailer sells keg beer for consumption	
19 off <u>the</u> premises	\$ 20.00
20 (c) <u>For each premises from which beer is retailed only for consumption on the premises</u>	
21	<u>\$ 75.00</u>
22 (d) <u>For each premises from which beer is retailed for consumption on and off the</u>	
23 <u>premises</u>	<u>\$100.00</u>

24 Nothing in this chapter shall be so construed to prohibit municipalities or counties from
25 licensing and regulating places of business where beer is sold to the consumer.

26 SECTION 54. That Chapter 10, Title 23, Idaho Code, be, and the same is hereby
27 amended by the addition thereto of a NEW SECTION, to be known and designated as Section
28 23-1014A, Idaho Code, and to read as follows:

29 23-1014A. DISPOSITION OF FUNDS. All moneys collected by the administrator
30 under this chapter shall be apportioned as follows:

- 31 (1) Forty-two and one-half percent (42.5%) to the state treasurer to be placed in the
32 general fund;
- 33 (2) Forty percent (40%) to the law enforcement fund established in section 67-2914,
34 Idaho Code; and
- 35 (3) Seventeen and one-half percent (17.5%) to the state treasury to be credited to the
36 alcohol beverage licensing and regulatory fund established under section 54-5405, Idaho Code,
37 and all costs and expenses incurred by the division of alcohol beverage licensing and regulation
38 under the provisions of title 23, Idaho Code, shall be charged against and paid from said
39 fund for such purposes. Notwithstanding the provisions of any other law, the funds collected
40 hereunder shall be immediately available for the administration of title 23, Idaho Code.

41 The money paid into the alcohol beverage licensing and regulatory fund is continuously
42 appropriated to the division of alcohol beverage licensing and regulation for expenditure in the
43 manner prescribed herein to defray the expenses of the division in carrying out and enforcing
44 the provisions of title 23, Idaho Code.

1 SECTION 55. That Sections [23-1020](#) and [23-1022](#), Idaho Code, be, and the same are
2 hereby repealed.

3 SECTION 56. That Section 23-1027, Idaho Code, be, and the same is hereby amended to
4 read as follows:

5 23-1027. CERTIFICATE OF APPROVAL REQUIRED OF MANUFACTURER. It shall
6 be unlawful for any person licensed under the provisions of this ~~act~~ chapter, to purchase,
7 import, transport or cause to be transported into or within the state of Idaho any beer for resale
8 therein, unless prior thereto a certificate of approval shall have been issued by the ~~director~~
9 administrator to the manufacturer of such beer. The certificate of approval herein required shall
10 be issued to a manufacturer of beer upon application therefor provided the manufacturer shall
11 have first agreed in writing with the ~~director~~ administrator as follows:

12 (a) to furnish to the ~~director~~ administrator, on or before the 15th day of each month,
13 a written report under oath on a form to be prescribed by the ~~director~~ administrator
14 showing the quantity of beer sold, delivered or shipped to each wholesaler or dealer of
15 beer licensed in this state for resale in this state; and

16 (b) that such manufacturer and every person employed by it or acting as its agents
17 (other than wholesalers and dealers licensed in this state) will faithfully comply with and
18 observe all the provisions of the laws of the state of Idaho relating to beer and all rules
19 and regulations adopted by the ~~director~~ administrator pursuant to such laws.

20 If, after obtaining such certificate, any such manufacturer shall fail to submit such report,
21 or, if it, or any such person employed by it or acting as its agent, shall violate the terms of
22 such agreement, the ~~director~~ administrator may determine to revoke or suspend such certificate
23 by reason thereof. The procedure for giving notice of such determination and for proceedings
24 to contest determination as provided for in sections 23-1037 through 23-1045, Idaho Code,
25 shall govern insofar as they may be applicable. The district court of Ada County shall have
26 jurisdiction of any such proceedings to contest the ~~director's~~ administrator's determination.

27 SECTION 57. That Section 23-1029, Idaho Code, be, and the same is hereby amended to
28 read as follows:

29 23-1029. POSTING OF PRICES. Each licensed wholesaler, brewer and dealer engaged
30 in selling beer for resale within this state, shall file with the ~~director~~ administrator a written
31 schedule of prices to be charged by him for beer sold within this state for resale therein, which
32 schedule of prices shall be uniform for the same class of buyers in the same trade area within
33 this state, and shall set forth;

34 (a) all brands and types of products offered for sale;

35 (b) the delivered sale price thereof in the several trade areas of the state to the various
36 classes of buyers; and

37 (c) any allowance granted for returned containers.

38 Such schedule of prices so filed may be changed or modified from time to time by filing
39 with the ~~director~~ administrator a new schedule of prices, not less than ten (10) days prior to
40 the last day of the filing calendar month, becoming effective on the first day of the succeeding
41 calendar month.

42 Such schedule of prices so filed shall not be withdrawn within ten (10) days of its
43 effective date. An amendment of the prior filing shall show the posting changes of the

1 particular brand and product affected. The amendment shall be in the form of a statement to
 2 the ~~director~~ administrator detailing the reasons for the amendment. The amendment submitted
 3 to the ~~director~~ administrator shall be prima facie evidence of its correctness; and failure of the
 4 ~~director~~ administrator to act upon denial of the amendment within ten (10) days shall constitute
 5 its adoption. Upon becoming effective the schedule shall remain in effect as follows:

- 6 (i) an increase in prices, for a minimum period of thirty (30) days;
- 7 (ii) a reduction in prices, for a minimum period of six (6) months. All price schedules,
 8 so filed, shall be subject to public inspection and shall not be considered confidential.
 9 Upon the filing of the original schedule of prices, and after the effective date of any
 10 schedule of prices amendatory thereto, all prices therein stated shall be strictly adhered to,
 11 and any departure or variation therefrom shall constitute the giving of aid or assistance
 12 prohibited by the provisions of section 23-1033, Idaho Code.

13 SECTION 58. That Section 23-1033, Idaho Code, be, and the same is hereby amended to
 14 read as follows:

15 23-1033. FINANCIAL INTEREST IN OR AID TO RETAILERS PROHIBITED
 16 – CERTAIN AID PERMITTED. (1) Except as provided in sections ~~23-1003(d4)~~, and
 17 ~~23-1003(e5)~~, Idaho Code, it shall be unlawful for any brewer, dealer, wholesaler, or the holder
 18 of any certificate of approval, directly or indirectly, or through an affiliate, subsidiary, officer,
 19 director, agent or employee:

- 20 (a) To have any financial interest in any licensed retailer's business, or to own or control
 21 any real property upon which a licensed retailer conducts his business, except such
 22 property as shall have been so owned or controlled continuously for more than one (1)
 23 year prior to July 1, 1975; or
- 24 (b) To aid or assist any licensed retailer by giving such retailer, or any employee thereof,
 25 any discounts, premiums or rebates in connection with any sale of beer; or
- 26 (c) To aid or assist any licensed retailer by furnishing, giving, renting, lending or selling
 27 any equipment, signs, supplies, services, or other thing of value to the retailer which may
 28 be used in conducting the retailer's retail beer business, except as expressly permitted by
 29 this chapter; or
- 30 (d) To enter into any lease or other agreement with any retail licensee to control the
 31 product or products sold by such retailer; or
- 32 (e) To provide for any rental or other charge to be paid to or by the retailer for product
 33 display or advertising display space.

34 (2) A brewer, dealer, or wholesaler as an incident to merchandising in the ordinary
 35 course of business, and if available to all licensed retailers without discrimination, may sell to
 36 a retailer equipment, supplies, or clothing which may be used in conducting the retailer's retail
 37 business. A brewer, dealer or wholesaler may not sell such equipment or supplies at a price,
 38 or under terms, intended or designed to encourage or induce the retailer to use products of the
 39 seller to the exclusion of the products of other brewers, dealers or wholesalers. In no event
 40 shall the sales price be less than the reasonable value of such equipment or supplies.

41 (3) Notwithstanding the provisions of subsection (2) of this section, a brewer, dealer, or
 42 wholesaler, as an incident to merchandising in the ordinary course of business, and if available
 43 to all retailers within the brewer's, dealer's or wholesaler's service area, without discrimination,
 44 may lend, give, furnish or sell to a retailer, the following items:

1 (a) Necessary accessory equipment, such as shaft blowers, tapping devices, valves, beer
2 hoses, washers, couplings, clamps, air hoses, vents, faucets, CO₂ gas regulators, picnic or
3 party pumps, together with necessary nonmechanical or nonenergized equipment to enable
4 cooling of beer, and CO₂ gas or ice when the same is furnished at the current retail price
5 and as a bona fide sale in the regular course of business;

6 (b) Signs, posters, placards, designs, devices, decorations or graphic displays bearing
7 advertising matter and for use in windows or elsewhere in the interior of a retail
8 establishment. The brewer, dealer or wholesaler shall not directly or indirectly pay or
9 credit the retailer for displaying such materials or for any expense incidental to their
10 operation;

11 (c) Newspaper cuts, mats or engraved blocks for use in retailer's advertisements;

12 (d) Items such as sports schedules, posters, calendars, informational pamphlets, decals
13 and other similar materials for display at the point of sale which bear brand advertising
14 for beer prominently displayed thereon, and which items are intended for use by the
15 retailer's customers off the licensed premises and which items are made available to the
16 retailer's customers for such purpose;

17 (e) Temporary signs or banners displaying a brewer's, dealer's or wholesaler's name,
18 trademark or label, which signs may be permitted to be temporarily displayed on the
19 exterior portion of the retailer premises in connection with a special event, in accordance
20 with such rules relating thereto as may be established by the director.

