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Second Regular Session - 2016

IN THE SENATE

SENATE BILL NO. 1354

BY STATE AFFAIRS COMMITTEE

1	AN ACT
2	RELATING TO ALCOHOL BEVERAGE CATERING PERMITS; AMENDING SECTION 23-902,
3	IDAHO CODE, TO DEFINE A TERM AND TO MAKE TECHNICAL CORRECTIONS; AMENDING
4	SECTION 23-934A, IDAHO CODE, TO REVISE PROVISIONS REGARDING ALCOHOL
5	BEVERAGE CATERING PERMITS; AMENDING SECTION 23-934B, IDAHO CODE, TO
5	REVISE PROVISIONS REGARDING FILING AND APPROVAL OF AN APPLICATION FOR
7	AN ALCOHOL BEVERAGE CATERING PERMIT; AND AMENDING SECTION 23-217, IDAHC
3	CODE. TO PROVIDE A CORRECT CODE REFERENCE.

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

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

- 23-902. DEFINITIONS. The following words and phrases used in this chapter shall be given the following interpretation:
- (1) "Club" includes any of the following organizations where the sale of spirituous liquor for consumption on the premises is made to members and to bona fide guests of members only:
 - (a) A post, chapter, camp or other local unit composed solely of veterans and their duly recognized auxiliary, and which is a post, chapter, camp or other local unit composed solely of veterans which has been chartered by the congress of the United States for patriotic, fraternal or benevolent purposes, and which has, as the owner, lessee or occupant, operated an establishment for that purpose in this state; or
 - (b) A chapter, aerie, parlor, lodge or other local unit of an American national fraternal organization, which has, as the owner, lessee or occupant, operated an establishment for fraternal purposes in this state and actively operates in not less than thirty-six (36) states or has been in continuous existence for not less than twenty (20) years; and which has not less no fewer than fifty (50) bona fide members in each unit, and which owns, maintains or operates club quarters, and is authorized and incorporated to operate as a nonprofit club under the laws of this state, and which has recognized tax exempt status under section 501(c)(8) or 501(c)(10) of the Internal Revenue Code, and has been continuously incorporated and operating for a period of not less than one (1) year. The club shall have had, during that period of one (1) year, a bona fide membership with regular meetings conducted at least once each month, and the membership shall be and shall have been actively engaged in carrying out the objects of the club. The club membership shall consist of bona fide dues-paying members, recorded by the secretary of the club, paying at least six dollars (\$6.00) per year in dues, payable monthly, quarterly or annually; and the members at the time of application for a club license shall be in good standing, having paid dues for at least one (1) full year.

- (2) "Convention" means a formal meeting of members, representatives, or delegates, as of a political party, fraternal society, profession or industry.
 - (3) "Director" means the director of the Idaho state police.

- (4) "Festival" means a period or program of festive activities, cultural events or entertainment lasting three (3) or more consecutive days.
- (5) "Gaming" means any and all gambling or games of chance defined in chapters 38 and 49, title 18, Idaho Code, or any section or sections thereof, whether those games are licensed or unlicensed.
- (56) "Interdicted person" means a person to whom the sale of liquor is prohibited under law.
- (67) "License" means a license issued by the director to a qualified person, under which it shall be lawful for the licensee to sell and dispense liquor by the drink at retail, as provided by law.
- (78) "Licensee" means the person to whom a license is issued under the provisions of law.
- $(\frac{89}{2})$ "Liquor" means all kinds of liquor sold by and in a state liquor store of the state of Idaho.
- $(9\underline{10})$ "Live performance" means a performance occurring in a theater and not otherwise in violation of any provision of Idaho law.
- (101) "Municipal license" means a license issued by a municipality of the state of Idaho under the provisions of law.
- (1 ± 2) "Party" means a social gathering especially for pleasure or amusement and includes, but is not limited to, such social events as weddings, birthdays, and special holiday celebrations to include, but not be limited to, New Year's celebrations, Super Bowl Sunday, St. Patrick's Day, the Fourth of July and Labor Day.
- (123) "Person" means every individual, partnership, corporation, organization, or association holding a retail liquor license, whether conducting the business singularly or collectively.
- (134) "Premises" means the building and contiguous property owned, or leased or used under a government permit by a licensee as part of the business establishment in the business of sale of liquor by the drink at retail, which property is improved to include decks, docks, boardwalks, lawns, gardens, golf courses, ski resorts, courtyards, patios, poolside areas or similar improved appurtenances in which the sale of liquor by the drink at retail is authorized under the provisions of law.
- (14 $\overline{5}$) "Rules" means rules promulgated by the director in accordance with the provisions of law.
- $(15\underline{6})$ "State liquor store" means a liquor store or distributor established under and pursuant to the laws of the state of Idaho for the package sale of liquor at retail.
- $(1\frac{67}{})$ "Theater" means a room, place or outside structure for performances or readings of dramatic literature, plays or dramatic representations of an art form not in violation of any provision of Idaho law.
- (17) All other words and phrases used in this chapter, the definitions of which are not herein given, shall be given their ordinary and commonly understood and acceptable meanings.
- SECTION 2. That Section 23-934A, Idaho Code, be, and the same is hereby amended to read as follows:

