

January 25, 1963.

Safety and Law
Enforcement.

House File 70

By DENMAN, ROBINSON, REPPERT,
NIELSEN, DUNTON and BALLOUN.

Passed House, Date *3-27-63*

Passed Senate, Date.....

Vote: Ayes *92* Nays *13*

Vote: Ayes..... Nays.....

Approved.....

*Re-referred to Committee 3/26
Loch*

*Passed on file 3/28
Judiciary 2 3/28*

A BILL FOR

An Act relating to the keeping and consumption of alcoholic liquor upon the premises of clubs and to provide for the licensure, taxation, regulation and inspection thereof.

WHEREAS, it has been found and declared that there exist in this state numerous clubs, upon the premises of which alcoholic liquor is kept and consumed by the members thereof and their guests and which, unless regulated, licensed, and inspected by local authority, may constitute a hazard to the health, morals, safety and welfare of such members and guests and of the public generally; and

WHEREAS, it is therefore declared to be the policy of the state that broad power be conferred upon the city and town councils within the corporate limits of cities and towns and county boards of supervisors outside the corporate limits of cities and towns for the regulation, licensure, inspection and taxation of such clubs; now therefore,

Be It Enacted by the General Assembly of the State of Iowa:

1 Section 1. For the purposes of this Act, a "club" is defined
2 as any organized association of any number of persons, incorpo-
3 rated or unincorporated, having a common meeting place for social
4 intercourse or any common object, and which allows its members
5 to keep or consume alcoholic liquor upon the premises of such
6 meeting place.

1 Sec. 2. It shall be unlawful for any person to keep or
2 consume upon the premises of a club, or for any club to permit
3 any person to keep or consume upon such premises, any alcoholic
4 liquor, unless such club has first obtained from the city or
5 town council or the county board of supervisors a license.

1 Sec. 3. The council of any incorporated city or town shall

2 have power upon proper application to issue to a club a license
3 authorizing any member to keep upon the premises of its meeting
4 place alcoholic liquor for consumption by such member or his
5 bona fide guests. The board of supervisors of any county shall
6 have like power with respect to any club having its meeting
7 place outside the corporate limits of a city or town.

1 Sec. 4. No club shall be granted a license under this Act:

2 1. If it is a proprietary club or operated for pecuniary
3 profit.

4 2. If the premises or meeting place of such club were
5 formerly operated as a tavern for the premises of which a class
6 "B" beer permit was issued and the permittee, owner, lessee,
7 manager, or proprietor of such tavern is retained by the club
8 in any employer-employee relationship or managerial capacity.

9 3. Unless it is incorporated under the laws of the state of
10 Iowa or is a regularly chartered branch of a nationally incor-
11 porated organization or a chapter of one of the organizations
12 enumerated in section five hundred four point five (504.5) of
13 the Code.

14 4. Unless such club has a permanent local membership of not
15 less than fifty (50) adult members.

16 5. Unless the application for such license is approved by
17 a majority of the bona fide members present and voting at a
18 regular meeting or a special meeting called to consider the
19 same.

20 6. Unless consent is given for members of the fire, police
21 and health departments and the building inspector to enter upon
22 the premises without warrant to inspect for violations of
23 ordinances and regulations.

24 7. Unless all officers and employees of the club are of good
25 moral character. No permit shall be issued to any club or
26 association whose officers or employees, or any one of them, has
27 been convicted of a violation of any state or federal law
28 pertaining to traffic in alcoholic beverages, beer, or narcotics
29 or convicted of a felony or indictable misdemeanor within five
30 (5) years of the application for said permit.

1 Sec. 5. Every club making application for such license shall
2 furnish a bond with good and sufficient sureties to be approved
3 by the authorities issuing the license conditioned upon the
4 faithful observance of this Act and local ordinances and regula-
5 tions adopted hereunder. Such bond shall be in the sum of one
6 thousand dollars (\$1,000.00). Said bond shall be further con-
7 ditioned to the effect that the permittee and his surety, as a
8 part of the license granted hereunder, shall consent to forfeiture
9 of the principal sum of said bond in the event of revocation
10 of such license by the issuing authority. The provisions of
11 section one hundred twenty-four point forty (124.40) of the Code
12 shall be applicable to such revocation and forfeiture.

1 Sec. 6. The annual fee for such license shall be fixed by
2 the authorities empowered by this Act to issue licenses, but
3 the amount of said fee shall not be less than one hundred
4 dollars (\$100.00), nor more than one thousand dollars
5 (\$1,000.00). Said issuing authorities shall have power to
6 adopt a graduated scale of fees based upon number of members.
7 This provision shall not be construed as imposing a tax on club
8 membership but, rather, as in recognition of the fact that the
9 cost of policing is related to the number of members who may
10 consume liquor upon the premises of the licensee.