21 (4) A distributor may perform services incident to or in connection with the following:

22 (a) The stocking, rotation and restocking of beer sold and delivered to such licensed
23 retailer on or in such licensed retailer's storeroom, salesroom shelves or refrigerating
24 units, including the marking or remarking of containers of such beer to indicate the
25 selling price as established by the retailer and to the arranging, rearranging, or relocating
26 of advertising displays referred to in this section. For the purposes of this paragraph,
27 a wholesaler may, with the permission of the retailer, and in accordance with space
28 allocations directed by the retailer, set, remove, replace, reset or relocate all beer upon
29 the shelves of the retailer. Labor performed or schematics prepared by the wholesaler
30 relating to conduct authorized pursuant to this paragraph shall not constitute prohibited
31 conduct or unlawful aid to a retailer;

32 (b) (i) The inspection of a licensed retailer's draught equipment to ~~insure~~ ensure
33 sanitation and quality control;

34 (ii) The instruction of licensed retailers in the proper use, maintenance and care
35 of draught equipment, glasses and products used in the sale and dispensing of
36 beer and the preparation and distribution of written information or instructions to
37 licensed retailers with respect thereto;

38 (iii) The tapping of kegs;

39 (iv) A wholesaler may perform such services as may be required to maintain
40 sanitation or quality control and which are incident to the repair and cleaning
41 of a retailer's draught beer equipment and may furnish or sell the necessary
42 equipment and repair parts and cleaning supplies required in the performance of
43 such services.

44 (5) A wholesaler may assist a retailer by temporarily providing storage of the retailer's
45 beer for a period not in excess of seven (7) days in the event that such storage is necessary to

1 maintain the quality of such beer during a temporary loss or failure of the retailer's refrigeration
2 equipment.

3 (6) A brewery, dealer or wholesaler may furnish or give to a retailer authorized to sell
4 beer for consumption on the licensed premises, for sampling purposes only, a container of beer
5 containing not more than sixty-four (64) ounces, not currently being sold by the retailer, and
6 which container is clearly marked "NOT FOR SALE-FOR SAMPLING PURPOSES ONLY."

7 (7) The word "ale" or "malt liquor" may be substituted for "beer" on any sign used in
8 connection with any advertising herein permitted, provided reference shall be to ale or malt
9 liquor which has an alcoholic content not greater than the limitation prescribed in section
10 23-1002, Idaho Code.

11 (8) Every violation of the provisions of this section by a dealer, brewer or wholesaler, in
12 which a licensed retailer shall have actively participated shall constitute a violation on the part
13 of such licensed retailer.

14 SECTION 59. That Section 23-1035, Idaho Code, be, and the same is hereby amended to
15 read as follows:

16 23-1035. RETAILER'S SIGNS. Signs indicating that beer is sold or dispensed on any
17 particular premises shall be displayed only on the exterior portion of the building where the
18 licensed retailer shall carry on his business of selling beer at retail or on property on which
19 any such building is situated and which is owned or possessed by such retailer as a part of
20 his business premises. No more than two (2) single-faced signs or one (1) double-faced sign
21 indicating that beer is sold or dispensed on the premises shall be displayed on such building
22 or property. No dimension of any such sign shall exceed sixty (60) inches and the area of
23 each face of a double-faced and of each single-faced sign shall not exceed fifteen hundred
24 (1,500) square inches measured in such manner as the ~~director~~ administrator may by regulation
25 prescribe. No such sign shall display or make reference to the name of any brewer or the trade
26 name, trademark or label of any brand of beer.

27 SECTION 60. That Section 23-1037, Idaho Code, be, and the same is hereby amended to
28 read as follows:

29 23-1037. DETERMINATION TO REVOKE, SUSPEND OR REFUSE RENEWAL OF
30 LICENSE BY ~~DIRECTOR~~ ADMINISTRATOR – MONETARY PENALTY. (1) In the event of
31 a conviction of any brewer manufacturing beer in this state or of any wholesaler or retailer
32 licensed under the provisions of this chapter, of any law of the state of Idaho, or of the
33 United States, regulating, governing or prohibiting the sale, manufacture, transportation or
34 possession of alcoholic beverages or intoxicating liquor, or if the ~~director~~ administrator shall
35 determine that any such licensee has violated any of the provisions of this chapter or any
36 regulation of the ~~director~~ administrator promulgated under the authority of this chapter, the
37 ~~director~~ administrator may, in ~~his~~ the administrator's discretion, and in addition to any other
38 penalty imposed, determine to revoke the license of any such licensee, to suspend the same for
39 a period not in excess of six (6) months, or to refuse to grant a renewal of such license after the
40 date of its expiration.

41 (2) When the ~~director~~ administrator determines to suspend such license, the affected
42 licensee may petition the ~~director~~ administrator prior to the effective date of the suspension
43 requesting that a monetary payment be allowed in lieu of the license suspension. If the ~~director~~

1 administrator determines such payment to be consistent with the purpose of the laws of the
 2 state of Idaho and is in the public interest, he shall establish a monetary payment in an amount
 3 not to exceed five thousand dollars (\$5,000). The licensee may reject the payment amount
 4 determined by the ~~director~~ administrator, and instead be subject to the suspension provisions
 5 of subsection (1) of this section. Upon payment of the amount established, the ~~director~~
 6 administrator shall cancel the suspension period. The ~~director~~ administrator shall cause any
 7 payment to be paid to the treasurer of the state of Idaho for credit to the state's general ~~account~~
 8 fund in the state operating fund.

9 (3) The suspension of a license for the sale of liquor or wine shall automatically result
 10 in the suspension of any license for the sale of beer held by the same licensee and issued for
 11 the same premises or location. Such additional suspension shall be equal in length to and run
 12 concurrently with the period of the suspension.

13 (4) The administrator shall adopt and utilize guidelines and rules, which shall be
 14 available to licensees and members of the public, stating general policies of the division
 15 concerning minimum and maximum periods of suspensions or minimum and maximum
 16 amounts of monetary payments the division will consider in lieu of the imposition of
 17 suspensions for particular violations of the provisions of title 23, Idaho Code. Guidelines
 18 and rules adopted by the division, as herein provided, shall not prevent or be construed to
 19 prohibit the administrator from imposing a greater or lesser period of suspension, or imposing
 20 a greater or lesser monetary payment, within the limits established by this section, based upon
 21 aggravated or extenuating circumstances found to exist by the administrator.

22 (5) When a proceeding to revoke or suspend a license has been or is about to be
 23 instituted, during the time a renewal application of such license is pending before the ~~director~~
 24 administrator, the ~~director~~ administrator shall renew the license notwithstanding the pending
 25 proceedings, but such renewed license may be revoked or suspended without hearing if and
 26 when the previous license is, for any reason, revoked or suspended.

27 SECTION 61. That Section 23-1037A, Idaho Code, be, and the same is hereby amended
 28 to read as follows:

29 23-1037A. LICENSES – SUSPENSION OR REVOCATION FOR VIOLATION OF
 30 OBSCENITY LAWS. In the event of a conviction for a violation of chapter 41, title 18, Idaho
 31 Code, relating to obscenity, by any:

- 32 (1) ~~L~~icensee;
 33 (2) ~~a~~Agent of licensee; or
 34 (3) ~~e~~Employee of licensee if such licensee knew or should have known in the exercise
 35 of reasonable diligence that said employee was violating the provisions of chapter 41, title 18,
 36 Idaho Code, and if the violation committed by any of the above occurred on, or in connection
 37 with, premises licensed under this ~~act~~ chapter by such licensee, the ~~director~~ administrator shall
 38 suspend the license of such licensee for a period of six (6) months. If such licensee, or his
 39 agent or employee, has previously been convicted of a violation of chapter 41, title 18, Idaho
 40 Code, relating to obscenity, which violation occurred on, or in connection with, the premises
 41 licensed under this ~~act~~ chapter by such licensee, the ~~director~~ administrator shall revoke the
 42 license of such licensee.

43 SECTION 62. That Section 23-1038, Idaho Code, be, and the same is hereby amended to
 44 read as follows:

1 23-1038. SUSPENSION, REVOCATION, AND REFUSAL TO RENEW
 2 LICENSES. ~~When the director shall make a determination to revoke, to suspend, or to refuse~~
 3 ~~grant of renewal of license issued pursuant to the terms of this act for any violation of or failure~~
 4 ~~to comply with the provisions of this act or rules promulgated by the director or the state tax~~
 5 ~~commission pursuant to the terms and conditions of this act, procedures for the suspension,~~
 6 ~~revocation or refusal to grant or renew licenses issued under this act shall be in accordance with~~
 7 ~~the provisions of chapter 52, title 67, Idaho Code. Any hearing alleging a violation of chapter~~
 8 ~~9 or 10, title 23, Idaho Code, shall be conducted in the county where the alleged violation~~
 9 ~~occurred.~~

10 (1) The administrator may suspend, revoke or refuse to renew a retail license issued
 11 pursuant to the terms of this chapter for any violation of or failure to comply with the
 12 provisions of this chapter or rules and regulations promulgated by the administrator or the
 13 state tax commission pursuant to the terms and conditions of this chapter. Procedures for the
 14 suspension, revocation or refusal to grant or renew licenses issued under this chapter shall be in
 15 accordance with the provisions of chapter 52, title 67, Idaho Code.

16 (2) When the administrator determines to suspend such license, the affected licensee
 17 may petition the administrator prior to the effective date of the suspension requesting that a
 18 monetary payment be allowed in lieu of the license suspension. If the administrator determines
 19 such payment to be consistent with the purpose of the laws of the state of Idaho and is in the
 20 public interest, he shall establish a monetary payment in an amount not to exceed five thousand
 21 dollars (\$5,000). The licensee may reject the payment amount determined by the administrator,
 22 and instead be subject to the suspension provisions of subsection (1) of this section. Upon
 23 payment of the amount established, the administrator shall cancel the suspension period. The
 24 administrator shall cause any payment to be paid to the treasurer of the state of Idaho for credit
 25 to the state's general fund in the state operating fund.

26 (3) The suspension of a license for the sale of liquor or wine shall automatically result
 27 in the suspension of any license for the sale of beer held by the same licensee and issued for
 28 the same premises or location. Such additional suspension shall be equal in length to and run
 29 concurrently with the period of the suspension.

30 (4) The administrator shall adopt and utilize guidelines and rules, which shall be
 31 available to licensees and members of the public, stating general policies of the division
 32 concerning minimum and maximum periods of suspensions or minimum and maximum
 33 amounts for monetary payments that the division will consider in lieu of the imposition of
 34 suspensions for particular violations of the provisions of title 23, Idaho Code. Guidelines
 35 and rules adopted by the division, as herein provided, shall not prevent or be construed to
 36 prohibit the administrator from imposing a greater or lesser period of suspension, or imposing
 37 a greater or lesser monetary payment, within the limits established by this section, based upon
 38 aggravated or extenuating circumstances found to exist by the administrator.