 23-934A. ALCOHOL BEVERAGE CATERING PERMIT -- APPLICATION. An alcohol beverage catering permit is a permit issued pursuant to this section which that authorizes the permittee to serve and sell liquor by the drink, beer and wine, or beer, or wine, at a party, festival or convention, and not to exceed three five (35) consecutive days, with an option to request one (1) permit extension on the same terms and conditions as the original permit, which extension may be issued or denied at the sole and absolute discretion of the original issuing entity. An alcohol beverage catering permit shall be limited to authorization to sell liquor or beer or wine, or any combination thereof, based upon the type of license which the applicant possesses. Applications for such permit shall be made to the city within which the liquor, beer or wine is to be served, or if not within a city then to the county, on such form as prescribed by the city or county which shall contain at a minimum, but not limited to, the following information:

- (1) The name and address of the applicant and the number of his state liquor, beer or wine license.
- (2) The dates and hours during which the <u>original</u> permit is to be effective, not to exceed three five (35) consecutive days.
- (3) The names of the organizations, groups, or persons sponsoring the event.
- (4) The address at which the liquor, beer or wine is to be served, and if a public building, the rooms in which the liquor, beer or wine is to be served.

The application shall be verified by the applicant and filed with the appropriate governing body or its designee. A filing fee in the amount of twenty dollars (\$20.00) for each day the permit is to be effective shall be paid to the treasury of the governing body which shall not be refunded in any event. Any alcohol beverage catering permit shall be valid only within the issuing jurisdiction.

No alcohol beverage catering permit issued pursuant to this section shall be used on a licensed premise. An alcohol beverage catering permit issued pursuant to this section shall only be exercised by the licensee on record.

SECTION 3. That Section 23-934B, Idaho Code, be, and the same is hereby amended to read as follows:

23-934B. FILING OF APPLICATION -- APPROVAL. Upon the filing of an application for an alcohol beverage catering permit, the city council or its designee, or county commissioners or their designee receiving the application shall, upon the advice and recommendation of the chief of police and chief of fire or sheriff, approve or disapprove the application and indicate the determination on the face of the application by indorsement endorsement signed by the clerk of the city or county. The chief of police and chief of fire are, or the sheriff is, authorized to endorse an application for an alcohol beverage catering permit with sufficient conditions to ensure public safety. Copies of the application with signed indorsements endorsements thereon shall be mailed, delivered by electronic mail or delivered immediately to the chief of police or sheriff, the director and the applicant, and a signed copy retained by the clerk. An application approved in this manner shall constitute an alcohol beverage catering permit.

SECTION 4. That Section 23-217, Idaho Code, be, and the same is hereby amended to read as follows:

- 23-217. SURCHARGE ADDED TO PRICE OF ALCOHOLIC LIQUOR AND ALL OTHER MERCHANDISE SOLD COLLECTION AND REMISSION BY DIRECTOR. (1) The director of the division is hereby authorized and directed to include in the price of alcoholic liquor and all other merchandise sold in the division, and its branches, a surcharge equal to two percent (2%) of the current price per unit computed to the nearest multiple of five cents (5%).
- (2) After the price of the surcharge has been included, the director of the division is hereby authorized and directed to allow a discount of five percent (5%) from the price of each order of alcoholic liquor and all other merchandise sold to any licensee, as defined in section 23-902(78), Idaho Code.
- (3) The surcharge imposed pursuant to this section shall be collected and credited monthly to the drug court, mental health court and family court services fund, as set forth in section 1-1625, Idaho Code.