

IN THE SENATE

SENATE BILL NO. 1381, As Amended in the House

BY STATE AFFAIRS COMMITTEE

AN ACT

RELATING TO LIQUOR; AMENDING CHAPTER 9, TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 23-903c, IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING LICENSES ISSUED TO RESORT CITY RESTAURANTS; AND DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. That Chapter 9, Title 23, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 23-903c, Idaho Code, and to read as follows:

23-903c. LICENSES ISSUED TO RESORT CITY RESTAURANTS. (1) Resort city restaurant liquor license. Upon a finding of proof by the mayor and city council and subject to approval of the mayor and city council and notwithstanding the population limitations set forth in section 23-903(1), Idaho Code, nothing in this chapter shall prohibit the issuance of a resort city restaurant liquor license to the owner, operator, or lessee for use at a qualifying restaurant within the incorporated limits of a city that qualified as a resort city as of July 1, 2024, subject to the provisions of this section. For purposes of this section, "resort city" shall have the same meaning as provided in section 50-1044, Idaho Code, and means a city that is farther than fifteen (15) miles by road from any city with a population of fifty thousand (50,000) or more as established in the last preceding census and has sewage flows that exceed low-season flows by twenty percent (20%) or more. "Restaurant" shall have the same meaning as provided in section 23-942, Idaho Code.

(2) Qualifying restaurant. To be eligible for issuance of a resort city restaurant liquor license, a restaurant shall demonstrate that the primary source of revenue from the operation of the restaurant to be licensed will be derived from food services and not from the sale of liquor. Subsequent license renewals shall be conditioned upon a showing that no less than sixty percent (60%) of gross sales from the preceding twelve (12) month operation of a licensed restaurant be derived from food services.

(3) (a) Restaurant operations. A restaurant selling liquor pursuant to a resort city restaurant liquor license shall abide by the following:

(i) Liquor shall be dispensed and prepared for consumption by a restaurant licensed pursuant to this section only in areas approved by the local licensing authority; and

(ii) All liquor sales shall cease at the time food sales and services cease. The local licensing authority may impose additional date and time restrictions on liquor sales.

(b) No resort city restaurant licensed pursuant to this section shall promote or operate the restaurant as a bar and lounge.

1 (4) (a) Licenses per city. No more than three (3) resort city restau-
2 rant liquor licenses may be issued for use within the incorporated lim-
3 its of a single resort city. In the event the mayor and city council do
4 not approve the proposed license, a license shall not be issued. Prior-
5 ity shall be given on a first-come, first-served basis according to date
6 of application and the following:

7 (i) First to those who applied for a license within the incorpo-
8 rated city prior to July 1, 2024, contingent on the ability for ac-
9 tual use as a resort city restaurant liquor license; and

10 (ii) Second to those who apply for a resort city restaurant liquor
11 license on or after July 1, 2024.

12 (b) Resort city liquor licenses shall not count toward the limitation
13 on the number of licenses issued according to population, as provided in
14 section 23-903(1), Idaho Code.

15 (5) Sale, lease, and transfer prohibited. A resort city restaurant
16 liquor license may not be sold or leased and shall not be transferable to any
17 other location, facility, or premises.

18 (6) The fees for licenses granted pursuant to this section shall be the
19 same as those set forth in section 23-904(1), (2), and (3), Idaho Code.

20 SECTION 2. An emergency existing therefor, which emergency is hereby
21 declared to exist, this act shall be in full force and effect on and after
22 July 1, 2024.