39 (5) When a proceeding to revoke or suspend a license has been or is about to
 40 be instituted, during the time a renewal application of such license is pending before
 41 the administrator, the administrator shall renew the license, notwithstanding the pending
 42 proceedings, but such renewed license may be revoked or suspended without hearing if and
 43 when the previous license is, for any reason, revoked or suspended.

44 SECTION 63. That Section 23-1042, Idaho Code, be, and the same is hereby amended to
 45 read as follows:

1 23-1042. PROCEDURE FOR OTHER LICENSING AUTHORITIES. The licensing
 2 authority of any county or incorporated municipality shall have and exercise the same powers
 3 to revoke, suspend, or to refuse grant of renewal of a retailer's license issued or issuable by
 4 it, as are granted to the ~~director~~ administrator in this ~~act~~ chapter. The determination of any
 5 such licensing authority to revoke, suspend, or to refuse grant of renewal of any retailer's
 6 license, shall be upon the same grounds referred to in section 23-1037, Idaho Code, and may
 7 also be upon the grounds that the licensee has violated an ordinance validly enacted by it
 8 and regulating, governing or prohibiting the sale, manufacture, transportation or possession of
 9 alcoholic beverages or intoxicating liquor, and notice thereof shall be given, and proceedings
 10 to contest said determination allowed, as provided for in this ~~act~~ chapter with respect to state
 11 licenses issued by the ~~director~~ administrator. The order to show cause shall be addressed to
 12 the county commissioners of the county or to the city council of the incorporated municipality,
 13 requiring the commissioners or councilmen, or such representative as they may designate, to
 14 appear in response thereto. Service of the order to show cause and petition shall be ordered to
 15 be made upon the chairman of the board of county commissioners or mayor or city manager of
 16 the municipality, as the case may be.

17 SECTION 64. That Section 23-1044, Idaho Code, be, and the same is hereby amended to
 18 read as follows:

19 23-1044. PROCEDURE ON REFUSAL TO GRANT LICENSE. Upon a determination
 20 by the ~~director~~ administrator or by the licensing authority of any county or municipality to
 21 refuse issuance of a license to an applicant upon original application, the same procedure
 22 herein provided for in cases involving refusal to grant renewal of license for notice and for
 23 proceedings to contest determination shall govern insofar as the same are applicable, except
 24 that issuance of temporary license shall not be required pending proceedings to contest
 25 determination.

26 SECTION 65. That Section [23-1046](#), Idaho Code, be, and the same is hereby repealed.

27 SECTION 66. That Section 23-1052, Idaho Code, be, and the same is hereby amended to
 28 read as follows:

29 23-1052. LICENSE REVOCATION OR SUSPENSION FOR FAILURE TO PAY OR
 30 REPORT TAX. Failure to make any report or to pay any taxes at the times required shall be
 31 grounds for the ~~director~~ administrator to suspend or revoke the license or certificate of approval
 32 held by the person so defaulting in the manner provided by law.

33 SECTION 67. That Title 23, Idaho Code, be, and the same is hereby amended by the
 34 addition thereto of a NEW CHAPTER, to be known and designated as Chapter 12, Title 23,
 35 Idaho Code, and to read as follows:

36 CHAPTER 12
 37 CLERK AND SERVER TRAINING

38 23-1201. DEFINITIONS. The following words and phrases used in this chapter shall be
 39 given the following interpretation:

1 (1) "Administrator" means the administrator of the division of alcohol beverage licensing
2 and regulation.

3 (2) "Alcoholic beverage" means any beverage containing alcohol which is a product of
4 distillation of any fermented liquor or synthetic ethyl alcohol, including, but not limited to,
5 beer, wine, spirits or any liquid containing beer, wine or spirits.

6 (3) "Approved alcohol training program" means a program that is designed to educate
7 clerks or servers of alcohol on laws and rules regarding the sale and service of alcoholic
8 beverages, the effects of alcohol on the human body, methods of identifying intoxicated persons
9 and refusing to sell or serve alcohol to those persons, and methods for checking and identifying
10 legal identification, and is either approved by the administrator or listed in section 23-1202,
11 Idaho Code.

12 (4) "Clerk" means an individual who as an employee of a grocery store, convenience
13 store, or general retail outlet can legally sell alcoholic beverages for consumption off-premise.

14 (5) "Director" means the director of the Idaho state police.

15 (6) "Licensee" means the person to whom a beer, wine or municipal or state liquor by
16 the drink license is issued under the provisions of law.

17 (7) "Off-premises retailer" means any place alcoholic beverages are sold, but cannot
18 be consumed on the premises. Off-premises retailers include, but are not limited to, grocery
19 stores, convenience stores and general retail outlets.

20 (8) "Premises" means the building and contiguous property owned, leased or used by a
21 licensee as part of the business establishment for the sale of alcoholic beverages at retail.

22 (9) "Server" means any person serving or selling any alcoholic beverages, including
23 spirits, wine or beer for consumption on a licensed premise as a requirement of his or her
24 employment and any person managing those employees. Servers include, but are not limited
25 to, waiters, waitresses, bartenders, and managers of waiters, waitresses and bartenders.

26 23-1202. APPROVED TRAINING. (1) Only the alcohol training programs listed in
27 this section or equivalent programs as approved by the administrator will be recognized as
28 complying with the provisions of this chapter.

29 (2) Approved alcohol training programs must include an examination covering the
30 following topics: monitoring a patron's behavior, recognizing intoxicated patrons, checking
31 identification, recognizing false and altered identification, providing alternatives to alcoholic
32 beverages, problem-solving in dealing with intoxicated and/or belligerent patrons and Idaho
33 laws and rules pertaining to alcoholic beverages.

34 (3) "ServSafe alcohol" programs of the national restaurant association educational
35 foundation comply with the requirements of this chapter.

36 (4) "Training for intervention procedures programs (TIPS)" of health communications,
37 inc. comply with the requirements of this chapter.

38 23-1203. MANDATORY TRAINING – ON-PREMISE SALES. (1) Any person
39 employed as a server on the effective date of this chapter must complete an approved alcohol
40 training program within one hundred twenty (120) days of the effective date of this chapter or
41 be able to provide proof that they have received a current valid certificate from an approved
42 training program within the past three (3) years.

43 (2) Any person who is hired after the effective date of this chapter as a server shall
44 complete an approved alcohol training program within sixty (60) days.

1 (3) The licensee shall ensure that each server employed on the premises is trained or
 2 completes an approved alcohol training program in the appropriate time frame under this
 3 section and maintains documentation of such training, and provides such documentation at the
 4 request of either the director or administrator.

5 23-1204. VOLUNTARY TRAINING – OFF-PREMISE RETAILER. (1) Any person
 6 employed as a clerk on or after the effective date of this act for off-premise sales pursuant to
 7 the provisions of title 23, Idaho Code, is encouraged to complete an approved alcohol training
 8 program outlined in section 23-1202, Idaho Code.

9 (2) The clerk shall maintain documentation of such training, and provide such
 10 documentation at the request of either the director or administrator.

11 23-1205. ENFORCEMENT. (1) Any server who violates section 23-1203 Idaho Code,
 12 shall be subject to an administrative fine imposed by the administrator not to exceed five
 13 hundred dollars (\$500) plus costs of prosecution and administrative costs of bringing the action
 14 including, but not limited to, attorney's costs and fees and costs of hearing transcripts.

15 (2) Any licensee who violates section 23-1203(3), Idaho Code, shall be subject to an
 16 administrative fine imposed by the administrator not to exceed one thousand dollars (\$1,000)
 17 plus costs of prosecution and administrative costs of bringing the action including, but not
 18 limited to, attorney's costs and fees and costs of hearing transcripts.

19 (3) Nothing herein shall be construed as barring criminal prosecutions for violations of
 20 title 23, Idaho Code, where such violations are deemed criminal offenses.

21 (4) All final decisions by the administrator shall be subject to judicial review pursuant to
 22 the procedures of the administrative procedure act.

23 SECTION 68. That Section 23-1303, Idaho Code, be, and the same is hereby amended to
 24 read as follows:

25 23-1303. DEFINITIONS. (1) The following terms as used in this chapter are hereby
 26 defined as follows:

27 (a) "Administrator" means the administrator of the division of alcohol beverage licensing
 28 and regulation.

29 (b) "Dessert wine" means only those beverages that are designated or labeled, pursuant
 30 to the federal alcohol administration act, as "sherry," "madeira" or "port," which contain
 31 more than sixteen percent (16%) alcohol by volume, but do not exceed twenty-one
 32 percent (21%) alcohol by volume. Dessert wine as defined herein shall not be deemed to
 33 be a spirit based beverage for the purposes of paragraph (g) of this subsection.

34 (c) "Director" means the director of the Idaho state police.

35 (d) "Distributor" means a person to whom a wine distributor's license has been issued.

36 (e) "Division" means the division of alcohol beverage licensing and regulation in the
 37 department of self-governing agencies.

38 (f) "Domestic produced product" means wine at least seventy-five percent (75%) of
 39 which by volume is derived from fruit or agricultural products grown in Idaho.

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

41 (h) "Live performance" means a performance occurring in a theater and not otherwise in
 42 violation of any provision of Idaho law.

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

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

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

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

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

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

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

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

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

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

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

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

38 (s) "Winery license" means a license issued by the ~~director~~ administrator authorizing a
 39 person to maintain a winery.

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

42 SECTION 69. That Chapter 13, Title 23, Idaho Code, be, and the same is hereby
 43 amended by the addition thereto of a NEW SECTION, to be known and designated as Section
 44 23-1304A, Idaho Code, and to read as follows:

1 23-1304A. CERTIFICATION OF ELECTION RESULTS OR COUNTY
 2 RESOLUTION TO ADMINISTRATOR. (1) In the event that the board of county
 3 commissioners have, by resolution, pursuant to section 23-1304, Idaho Code, provided that the
 4 retail sale of table wine and/or dessert wine shall be permitted within the county, certification
 5 of such resolution shall be made to the administrator, in addition to the certification to the
 6 director, and a retail wine license shall thereafter be issued for premises within such county
 7 so long as such resolution remains in effect.