1 Sec. 7. It is expressly provided that cities and towns
2 and boards of supervisors shall have the power and authority
3 to revoke any license issued under their authority for a viola-
4 tion of any of the provisions of this Act, or of title six (VI)
5 of the Code, or any ordinance adopted by a city or town under the
6 provisions hereof, or any rule or regulation adopted by a board
7 of supervisors, or for any cause which in the judgment of the
8 governing body may be inimical to or prevent the carrying out
9 of the intent and purposes of this Act. Cities and towns are
10 hereby empowered to adopt ordinances for the enforcement of this
11 Act and are further empowered to adopt ordinances providing for
12 the limitation of licenses; for the fixing of hours during which
13 liquor may be consumed on the premises of a licensee, and any
14 other matters or activities with respect to the consumption of
15 liquor on such premises which may affect the welfare and morals
16 of the community involved.

1 Sec. 8. The provisions of this Act relating to licensure
2 shall have no application to temporary hospitality rooms
3 operated in connection with bona fide conventions where mixed
4 drinks are served to delegates or guests without cost. All
5 other provisions of this Act shall be applicable to such rooms.

1 Sec. 9. Any club upon the premises of which alcoholic
2 liquor is kept or consumed and which has not obtained a license
3 as in this Act provided or which, having obtained such license,
4 suffers or permits any violation of this Act, or of title six
5 (VI) of the Code, or of any ordinance or regulation duly
6 adopted under authority of this Act by a city or town council
7 or county board of supervisors, is hereby declared to be a
8 liquor nuisance within the meaning of chapter one hundred

9 twenty-eight (128) of the Code, and may be enjoined, abated,
 10 and mulct tax imposed in the same manner and to the same extent
 11 as is in that chapter provided. The payment of said mulct tax
 12 shall not relieve the persons or property from any other
 13 penalties provided by law.

1 Sec. 10. If any part of this Act shall be held unconstitu-
 2 tional, such holding shall not affect the validity of the
 3 remainder of this Act.

EXPLANATION OF HOUSE FILE 70

Key clubs are a local police problem, but because of the private nature of a so-called club, local authorities lack power under existing statutes to effectively regulate such clubs if they choose to operate without selling beer. This Act would enable more effective regulation of clubs where hard liquor is consumed, but no beer is sold. As can be readily understood, revocation of a Class "B" beer permit is not an effective means of regulating key clubs that do not sell beer. The provisions of this Act give local authorities similar powers with respect to key clubs that do not sell beer as they now possess with respect to those who do sell beer and further provides for fees and taxes to support the cost of policing. This bill does not authorize sale of liquor by the drink, but rather makes possible the policing of those places where it might be sold by the drink with impunity from reach of local regulatory authority under present law.

HOUSE FILE 70

1 Amend House File 70 by adding preceding Section 10 the
 2 following new section:
 3 "This Act shall not apply to any bona fide service clubs,
 4 fraternal or bona fide country clubs meeting not more than
 5 three times per month."

Filed
 March 21, 1963.

*amend merged
 amend Lost 3/26*

BRILES of Adams.

AMEND HOUSE FILE 70

1 Amend House File 70 by striking from Section four (4)
 2 all of subsection four (4) and renumbering the remaining
 3 subsections.

Filed
 March 21, 1963.

*Withdrawn
 3/26*

BRILES of Adams.

HOUSE FILE 70

1 Amend the Briles amendment to House File 70, filed March
 2 21, by striking from lines three (3) and four (4) the words
 3 "any bona fide service clubs, fraternal" and inserting in
 4 lieu thereof the words "veterans organizations chartered by
 5 the congress of the United States".
 6 Further amend the Briles amendment by striking all after
 7 the word "clubs" in line four (4) and inserting a period.

Filed and adopted
 March 26, 1963.

REPPERT of Polk.

HOUSE FILE 70

1 Amend House File 70 by adding the following
 2 at the end of section 3:
 3 "This Act shall not be construed to require or
 4 compel any city or town council or county board of
 5 supervisors to grant any license."

Filed and adopted
 March 26, 1963.

STANLEY of Muscatine.

HOUSE FILE 70

- 1 Amend House File 70 as follows:
- 2 1. By adding after the word "police" in line twenty (20)
- 3 of section four (4) the following: ", sheriff".
- 4 2. Further amend section four (4) by striking from line
- 5 twenty-eight (28) the words "traffic in".

Filed and adopted
March 26, 1963.

DENMAN of Polk.

HOUSE FILE 70

- 1 Amend House File 70, section 4, subsection four (4), line
- 2 two (2), by striking the word and figures "fifty (50)" and
- 3 inserting in lieu thereof the word and figures "twenty-five
- 4 (25)".

Filed and adopted
March 26, 1963.

BRILES of Adams.