8 (2) In the event an election is held pursuant to section 23-1304, Idaho Code, upon a
 9 canvass of the votes cast, the county recorder shall certify, in addition to the certification to the
 10 director, the result thereof to the administrator.

11 (3) The last resolution adopted prior to the effective date of this act pursuant to section
 12 23-1304(a), Idaho Code, which has not been revoked, shall continue to have the effect resulting
 13 from said resolution, unless subsequently amended or revoked. The results of the last election
 14 held pursuant to section 23-1304(b), Idaho Code, or upon the written petition of registered
 15 electors pursuant thereto, prior to the effective date of this act, shall have the effect resulting
 16 from the canvass of votes at said election, unless or until an election or subsequent resolution
 17 changes such result subsequent to the effective date of this act.

18 SECTION 70. That Section 23-1306, Idaho Code, be, and the same is hereby amended to
 19 read as follows:

20 23-1306. LICENSES REQUIRED – APPLICATION – ISSUANCE OR
 21 REFUSAL. Before any person shall manufacture, import into this state, manufacture, bottle
 22 or broker for resale within this state, possess for resale, or distribute or sell wine within
 23 the state of Idaho, he shall apply to the ~~director~~ administrator for a license ~~to so do~~. The
 24 application form shall be prescribed and furnished by the ~~director~~ administrator and require
 25 that the applicant therein show that he possesses all of the qualifications and none of the
 26 disqualifications of a licensee. A person may apply for and receive a license as both a
 27 distributor and importer, if otherwise qualified therefor, and shall pay the license fee required
 28 pursuant to this chapter for each license. A winery licensed under this chapter shall also
 29 be considered as holding, for the purposes of selling a product processed and bottled by or
 30 for that winery, a current retail wine license and wine by the drink license for the licensed
 31 premises and for use at functions and events identified in section 23-1338, Idaho Code, and a
 32 current wine distributor's and importer's license, without further application or fee. If the
 33 ~~director~~ administrator is satisfied that the applicant possesses the qualifications and none of the
 34 disqualifications for such license, he shall issue a license for each classification applied for,
 35 subject to the restrictions of and upon the conditions specified in this chapter. The license
 36 or licenses issued shall be at all times prominently displayed in the place of business of the
 37 licensee. If the ~~director~~ administrator determines that the applicant is not properly qualified,
 38 he shall refuse to issue a license and shall forthwith so notify the applicant and shall return to
 39 the applicant with such notification, three-fourths (3/4) of the license fee remitted with the
 40 application. A separate retail wine by the drink license, and wine distributor's license shall be
 41 required for each premises. Provided, however, nothing herein shall prohibit a distributor or
 42 retailer or wine by the drink licensee from possessing licenses for more than one (1) premises.

43 SECTION 71. That Section 23-1307, Idaho Code, be, and the same is hereby amended to
 44 read as follows:

1 23-1307. QUALIFICATIONS FOR RETAIL WINE LICENSE, WINE BY THE
 2 DRINK LICENSE, AND DISTRIBUTOR'S LICENSE. (1) No retail wine license, wine by the
 3 drink license, or wine distributor's license shall be issued to an applicant who at the time of
 4 making the application:

5 (a) If a corporation, has not qualified as required by law to do business in the state of
 6 Idaho;

7 (b) Has had a wine distributor's license, retail wine license, wine by the drink license, or
 8 wine importer's license, revoked by the ~~director~~ administrator within three (3) years from
 9 the date of making such application;

10 (c) Has been convicted of a violation of the laws of this state or of the United States
 11 governing the sale of alcoholic beverages, wine, or beer, within three (3) years from the
 12 date of making such application;

13 (d) Has been convicted of a felony or been granted a withheld judgment following an
 14 adjudication of guilt of a felony within five (5) years from the date of making such
 15 application;

16 (e) If an individual or partnership, either the individual or at least one (1) of the partners
 17 of a partnership is not nineteen (19) years of age or older;

18 (f) If the application is for a retail wine license or wine by the drink license, the ~~director~~
 19 administrator finds that the applicant does not possess a retail beer license issued by the
 20 ~~director~~ administrator, except that licensed wineries which do not sell wine by the drink
 21 shall not be required to possess a retail beer license as a prerequisite to a retail wine
 22 license.

23 (2) To determine qualification for a license, the ~~director~~ administrator shall also cause an
 24 investigation which shall include a fingerprint-based criminal history check of the Idaho central
 25 criminal history database and the federal bureau of investigation criminal history database.
 26 Each person listed as an applicant on an initial application shall submit a full set of fingerprints
 27 and the fee to cover the cost of the criminal history background check for such person with the
 28 application.

29 SECTION 72. That Section 23-1308, Idaho Code, be, and the same is hereby amended to
 30 read as follows:

31 23-1308. QUALIFICATIONS FOR IMPORTER'S LICENSE. No wine importer's
 32 license shall be issued to an applicant who at the time of making the application:

33 (a) Has not executed an agreement in writing with the ~~director~~ administrator that such
 34 importer and every person employed by it or acting as its agents other than distributors and
 35 retailers, will faithfully comply with and observe all the provisions of the laws of the state of
 36 Idaho relating to the importation, sale and distribution of wine and all rules and regulations
 37 adopted by the ~~director~~ administrator pursuant to this ~~act~~ chapter;

38 (b) Has had a wine distributor's license, retail wine license, wine by the drink license or
 39 wine importer's license, revoked by the ~~director~~ administrator within three (3) years from the
 40 date of making such application;

41 (c) Has been convicted of a violation of the laws of this state or of the United States
 42 governing the sale of alcoholic beverages, wine, or beer, within three (3) years from the date of
 43 making such application;

44 (d) Has been convicted of a felony (or been granted a withheld judgment following an
 45 adjudication of guilt of a felony within five (5) years from the date of making such application.

1 SECTION 73. That Section 23-1308A, Idaho Code, be, and the same is hereby amended
2 to read as follows:

3 23-1308A. QUALIFICATIONS FOR WINERY LICENSE. (1) No winery license shall
4 be issued to an applicant who at the time of making the application:

5 (a) Has not executed an agreement in writing with the ~~director~~ administrator that such
6 winery and every person employed by it or acting as its agents other than distributors and
7 retailers, will faithfully comply with and observe all the provisions of the laws of the state
8 of Idaho relating to the manufacturing, sale and distribution of wine and all rules adopted
9 by the ~~director~~ administrator pursuant to this ~~act~~ chapter;

10 (b) Has had a winery license, a wine distributor's license, retail wine license, wine by
11 the drink license or wine importer's license, revoked by the ~~director~~ administrator within
12 three (3) years from the date of making such application;

13 (c) Has been convicted of a violation of the laws of this state or of the United States
14 governing the sale of alcoholic beverages, wine, or beer, within three (3) years from the
15 date of making such application;

16 (d) Has been convicted of a felony or been granted a withheld judgment following an
17 adjudication of guilt of a felony within five (5) years from the date of making such
18 application.

19 (2) To determine qualification for a license, the ~~director~~ administrator shall cause an
20 investigation which shall include a fingerprint-based criminal history check of the Idaho central
21 criminal history database and the federal bureau of investigation criminal history database.
22 Each person listed as an applicant on an initial application shall submit a full set of fingerprints
23 and the fee to cover the cost of the criminal history background check for such person with the
24 application.

25 SECTION 74. That Section 23-1309A, Idaho Code, be, and the same is hereby amended
26 to read as follows:

27 23-1309A. SHIPMENT AND RECEIPT OF WINE AUTHORIZED – LABELING
28 REQUIREMENT. (1) Notwithstanding any other provision of law, rule or regulation to the
29 contrary, any holder of a winery license under section 23-1306, Idaho Code, or any person
30 holding a license to manufacture wine in another state who obtains a wine direct shipper permit
31 pursuant to this section may sell and ship up to twenty-four (24) nine-liter cases of wine
32 annually directly to a resident of Idaho, who is at least twenty-one (21) years of age, for the
33 resident's personal use and not for resale.

34 (2) Before sending any shipment to a resident of Idaho, the wine direct shipper permit
35 holder must:

36 (a) File an application with the ~~director~~ administrator;

37 (b) Pay a fifty dollar (\$50.00) annual registration fee if the winery is not currently
38 licensed by the ~~director~~ administrator;

39 (c) Provide the ~~director~~ administrator its Idaho winery license number or a true copy of
40 its current alcoholic beverage license issued by another state;

41 (d) Obtain from the ~~director~~ administrator a wine direct shipper permit;

42 (e) Register with the state tax commission for the payment of sales and use taxes and
43 excise taxes on wine sold to residents of Idaho under the wine direct shipper permit.

44 (3) A wine direct shipper permit authorizes the permit holder to do all of the following:

1 (a) Sell and ship not more than twenty-four (24) nine-liter cases of wine annually to any
2 person twenty-one (21) years of age or older for his or her personal use and not for resale;

3 (b) Ship wine directly to a resident in this state only in compliance with subsections (8)
4 and (9) of this section;

5 (c) Report to the ~~director~~ administrator, no later than January 31 of each year, the total
6 amount of wine shipped during the preceding calendar year under the wine direct shipper
7 permit;

8 (d) If the permit holder is located outside this state, pay to the state tax commission all
9 sales and use taxes, and excise taxes on sales to residents of Idaho under the wine direct
10 shipper permit. For excise tax purposes, all wine sold pursuant to a direct shipper permit
11 shall be deemed to be wine sold in this state;

12 (e) Permit the ~~director~~ administrator and the state tax commission to perform an audit of
13 the wine direct shipper permit holder's records upon request;

14 (f) Be deemed to have consented to the jurisdiction of the alcohol beverage control
15 division of the Idaho state police, or any other state agency and the Idaho courts
16 concerning enforcement of this section and any related laws, rules or regulations.

17 (4) A wine direct shipper permit holder located outside the state may annually renew its
18 permit with the ~~director~~ administrator by paying a twenty-five dollar (\$25.00) renewal fee and
19 providing the ~~director~~ administrator a true copy of its current alcoholic beverage license issued
20 in another state. A wine direct shipper permit holder located in Idaho shall renew its wine
21 direct shipper permit in conjunction with its license to manufacture wine. All registration fees
22 and renewal fees shall be shared equally by the state police and the state tax commission.

23 (5) The ~~director~~ administrator may enforce the requirements of this section by
24 administrative proceedings or suspend or revoke a wine direct shipper permit, and the ~~director~~
25 administrator may accept payment of an offer in compromise in lieu of suspension, such
26 payments to be determined by rule promulgated by the ~~director~~ administrator.

27 (6) Sales and shipments of wine directly to consumers in Idaho from wine manufacturers
28 in Idaho or in another state who do not possess a current wine direct shipper permit are
29 prohibited. Any person who knowingly makes such a shipment is guilty of a misdemeanor.

30 (7) A licensee who holds a license for the retail sale of wine for consumption off the
31 licensed premises may ship not more than two (2) cases of wine, containing not more than nine
32 (9) liters per case, per shipment, for personal use and not for resale, directly to a resident of
33 another state if the state to which the wine is sent allows residents of this state to receive wine
34 sent from that state without payment of additional state tax, fees or charges. The sale shall be
35 considered to have occurred in this state.

36 (8) The shipping container of any wine shipped under this section must be clearly labeled
37 to indicate that the container contains alcoholic beverages and cannot be delivered to a person
38 who is not at least twenty-one (21) years of age.

39 (9) For wine shipped under this section to an Idaho resident, the delivery person shall:

40 (a) Have the person who receives the wine shipment sign for it; and

41 (b) Not make deliveries to anyone who is under twenty-one (21) years of age or to
42 anyone who is visibly intoxicated; and

43 (c) Keep the signature record for one (1) year.

44 (10) Sales authorized under this section are sales made by a retailer who is not authorized
45 to sell at wholesale or sales by a winery of wine produced or bottled by the winery.

1 (11) The ~~director~~ administrator and the state tax commission may promulgate rules to
 2 effectuate the purposes of this section and are authorized to exchange necessary information to
 3 implement the provisions of this section.

4 SECTION 75. That Section 23-1314, Idaho Code, be, and the same is hereby amended to
 5 read as follows:

6 23-1314. RECORDS OF WINERIES, IMPORTERS AND DISTRIBUTORS –
 7 CONTENTS – REPORTS – CONTENTS – INSPECTION OF RECORDS, INVENTORY,
 8 AND PROPERTY. Every winery, distributor and importer shall have, and notify the ~~director~~
 9 administrator, of a place of business within the state of Idaho where such licensee will and
 10 shall keep a record of his or its imports into, and sales of wine within, the state, including
 11 the date, quantity, from whom purchased for import, the carrier or other person or means by
 12 whom or which transported for import, and the name and address of the purchaser, and shall
 13 so keep such record of each such sale or import for a period of four (4) years thereafter. Such
 14 licensee shall, on or before the fifteenth day of each month, make a return to the ~~director~~
 15 administrator of the amount of wine sold in, and imported by him into, the state of Idaho for
 16 the preceding month, which shall be upon forms furnished by the ~~director~~ administrator. The
 17 ~~director~~ administrator may require such additional information to be included in such returns as
 18 shall assist him in determining whether or not such licensee is complying with this ~~act~~ chapter
 19 and whether or not all taxes and fees provided for by this ~~act~~ chapter are being fully paid. The
 20 ~~director~~ administrator shall have the right at any time to make an examination of each winery,
 21 distributor's and importer's books, records and premises, and such other matters as may assist
 22 him in verifying the accuracy of such returns, and retain in his office for not less than two (2)
 23 years, a report thereof. An application for, and acceptance of a license by a winery, distributor,
 24 importer or retailer shall constitute consent to, and be authority for, entry by the ~~director~~
 25 administrator or his authorized agents, upon any premises related to the licensee's business, or
 26 wherein are, or should be, kept, any of the licensee's books, records, supplies or other property
 27 related to said business, and to make the inventory, check and investigations aforesaid with
 28 relation to said licensee or any other licensee.

29 SECTION 76. That Chapter 13, Title 23, Idaho Code, be, and the same is hereby
 30 amended by the addition thereto of a NEW SECTION, to be known and designated as Section
 31 23-1315A, Idaho Code, and to read as follows:

32 23-1315A. DISPOSITION OF FUNDS. All moneys collected by the administrator
 33 under this chapter shall be apportioned as follows:

34 (1) Forty-two and one-half percent (42.5%) to the state treasurer to be placed in the
 35 general fund;

36 (2) Forty percent (40%) to the law enforcement fund established in section 67-2914,
 37 Idaho Code; and

38 (3) Seventeen and one-half percent (17.5%) to the state treasurer to be credited to the
 39 alcohol beverage licensing and regulatory fund established under section 54-5405, Idaho Code
 40 and all costs and expenses incurred by the division of alcohol beverage licensing and regulation
 41 under the provisions of title 23, Idaho Code, shall be charged against and paid from said
 42 fund for such purposes. Notwithstanding the provisions of any other law, the funds collected
 43 hereunder shall be immediately available for the administration of this chapter.

1 The money paid into the alcohol beverage licensing and regulatory fund is continuously
 2 appropriated to the division of alcohol beverage licensing and regulation for expenditure in the
 3 manner prescribed herein to defray the expenses of the division in carrying out and enforcing
 4 the provisions of title 23, Idaho Code.

5 SECTION 77. That Section 23-1316, Idaho Code, be, and the same is hereby amended to
 6 read as follows:

7 23-1316. EXPIRATION AND RENEWAL OF LICENSES. All licenses issued pursuant
 8 to the provisions of this chapter shall expire at 1:00 ~~o'clock~~ a.m. on the first day of the renewal
 9 month which shall be determined by the ~~director~~ administrator by administrative rule and shall
 10 be subject to annual renewal upon proper application. The ~~director~~ administrator will determine
 11 the renewal month by county based on the number of current licenses within each county,
 12 distributing renewals throughout the licensing year. The ~~director~~ administrator may adjust the
 13 renewal month to accommodate population increases. Each licensee will be issued a temporary
 14 license to operate until their renewal month has been determined. Thereafter, renewals will
 15 occur annually on their renewal month. Renewal applications for licenses accompanied by
 16 the required fee must be filed with the ~~director~~ administrator on or before the first day of the
 17 designated renewal month. Any licensee holding a valid license who fails to file an application
 18 for renewal of the current license on or before the first day of the designated renewal month
 19 shall have a grace period of an additional thirty-one (31) days in which to file an application for
 20 renewal of the license. The licensee, however, shall not be permitted to engage in any activity
 21 authorized by the license during the thirty-one (31) day extended time period unless and until
 22 the license is renewed. Renewal of such licenses shall be on forms prescribed and furnished by
 23 the issuing authority. The renewal form shall be submitted, together with the required license
 24 fees, and an affidavit verifying that the information contained in the original application is
 25 unchanged, or if there are material changes, indicating such changes.

26 SECTION 78. That Section 23-1317, Idaho Code, be, and the same is hereby amended to
 27 read as follows:

28 23-1317. TRANSFER OF LICENSES – FEE – APPLICATION FOR APPROVAL. (a)
 29 No winery license, wine distributor's license, wine ~~by the drink~~ by the drink license, or retail
 30 wine license may be transferred to another person, including an executor, administrator, or
 31 trustee in bankruptcy of the estate of the licensee, unless the transferee shall first have obtained
 32 the approval of the ~~director~~ administrator to such transfer upon application containing the
 33 substantially same information required of an applicant for a winery license, wine distributor's
 34 license or retail wine license, as the case may be. If the transferee possesses all of the
 35 qualifications and none of the disqualifications for such license, the ~~director~~ administrator shall
 36 approve the transfer by issuing a license to the transferee. The fee for each transfer of a winery
 37 license, wine distributor's license, ~~wine by the drink~~ wine by the drink license, or a retail wine
 38 license shall be twenty dollars (\$20.00), which fee shall accompany the application for transfer.

39 (b) Application to transfer a winery license, wine distributor's license, wine ~~by the drink~~
 40 by the drink license, or retail wine license from one location to another shall be made to the
 41 ~~director~~ administrator on forms prescribed and furnished by the ~~director~~ administrator. The
 42 ~~director~~ administrator shall approve any such transfer upon submission of the application and
 43 receipt by the ~~director~~ administrator of a transfer fee of twenty dollars (\$20.00).

1 (c) The ~~director~~ administrator, in his discretion, may deny the transfer of a license during
 2 the ~~pendancy~~ pendency of any proceedings for suspension or revocation instituted pursuant to
 3 the provisions of this chapter.

4 SECTION 79. That Section 23-1327, Idaho Code, be, and the same is hereby amended to
 5 read as follows:

6 23-1327. SALE OF WINE IN ORIGINAL CONTAINER AND SIZE OF
 7 CONTAINERS. No distributor shall purchase, receive, or sell any wine except in the
 8 original container as prepared for the market by the importer or manufacturer. No importer or
 9 distributor shall, without permission of the ~~director~~ administrator, adopt or use any container for
 10 wine that will contain in excess of one (1) gallon of wine.

11 SECTION 80. That Section 23-1329, Idaho Code, be, and the same is hereby amended to
 12 read as follows:

13 23-1329. SCHEDULES OF PRICES – FILING BY IMPORTERS AND
 14 DISTRIBUTORS – MODIFICATION OR WITHDRAWAL. Each importer and distributor shall
 15 file with the ~~director~~ administrator a written schedule of prices to be charged by such person for
 16 wine imported into or sold within this state for resale therein. Such schedule of prices shall be
 17 uniform for buyers in the same trade area within this state, and shall set forth the following:

- 18 (a) All brands and types of products offered for sale;
- 19 (b) The delivered sale price thereof in the several trade areas of the state; and
- 20 (c) Any allowance granted for returned containers.

21 Such schedule of prices so filed may be changed or modified from time to time by filing
 22 with the ~~director~~ administrator a new schedule of prices, not less than ten (10) days prior to
 23 the last day of the filing calendar month, becoming effective on the first day of the succeeding
 24 calendar month. Upon the filing of said new prices, the ~~director~~ administrator shall give notice
 25 thereof to all importers and distributors. Such schedule of prices so filed may not be withdrawn
 26 prior to its effective date, and upon becoming effective shall remain in effect as follows:

- 27 (i) an increase in prices, for a minimum period of thirty (30) days;
- 28 (ii) a reduction in prices for a minimum period of six (6) months. Upon the filing
 29 of the original schedule of prices, and after the effective date of any schedule of prices
 30 amendatory thereto, all prices therein stated shall be strictly adhered to. Amendatory
 31 schedules shall recite the information required in the above subsections (a), (b) and (c).