HOUSE FILE 70

- 1 Amend House File 70, section 8, line three (3), by inserting
- 2 after the word "conventions" the words "or meetings".

Filed and adopted
March 26, 1963.

GOODE of Davis.

HOUSE FILE 70

- 1 Section 8 of House File 70 is amended by inserting immediately
- 2 following the word "rooms" in line 5 the words, "The provisions
- 3 of this Act shall have no application to occasional private social
- 4 gatherings of friends or relatives in a private home or place."

Filed and adopted
March 26, 1963.

DENMAN of Polk.

HOUSE FILE 70

- 1 Amend House File 70, section 4, by adding to subsection two
- 2 (2) the following: "However, nothing in this subsection shall
- 3 be construed to apply to a class "B" club permit having been
- 4 issued pursuant to sections one hundred twenty-four point
- 5 fifteen (124.15) to one hundred twenty-four point eighteen
- 6 (124.18), inclusive, of the Code."

Filed and adopted
March 27, 1963.

WRIGHT of Benton.

HOUSE FILE 70

- 1 Amend House File 70 as follows:
- 2 By striking everything after the enacting clause and
- 3 inserting in lieu thereof the following:
- 4 "Section 1. Chapter one hundred twenty-three (123),
- 5 Code 1962, is hereby repealed."

Filed, offered, and ruled not germane
March 27, 1963.

DIETZ of Scott.

HOUSE FILE 70

- 1 Amend House File 70 as follows:
- 2 1. By striking from line three (3) of the title the word
- 3 "taxation,".
- 4 2. By striking from the second paragraph of the preamble,
- 5 lines five (5) and six (6), the words "inspection and taxation"
- 6 and inserting in lieu thereof the words "and inspection".

Filed and adopted
March 27, 1963.

DENMAN of Polk.

Reprint

March 27, 1963.

House File 70

By DENMAN, ROBINSON, REPPERT,
NIELSEN, DUNTON and BALLOUN.
(As Amended and Passed.)

Passed House, Date..... Passed Senate, Date.....
Vote: Ayes..... Nays..... Vote: Ayes..... Nays.....
Approved.....

A BILL FOR

An Act relating to the keeping and consumption of alcoholic liquor upon the premises of clubs and to provide for the licensure, regulation and inspection thereof.

WHEREAS, it has been found and declared that there exist in this state numerous clubs, upon the premises of which alcoholic liquor is kept and consumed by the members thereof and their guests and which, unless regulated, licensed, and inspected by local authority, may constitute a hazard to the health, morals, safety and welfare of such members and guests and of the public generally; and

WHEREAS, it is therefore declared to be the policy of the state that broad power be conferred upon the city and town councils within the corporate limits of cities and towns and county board of supervisors outside the corporate limits of cities and towns for the regulation, licensure, and inspection of such clubs; now therefore,

Be It Enacted by the General Assembly of the State of Iowa:

1 Section 1. For the purposes of this Act, a "club" is defined
2 as any organized association of any number of persons, incorpo-
3 rated or unincorporated, having a common meeting place for social
4 intercourse or any common object, and which allows its members
5 to keep or consume alcoholic liquor upon the premises of such
6 meeting place.

1 Sec. 2. It shall be unlawful for any person to keep or
2 consume upon the premises of a club, or for any club to permit
3 any person to keep or consume upon such premises, any alcoholic
4 liquor, unless such club has first obtained from the city or
5 town council or the county board of supervisors a license.

1 Sec. 3. The council of any incorporated city or town shall

2 have power upon proper application to issue to a club a license
3 authorizing any member to keep upon the premises of its meeting
4 place alcoholic liquor for consumption by such member or his
5 bona fide guests. The board of supervisors of any county shall
6 have like power with respect to any club having its meeting
7 place outside the corporate limits of a city or town.

8 This Act shall not be construed to require or compel any city
9 or town council or county board of supervisors to grant any license.

1 Sec. 4. No club shall be granted a license under this Act:

2 1. If it is a proprietary club or operated for pecuniary
3 profit.

4 2. If the premises or meeting place of such club were
5 formerly operated as a tavern for the premises of which a class
6 "B" beer permit was issued and the permittee, owner, lessee,
7 manager, or proprietor of such tavern is retained by the club
8 in any employer-employee relationship or managerial capacity.

9 However, nothing in this subsection shall be construed to apply
10 to a class "B" club permit having been issued pursuant to sections
11 one hundred twenty-four point fifteen (124.15) to one hundred
12 twenty-four point eighteen (124.18), inclusive, of the Code.

13 3. Unless it is incorporated under the laws of the state of
14 Iowa or is a regularly chartered branch of a nationally incor-
15 porated organization or a chapter of one of the organizations
16 enumerated in section five hundred four point five (504.5) of
17 the Code.