32 SECTION 81. That Section 23-1330, Idaho Code, be, and the same is hereby amended to
 33 read as follows:

34 23-1330. RULES AND REGULATIONS BY ~~DIRECTOR~~ ADMINISTRATOR. For
 35 the purpose of the administration of this ~~act~~ chapter, the ~~director~~ administrator shall make,
 36 promulgate, and publish such rules and regulations as the ~~director~~ administrator may deem
 37 necessary for carrying out the provisions of this ~~act~~ chapter and for the orderly and efficient
 38 administration hereof, and except as may be limited or prohibited by law and the provisions
 39 of this ~~act~~ chapter, such rules and regulations so made and promulgated shall have the force
 40 of statute. All rules and regulations adopted pursuant to the terms of this ~~act~~ chapter shall be

1 adopted in accordance with ~~the~~ and subject to, the provisions of chapter 52, title 67, Idaho
2 Code.

3 SECTION 82. That Section 23-1331, Idaho Code, be, and the same is hereby amended to
4 read as follows:

5 23-1331. SUSPENSION, REVOCATION, AND REFUSAL TO RENEW LICENSES
6 AND PERMITS – MONETARY PENALTY. (1) The ~~director~~ administrator may suspend,
7 revoke, or refuse to renew a retail wine license, wine by the drink license, wine distributor's
8 license, wine importer's license, winery license or vintner's license issued pursuant to the terms
9 of this chapter for any violation of or failure to comply with the provisions of this chapter or
10 rules and regulations promulgated by the ~~director~~ administrator or the state tax commission
11 pursuant to the terms and conditions of this chapter. Provided however, manufacturing or
12 bottling functions of a winery shall not be subject to suspension, revocation or nonrenewal of
13 license except for violations of law directly related to the manufacture or bottling activities
14 of the winery. Procedures for the suspension, revocation or refusal to grant or renew licenses
15 issued under this chapter shall be in accordance with the provisions of chapter 52, title 67,
16 Idaho Code.

17 (2) When the ~~director~~ administrator determines to suspend such license, the affected
18 licensee may petition the ~~director~~ administrator prior to the effective date of the suspension
19 requesting that a monetary payment be allowed in lieu of the license suspension. If the ~~director~~
20 administrator determines such payment to be consistent with the purpose of the laws of the
21 state of Idaho and is in the public interest, he shall establish a monetary payment in an amount
22 not to exceed five thousand dollars (\$5,000). The licensee may reject the payment amount
23 determined by the ~~director~~ administrator, and instead be subject to the suspension provisions
24 of subsection (1) of this section. Upon payment of the amount established, the ~~director~~
25 administrator shall cancel the suspension period. The ~~director~~ administrator shall cause any
26 payment to be paid to the treasurer of the state of Idaho for credit to the state's general account
27 in the state operating fund.

28 (3) The suspension of a license for the sale of liquor or beer shall automatically result
29 in the suspension of any license for the sale of wine held by the same licensee and issued for
30 the same premises or location. Such additional suspension shall be equal in length to and run
31 concurrently with the period of the original suspension.

32 (4) The administrator shall adopt and utilize guidelines and rules, which shall be
33 available to licensees and members of the public, stating general policies of the division
34 concerning minimum and maximum periods of suspensions or minimum and maximum
35 amounts for monetary payments that the division will consider in lieu of the imposition of
36 suspensions for particular violations of the provisions of title 23, Idaho Code. Guidelines
37 and rules adopted by the division, as herein provided, shall not prevent or be construed to
38 prohibit the administrator from imposing a greater or lesser period of suspension, or imposing
39 a greater or lesser monetary payment, within the limits established by this section, based upon
40 aggravated or extenuating circumstances found to exist by the administrator.

41 (5) When a proceeding to revoke or suspend a license has been or is about to be
42 instituted, during the time a renewal application of such license is pending before the ~~director~~
43 administrator, the ~~director~~ administrator shall renew the license notwithstanding the pending
44 proceedings, but such renewed license may be revoked or suspended without hearing if and
45 when the previous license is, for any reason, revoked or suspended.

1 SECTION 83. That Section [23-1335](#), Idaho Code, be, and the same is hereby repealed.

2 SECTION 84. That Section 23-1336, Idaho Code, be, and the same is hereby amended to
3 read as follows:

4 23-1336. WINE SOLD OR DONATED TO PERSONS OR ASSOCIATIONS FOR
5 BENEVOLENT, CHARITABLE OR PUBLIC PURPOSES. In the event that wine has been
6 sold or donated to a person or association which desires to dispense or sell such wine and to
7 donate the proceeds from the sale or dispensing thereof for benevolent, charitable or public
8 purposes, the ~~director~~ administrator may issue a permit authorizing such sale or dispensing of
9 wine by such person or association if the ~~director~~ administrator is satisfied that said proceeds,
10 after deducting reasonable expenses incurred in conjunction with the sale or dispensing thereof,
11 will be donated for such benevolent, charitable or public purpose. The ~~director~~ administrator
12 shall prescribe the form of the application for such permit, which application may require
13 disclosure of names of sponsors; donors, quantities and types of wine products donated; the
14 retailer, if any, designated by such person or association to receive, store or dispense donated
15 wine; the dates and hours during which the permit is to be effective, not to exceed three (3)
16 consecutive days; and such other information as the ~~director~~ administrator may require. The
17 ~~director~~ administrator shall collect a twenty dollar (\$20.00) fee for the event for which the
18 permit is to be effective. The ~~director~~ administrator may require that the applicant submit a
19 report to the ~~director~~ administrator after the benevolent, charitable or public purpose event
20 showing the disposition of funds from the event. Should the ~~director~~ administrator determine
21 that the applicant or its representatives is violating, or has in the past violated, any law
22 pertaining to the dispensing or sale of wine by a licensed retailer relating to hours of sale,
23 or relating to dispensing wine to underaged persons, or has failed in the past to submit such
24 information as may have been requested by the ~~director~~ administrator, such permit may be
25 summarily suspended by the ~~director~~ administrator, prior to hearing, or may be denied pending
26 a hearing. A licensed retailer may, on behalf of the permittee, receive or store wine to be used
27 at the event, and may dispense such wine to attendees of the benevolent, charitable or public
28 purpose event for which the permit has been issued.

29 SECTION 85. That Section 23-1338, Idaho Code, be, and the same is hereby amended to
30 read as follows:

31 23-1338. WINE PRODUCT SERVICE AND SALES – SPONSORED EVENTS. (1)
32 Any person who is the holder of an Idaho winery license is authorized to serve or sell any wine
33 product of that winery at events of seven (7) days' duration or less sponsored by any group,
34 organization, person or political subdivision. Each participating winery must make its own
35 arrangements with the sponsoring group, organization, person or political subdivision. Service
36 and sales under the authority of this section may occur only in counties that permit the sale
37 of wine in accordance with section 23-1304, Idaho Code, and any service or sales under
38 the provisions of this section must comply with all applicable limitations and requirements
39 regarding day and hour of sale, age and condition of purchasers and all other requirements of
40 any regulatory ordinance adopted pursuant to the authority of section 23-1318, Idaho Code, by
41 the city or county in whose jurisdiction the event is to take place.

42 (2) At least seven (7) days prior to the date on which the sponsored event is to
43 commence, the winery shall notify by electronic mail the ~~Idaho state police, alcohol beverage~~

1 ~~control bureau~~ administrator, and the chief of police of the incorporated city in which the
 2 sponsored event will be held, if the event is to be held in an incorporated city, or the sheriff
 3 of the county in which the sponsored event is to be held, if the event will not be held in an
 4 incorporated city, that wine will be served or sold by the winery at the sponsored event. The
 5 notice shall provide the following information:

6 (a) The name and address of the winery and the number of its state winery license;

7 (b) The dates and hours that wine will be served or sold;

8 (c) The name of the group, organization, person or political subdivision sponsoring the
 9 event; and

10 (d) The address at which the wine will be served or sold, and if a public building, the
 11 rooms in which the wine will be served or sold.

12 (3) Within three (3) business days after receiving the notice, the ~~alcohol beverage control~~
 13 ~~bureau~~ administrator shall respond to the winery. An approval by the ~~alcohol beverage control~~
 14 ~~bureau~~ administrator shall serve as authorization for the event, and shall be displayed during all
 15 hours that wine is served or sold at the sponsored event.

16 (4) Neither the winery nor any person owning an interest in the winery, nor any
 17 employee, contractor or business associate of the winery shall qualify as an event sponsor under
 18 the provisions of this section.

19 (5) Neither a city nor a county license or permit is required for the activities authorized
 20 pursuant to the provisions of this section.

21 SECTION 86. That Title 54, Idaho Code, be, and the same is hereby amended by the
 22 addition thereto of a NEW CHAPTER, to be known and designated as Chapter 54, Title 54,
 23 Idaho Code, and to read as follows:

24 CHAPTER 54

25 IDAHO DIVISION OF ALCOHOL BEVERAGE LICENSING AND REGULATION

26 54-5401. SHORT TITLE. This chapter shall be known and may be cited as the "Idaho
 27 Division of Alcohol Beverage Licensing and Regulation Act."

28 54-5402. DECLARATION OF POLICY. It is hereby declared as the policy of the state
 29 of Idaho that it is necessary to further regulate and control licenses for the sale of alcoholic
 30 beverages within the state and to eliminate certain illegal traffic in liquor and to ensure that
 31 the sale of liquor by the drink is advisable and necessary. The administrator of the division of
 32 alcohol beverage licensing and regulation shall administer state licenses for liquor by the drink
 33 in accordance with this chapter and under the rules promulgated by said administrator. The
 34 restrictions, rules, and provisions contained in this chapter are enacted by the legislature for the
 35 protection, health, welfare and safety of the people of the state of Idaho and for the purpose
 36 of promoting and encouraging temperance in the use of alcoholic beverages within the state of
 37 Idaho.

38 54-5403. DIVISION OF ALCOHOL BEVERAGE LICENSING AND
 39 REGULATION. (1) There is hereby established in the department of self-governing agencies
 40 the division of alcohol beverage licensing and regulation. The division administrator,
 41 hereinafter "administrator," shall be appointed by the governor, subject to the advice and
 42 consent of the senate, and shall serve at the pleasure of the governor.

1 (2) The provisions of this chapter shall not be construed to diminish or affect:

2 (a) The authority, duties and responsibilities of the state liquor division as provided by
3 law, or in any way, to affect the purchase and sale of alcoholic liquors or other products
4 by, to, or on behalf of the Idaho state liquor division; or

5 (b) The authority, duty or responsibility of the department of the Idaho state police,
6 or any sheriff, city police department or other law enforcement agency to investigate,
7 report or prosecute violations of criminal law arising out of acts or conduct contrary to
8 the provisions of title 23, Idaho Code, or to file complaints with, or to request initiation of
9 contested cases by, the division of alcohol beverage licensing and regulation seeking civil
10 sanctions for the violation of such laws.

11 54-5404. POWERS AND DUTIES. The division shall have the following general
12 powers and duties:

13 (1) To regulate the issuance, suspension and revocation of licenses to manufacture,
14 import, transport, store, sell or deliver beverages containing alcohol within the state of Idaho,
15 in accordance with state law;

16 (2) In accordance with the Idaho administrative code, chapter 52, title 67, Idaho Code, to
17 adopt, amend or rescind rules or regulations as the administrator deems necessary for the proper
18 performance of all duties imposed on the administrator or division by law; issue declaratory
19 rulings; initiate, accept, or decline to initiate contested cases; and conduct hearings and issue
20 such orders as may be authorized by law;

21 (3) To prescribe, prepare and furnish printed forms and information materials necessary
22 or convenient for administration of the division's duties pursuant to title 23, Idaho Code;

23 (4) To administer the civil, regulatory provisions of law relating to the sale and purchase
24 of beverages containing alcohol, in accordance with the law relating thereto;

25 (5) Wherever in chapters 9, 10 and 13, title 23, Idaho Code, or elsewhere, reference is
26 made to a department or agency of Idaho state government having authority to issue, suspend,
27 revoke or to otherwise regulate, licenses or licensees relating to the importation, manufacture,
28 sale, dispensing or conduct of the retail sale of liquor by the drink, or the manufacture,
29 distribution or sale of beer, or wine, or other beverage products containing alcohol, the
30 authority of such department or agency of Idaho state government with reference to the
31 issuance, suspension, revocation or non-penal regulation of such licenses or licensees is hereby
32 transferred to and shall be deemed to refer to, the division of alcohol beverage licensing and
33 regulation, department of self-governing agencies;

34 (6) The administrator shall have the authority to employ individuals, make expenditures,
35 require reports, make investigations, perform travel and take other actions deemed necessary;

36 (7) Subject to the provisions of chapter 53, title 67, Idaho Code, the administrator is
37 authorized and directed to provide for a merit system for the division covering all employees,
38 except the administrator and two (2) exempt positions to serve at the pleasure of the
39 administrator;

40 (8) To enter into a written agreement with the bureau of occupational licenses, as set
41 forth in section 67-2604, Idaho Code, pursuant to which agreement the bureau of occupational
42 licenses and the division may agree that the bureau of occupational licenses will have and
43 exercise such powers, duties and authority pursuant to such terms and conditions as the
44 agreement may specify; and

1 (9) To have all such powers as may be necessary in the exercise and performance of the
2 duties and responsibilities of the division prescribed by law.

3 54-5405. ALCOHOL BEVERAGE LICENSING AND REGULATORY FUND. (1)
4 There is hereby created a fund in the state treasury to be known and designated as the alcohol
5 beverage licensing and regulatory fund. All fees, renewal fees and other funds received by the
6 Idaho division of alcohol beverage licensing and regulation shall be deposited to the credit of
7 the alcohol beverage licensing and regulatory fund.

8 (2) No moneys in the alcohol beverage licensing and regulatory fund may be expended
9 except by appropriation. All expenses of the Idaho division of alcohol beverage licensing
10 and regulation, including salaries and/or wages of employees, incurred in administering
11 the provisions of chapters 6 through 13, title 23, Idaho Code, or incurred in administering
12 such other laws as may be designated by statute, shall be paid out of the alcohol beverage
13 licensing and regulatory fund by warrants drawn by the state controller upon the treasurer upon
14 allowance of verified claims by the state board of examiners in the manner provided by law.
15 Provided however, no claim shall be allowed except by the approval of the administrator, Idaho
16 division of alcohol beverage licensing and regulation.

17 SECTION 87. That Section 18-7803, Idaho Code, be, and the same is hereby amended to
18 read as follows:

19 18-7803. DEFINITIONS. As used in this chapter, (a) "Racketeering" means any act
20 which is chargeable or indictable under the following sections of the Idaho Code or which
21 are equivalent acts chargeable or indictable as equivalent crimes under the laws of any other
22 jurisdiction:

23 (1) Homicide (section 18-4001, Idaho Code);

24 (2) Robbery, burglary, theft, forgery, counterfeiting, and related crimes (sections 18-1401,
25 18-1405, 18-2403, 18-2407, 18-3123, 18-3124, 18-3125, 18-3601, 18-3602, 18-3603,
26 18-3605, 18-3606, 18-3607, 18-3609, 18-3610, 18-3614, 18-3615, 18-4630, 18-6501 and
27 49-518, Idaho Code);

28 (3) Kidnapping (section 18-4501, Idaho Code);

29 (4) Prostitution (sections 18-5601, 18-5602, 18-5603, 18-5604, 18-5605, 18-5606,
30 18-5608 and 18-5609, Idaho Code);

31 (5) Arson (sections 18-801, 18-802, 18-803, 18-804 and 18-805, Idaho Code);

32 (6) Assault (sections 18-908 and 18-4015, Idaho Code);

33 (7) Lotteries and gambling (sections 18-3801, 18-3802, 18-3809, 18-4902, 18-4903,
34 18-4904, 18-4905, 18-4906 and 18-4908, Idaho Code);

35 (8) Indecency and obscenity (sections 18-1515, 18-1518, 18-4103, 18-4103A, 18-4104,
36 18-4105, 18-4105A and 18-4107, Idaho Code);

37 (9) Poisoning (sections 18-4014 and 18-5501, Idaho Code);

38 (10) Fraudulent practices, false pretenses, insurance fraud, financial transaction card
39 crimes and fraud generally (sections 18-2403, 18-2706, 18-3002, 18-3101, 18-3124,
40 18-3125, 18-3126, 18-6713, 41-293, 41-294 and 41-1306, Idaho Code);

41 (11) Alcoholic beverages (sections 23-602, 23-606, 23-610, 23-703, 23-90510, 23-91423,
42 23-9287, ~~23-934~~ and 23-93822, Idaho Code);

43 (12) Cigarette taxes (sections 63-2505 and 63-2512(b), Idaho Code);

1 (13) Securities (sections 30-14-401, 30-14-402, 30-14-403, 30-14-404, 30-14-501,
2 30-14-502, 30-14-505 and 30-14-506, Idaho Code);

3 (14) Horseracing (section 54-2512, Idaho Code);

4 (15) Interest and usurious practices (sections 28-45-401 and 28-45-402, Idaho Code);

5 (16) Corporations (sections 18-1901, 18-1902, 18-1903, 18-1904, 18-1905, 18-1906 and
6 30-1510, Idaho Code);

7 (17) Perjury (sections 18-5401 and 18-5410, Idaho Code);

8 (18) Bribery and corrupt influence (sections 18-1352 and 18-1353, Idaho Code);

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

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

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

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

15 (c) "Enterprise" means any sole proprietorship, partnership, corporation, business, labor
16 union, association or other legal entity or any group of individuals associated in fact although
17 not a legal entity, and includes illicit as well as licit entities; and

18 (d) "Pattern of racketeering activity" means engaging in at least two (2) incidents of
19 racketeering conduct that have the same or similar intents, results, accomplices, victims or
20 methods of commission, or otherwise are interrelated by distinguishing characteristics and are
21 not isolated incidents, provided at least one (1) of such incidents occurred after the effective
22 date of this act and that the last of such incidents occurred within five (5) years after a prior
23 incident of racketeering conduct.

24 SECTION 88. That Section 23-1312, Idaho Code, be, and the same is hereby amended to
25 read as follows:

26 23-1312. BY THE DRINK LIQUOR RETAILERS MAY PURCHASE FROM
27 DISTRIBUTORS. Any law to the contrary notwithstanding, including but not limited to section
28 23-91423, Idaho Code, the holder of a license for the retail sale of liquor by the drink as
29 defined in chapter 9, title 23, Idaho Code, is hereby authorized to purchase wine from persons
30 holding valid wine distributor's licenses.

31 SECTION 89. That Section 23-1406, Idaho Code, be, and the same is hereby amended to
32 read as follows:

33 23-1406. STORAGE AND RESTOCKING. (1) All alcoholic beverages, which are
34 used to restock and replenish a facility's hospitality cabinets, shall be kept locked in a
35 separate, secure room or cabinet, except when the hospitality cabinets are being restocked and
36 replenished.

37 (2) The hospitality cabinets can be restocked and replenished with alcoholic beverages
38 only during those hours when liquor can be sold as provided in section 23-92732, Idaho Code.

39 SECTION 90. That Section 39-5502, Idaho Code, be, and the same is hereby amended to
40 read as follows:

41 39-5502. DEFINITIONS. As used in this chapter:

1 (1) "Auditorium" means a public building where an audience sits and any corridors,
2 hallways or lobbies adjacent thereto.

3 (2) "Bar" means any indoor area open to the public operated primarily for the sale and
4 service of alcoholic beverages for on-premises consumption and where: (a) the service of
5 food is incidental to the consumption of such beverages, or (b) no person under the age of
6 twenty-one (21) years is permitted except as provided in section 23-~~943~~604, Idaho Code, as it
7 pertains to employees, musicians and singers, and all public entrances are clearly posted with
8 signs warning patrons that it is a smoking facility and that persons under twenty-one (21) years
9 of age are not permitted. "Bar" does not include any area within a restaurant.

10 (3) "Employer" means any person, partnership, limited liability company, association,
11 corporation or nonprofit entity that employs one (1) or more persons, including the legislative,
12 executive and judicial branches of state government; any county, city, or any other political
13 subdivision of the state; or any other separate unit of state or local government.