18 4. Unless such club has a permanent local membership of not
19 less than twenty-five (25) adult members.

20 5. Unless the application for such license is approved by

21 a majority of the bona fide members present and voting at a
22 regular meeting or a special meeting called to consider the
23 same.

24 6. Unless consent is given for members of the fire, police, sheriff
25 and health departments and the building inspector to enter upon
26 the premises without warrant to inspect for violations of
27 ordinances and regulations.

28 7. Unless all officers and employees of the club are of good
29 moral character. No permit shall be issued to any club or
30 association whose officers or employees, or any one of them, has
31 been convicted of a violation of any state or federal law
32 pertaining to alcoholic beverages, beer, or narcotics
33 or convicted of a felony or indictable misdemeanor within five
34 (5) years of the application for said permit.

1 Sec. 5. Every club making application for such license shall
2 furnish a bond with good and sufficient sureties to be approved
3 by the authorities issuing the license conditioned upon the
4 faithful observance of this Act and local ordinances and regula-
5 tions adopted hereunder. Such bond shall be in the sum of one
6 thousand dollars (\$1,000.00). Said bond shall be further con-
7 ditioned to the effect that the permittee and his surety, as a
8 part of the license granted hereunder, shall consent to forfeiture
9 of the principal sum of said bond in the event of revocation
10 of such license by the issuing authority. The provisions of
11 section one hundred twenty-four point forty (124.40) of the Code
12 shall be applicable to such revocation and forfeiture.

1 Sec. 6. The annual fee for such license shall be fixed by
2 the authorities empowered by this Act to issue licenses, but

3 the amount of said fee shall not be less than one hundred
4 dollars (\$100.00), nor more than one thousand dollars
5 (\$1,000.00). Said issuing authorities shall have power to
6 adopt a graduated scale of fees based upon number of members.
7 This provision shall not be construed as imposing a tax on club
8 membership but, rather, as in recognition of the fact that the
9 cost of policing is related to the number of members who may
10 consume liquor upon the premises of the licensee.

1 Sec. 7. It is expressly provided that cities and towns
2 and boards of supervisors shall have the power and authority
3 to revoke any license issued under their authority for a viola-
4 tion of any of the provisions of this Act, or of title six (VI)
5 of the Code, or any ordinance adopted by a city or town under the
6 provisions hereof, or any rule or regulation adopted by a board
7 of supervisors, or for any cause which in the judgment of the
8 governing body may be inimical to or prevent the carrying out
9 of the intent and purposes of this Act. Cities and towns are
10 hereby empowered to adopt ordinances for the enforcement of this
11 Act and are further empowered to adopt ordinances providing for
12 the limitation of licenses; for the fixing of hours during which
13 liquor may be consumed on the premises of a licensee, and any
14 other matters or activities with respect to the consumption of
15 liquor on such premises which may affect the welfare and morals
16 of the community involved.

1 Sec. 8. The provisions of this Act relating to licensure
2 shall have no application to temporary hospitality rooms
3 operated in connection with bona fide conventions or meetings where
4 drinks are served to delegates or guests without cost. All mixed

5 other provisions of this Act shall be applicable to such rooms. The
6 provisions of this Act shall have no application to occasional
7 private social gatherings of friends or relatives in a private
8 home or place.

1 Sec. 9. Any club upon the premises of which alcoholic
2 liquor is kept or consumed and which has not obtained a license
3 as in this Act provided or which, having obtained such license,
4 suffers or permits any violation of this Act, or of title six
5 (VI) of the Code, or of any ordinance or regulation duly
6 adopted under authority of this Act by a city or town council
7 or county board of supervisors, is hereby declared to be a
8 liquor nuisance within the meaning of chapter one hundred
9 twenty-eight (128) of the Code, and may be enjoined, abated,
10 and mulct tax imposed in the same manner and to the same extent
11 as is in that chapter provided. The payment of said mulct tax
12 shall not relieve the persons or property from any other
13 penalties provided by law.

1 Sec. 10. If any part of this Act shall be held unconstitu-
2 tional, such holding shall not affect the validity of the
3 remainder of this Act.

EXPLANATION OF HOUSE FILE 70

Key clubs are a local police problem but because of the private nature of a so-called club, local authorities lack power under existing statutes to effectively regulate such clubs if they choose to operate without selling beer. This Act would enable more effective regulation of clubs where hard liquor is consumed, but no beer is sold. As can be readily understood, revocation of a Class "B" beer permit is not an effective means of regulating key clubs that do not sell beer. The provisions of this Act give local authorities similar powers with respect to key clubs that do not sell beer as they now possess with respect to those who do sell beer and further provides for fees and taxes to support the cost of policing. This bill does not authorize sale of liquor by the drink, but rather makes possible the policing of those places where it might be sold by the drink with impunity from reach of local regulatory authority under present law.