14 (4) "Indoor shopping mall" means an indoor facility located at least fifty (50) feet from
15 any public street or highway and housing no less than ten (10) retail establishments.

16 (5) "Public meeting" means all meetings open to the public.

17 (6) "Public place" means any enclosed indoor place of business, commerce, banking,
18 financial service or other service-related activity, whether publicly or privately owned and
19 whether operated for profit or not, to which persons not employed at the public place have
20 general and regular access or which the public uses including:

21 (a) Buildings, offices, shops or restrooms;

22 (b) Waiting rooms for means of transportation or common carriers;

23 (c) Restaurants;

24 (d) Theaters, auditoriums, museums or art galleries;

25 (e) Hospitals, libraries, indoor shopping malls, indoor sports arenas, concert halls, or
26 airport passenger terminals, and within twenty (20) feet of public entrances and exits to
27 such facilities;

28 (f) Public or private elementary or secondary school buildings and educational facilities
29 and within twenty (20) feet of entrances and exits of such buildings or facilities;

30 (g) Retail stores, grocery stores or arcades;

31 (h) Barbershops, hair salons or laundromats;

32 (i) Sports or fitness facilities;

33 (j) Common areas of nursing homes, resorts, hotels, motels, bed and breakfast lodging
34 facilities and other similar lodging facilities, including lobbies, hallways, restaurants and
35 other designated dining areas and restrooms of any of these;

36 (k) Any child care facility subject to licensure under the laws of Idaho, including those
37 operated in private homes, when any child cared for under that license is present;

38 (l) Public means of mass transportation including vans, trains, taxicabs and limousines
39 when passengers are present; and

40 (m) Any public place not exempted by section 39-5503, Idaho Code.

41 (7) "Publicly-owned building or office" means any enclosed indoor place or portion of a
42 place owned, leased or rented by any state, county or municipal government, or by any agency
43 supported by appropriation of, or by contracts or grants from, funds derived from the collection
44 of federal, state, municipal or county taxes.

45 (8) "Restaurant" means an eating establishment including, but not limited to, coffee
46 shops, cafes, cafeterias, and private and public school cafeterias, which gives or offers for

1 sale food to the public, guests, or employees, as well as kitchens and catering facilities in which
 2 food is prepared on the premises for serving elsewhere. The term "restaurant" shall include a
 3 bar area within a restaurant.

4 (9) "Smoking" includes the possession of any lighted tobacco product in any form.

5 (10) "Smoking area" means a designated area in which smoking is permitted.

6 SECTION 91. That Section 49-307, Idaho Code, be, and the same is hereby amended to
 7 read as follows:

8 49-307. CLASS D DRIVER'S TRAINING INSTRUCTION PERMIT AND
 9 TEMPORARY PERMITS – CLASS D SUPERVISED INSTRUCTION PERMIT –
 10 APPLICATION FOR A CLASS D DRIVER'S LICENSE – RESTRICTIONS ON CLASS D
 11 DRIVER'S LICENSE. (1) No enrollee of any class D driver's training course shall be allowed
 12 to attend classes or participate in driving instruction unless he has obtained a class D driver's
 13 training instruction permit, or a class D instruction permit as provided in subsection (4) of this
 14 section. The class D driver's training instruction permit shall expire five (5) days after the
 15 permittee's eighteenth birthday.

16 (2) Every enrollee of a class D driver's training course shall pay a nonrefundable fee of
 17 fifteen dollars (\$15.00). Five dollars (\$5.00) of each fee so imposed shall be deposited in the
 18 driver training account, five dollars (\$5.00) shall be deposited in the state highway account, and
 19 five dollars (\$5.00) shall be deposited in the county current expense fund.

20 (3) Each enrollee of a class D driver's training course shall provide the type of
 21 information required for a driver's license or instruction permit. If an enrollee of a class D
 22 driver's training course cannot provide a certified copy of his birth certificate at the time of
 23 application for a permit, the department may issue a temporary driver's training instruction
 24 permit or a temporary class D instruction permit upon receipt of both a photo identification
 25 and a letter from the school verifying the applicant's enrollment in a driver's training course.
 26 The certified copy of an applicant's birth certificate shall be required before a class D driver's
 27 license will be issued.

28 (4) The class D driver's training instruction permit is available to a person aged fourteen
 29 and one-half (14 1/2) years up to seventeen (17) years of age. Persons aged seventeen (17)
 30 years or older may attend classes or participate in driver's training instruction while operating
 31 with a class D instruction permit.

32 (5) The class D driver's training instruction permit shall be issued to the instructor of the
 33 course.

34 (6) Class D supervised instruction permit.

35 (a) Upon successful completion of the class D driver's training course, the driver's
 36 training instructor shall date and sign the class D driver's training instruction permit over
 37 to the parent or legal guardian of the permittee, and the parent or legal guardian shall
 38 also date and sign the class D driver's training instruction permit and in so doing agrees
 39 to assume responsibility for ensuring that the permittee complies with the requirements
 40 of operating a vehicle with a class D supervised instruction permit. The signed and
 41 dated class D driver's training instruction permit shall then serve as a class D supervised
 42 instruction permit.

43 (b) In the event the permittee reaches the age of seventeen (17) years while operating
 44 a class D vehicle with a class D supervised instruction permit, the supervised instruction

1 permit shall become a class D instruction permit, and such class D instruction permit shall
2 expire five (5) days after the permittee's eighteenth birthday.

3 (7) No permittee may apply for a class D driver's license sooner than fifteen (15) years
4 of age and no sooner than six (6) months after completing a class D driver's training course,
5 during which time the permittee shall satisfy all requirements for operation of a class D vehicle
6 with a class D supervised instruction permit as follows:

7 (a) The permittee shall not operate a vehicle unless he is accompanied by a driver who
8 holds a valid driver's license, is twenty-one (21) years of age or older, and who is actually
9 occupying a seat beside the permittee driver. The supervising driver and the permittee
10 shall be the only occupants of the front passenger section of the vehicle.

11 (b) Over a period of time not less than six (6) months, the permittee shall accumulate at
12 least fifty (50) hours of supervised driving time, ten (10) hours of which shall be during
13 hours of darkness.

14 (c) The permit shall be in the permittee's immediate possession at all times while
15 operating a vehicle.

16 (d) In addition to the permittee driver and the supervising driver, all other occupants of
17 the vehicle shall wear a seat belt or be restrained by child passenger restraints as required
18 by law.

19 (e) The permittee is subject to the provisions of sections 18-1502 and 18-8004, Idaho
20 Code, relating to violation of age restrictions on consumption of beer, wine, and alcohol
21 and driving under the influence of alcohol, drugs or any other intoxicating substances,
22 respectively.

23 (f) The permittee shall not have been convicted of any moving traffic violation, or have
24 had driving privileges suspended by the department or the court for any offense, or found
25 to be in violation of any of the restrictions on the class D supervised instruction permit,
26 for a period of at least six (6) months from the date the driver's training instructor signed
27 the permit over to the parent or legal guardian, or from the date a canceled class D
28 supervised instruction permit was reissued, or until the permittee reaches seventeen (17)
29 years of age.

30 (g) If the permittee is under seventeen (17) years of age and is convicted of a violation
31 of any traffic law, or section 18-1502, Idaho Code, or section 18-8004, Idaho Code, or
32 section ~~23-949604~~23-949604, Idaho Code, or is found to be in violation of any of the restrictions
33 on the class D supervised instruction permit, the department shall cancel the class D
34 supervised instruction permit, and the cancellation shall not be used to establish rates of
35 motor vehicle insurance charged by a casualty insurer. If the permittee is under seventeen
36 (17) years of age, the permittee may reapply for and be issued a new class D supervised
37 instruction permit upon payment of the appropriate fees, and shall again be required to
38 operate with the class D supervised instruction permit for at least six (6) months from
39 the date of reissue without a conviction or suspension, accumulate the required hours of
40 driving time and adhere to the requirements as specified in paragraphs (a) through (f) of
41 this subsection (7).

42 (8) Upon completion of the requirements in subsection (7) of this section, the permittee
43 shall take the knowledge test and skills test administered by a person certified by the Idaho
44 transportation department to administer knowledge and skills tests.

45 (9) Upon passage of the knowledge and skills tests, the permittee may apply for a class
46 D driver's license with driving privileges restricted to daylight hours for persons under sixteen

1 (16) years of age, and with full privileges at sixteen (16) years of age or older. Provided
2 however, the restriction on daylight hours only driving privileges for persons under sixteen (16)
3 years of age shall not apply if:

4 (a) The person under sixteen (16) years of age has a valid class D driver's license; and

5 (b) Is accompanied by a driver who holds a valid driver's license and is twenty-one (21)
6 years of age or older and is actually occupying a seat beside the licensee who is under
7 sixteen (16) years of age; and

8 (c) The two (2) licensed drivers are the only occupants of the front passenger section of
9 the vehicle.

10 The restriction of daylight hours only shall mean that period of time one-half (1/2) hour before
11 sunrise to one-half (1/2) hour after sunset.

12 (10) Upon passage of the knowledge and skills tests, the permittee may apply for a class
13 D driver's license. Any such licensee who is under the age of seventeen (17) years shall be
14 required, during the first six (6) months from the date of issue of the class D driver's license, to
15 limit the number of passengers in the vehicle who are under the age of seventeen (17) years to
16 not more than one (1) such passenger. Provided however, the limit of one (1) passenger under
17 the age of seventeen (17) years shall not apply to passengers who are related to the driver by
18 blood, adoption or marriage.

19 SECTION 92. That Section 67-7446, Idaho Code, be, and the same is hereby amended to
20 read as follows:

21 67-7446. RESTRICTIONS. Notwithstanding the provisions of section 23-92827, Idaho
22 Code, nothing in that section shall be construed to authorize any form of games of chance or
23 private lotteries, except as may be authorized expressly by this chapter in accordance with the
24 Idaho Constitution.

25 SECTION 93. The provisions of this act are hereby declared to be severable and if
26 any provision of this act or the application of such provision to any person or circumstance is
27 declared invalid for any reason, such declaration shall not affect the validity of the remaining
28 portions of this act.