

WARNING

It is a felony for anyone to sign any initiative or referendum petition with any name other than his own, or to knowingly sign his name more than once for the measure, or to sign such petition when he is not a qualified elector.

INITIATIVE PETITION

To the honorable Ben Ysursa, Secretary of State of the State of Idaho:

“We, the undersigned citizens and qualified electors of the State of Idaho, respectfully demand that the following proposed law, to wit:

AN INITIATIVE AMENDING TITLE 23, IDAHO CODE, IDAHO LIQUOR ACT, TERMINATING THE STATE LIQUOR DIVISION AND REGUALTING THE RETAIL SALE OF LIQUOR.

AN INITIATIVE RELATING TO; AMENDING SECTION 23-102, IDAHO CODE, REPEALING SECTION 23-201, IDAHO CODE, REPEALING SECTION 23-202, IDAHO CODE, REPEALING SECTION 23-203, IDAHO CODE, REPEALING CHAPTER 2, TITLE 23, IDAHO CODE, AMENDING TITLE 23, IDAHO CODE, BY THE ADDITION OF A NEW CHAPTER 2, TITLE 23, IDAHO CODE, AND PROVIDING AN EFFECTIVE DATE REPEALING CHAPTER 3, TITLE 23, IDAHO CODE, AMENDING SECTION 23-404, IDAHO CODE, AMENDING SECTION 23-407, IDAHO CODE, AMENDING SECTION 23-901, IDAHO CODE, AMENDING SECTION 23-902, IDAHO CODE, AMENDING SECTION 23-914, IDAHO CODE, AMENDING SECTION 23-919, IDAHO CODE, REPEALING SECTION 23-402, IDAHO CODE, REPEALING SECTION 23-406, IDAHO CODE, REPEALING SECTION 23-407, IDAHO CODE, AMENDING SECTION 23-408, IDAHO CODE,

Be it enacted by the People of the State of Idaho:

SECTION 1. That Section 23-102, Idaho Code, be, and the same is hereby amended to read as follows:

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

SECTION 2. That Chapter 2, Title 23, Idaho Code, be, and the same is hereby repealed.

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

CHAPTER 2 TERMINATION OF THE STATE LIQUOR DIVISION

23-201 TERMINATION OF STATE-CONTROLLED LIQUOR STORES - TERMINATION OF CONTRACTS -- SALE OF CERTAIN STATE-OWNED PROPERTIES.

(1) On and after July 1, 2014, all buildings, warehouses, retail stores or other facilities which are owned by the state of Idaho as part of the state liquor division as provided in title 23, Idaho Code, as of July 1, 2013, shall be put up for sale by the state. Such property shall be exempt from the provisions governing the sale or disposition of state surplus property and such property shall be sold for no less than ten percent (10%) below the property's fair market value.

(2) All product and merchandise owned by the state liquor division and unsold by the effective date of this act shall be either returned to product wholesalers for a refund or sold at a fair market price to privately owned liquor retailers in this state.

(3) All contracts or agreements existing at the time of the effective date of this act between the state liquor division and any person relating to the operation of a contract liquor store or relating to the purchase of any product, merchandise or other material or relating to any other matter shall terminate no later than one (1) year after the effective date of this act.

SECTION 4. That Chapter 3, Title 23, Idaho Code, be, and the same is hereby repealed.

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

CHAPTER 3
RETAIL SALE OF LIQUOR

23-301. DEFINITIONS. As used in this chapter:

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

(2) "Liquor" means an alcoholic beverage of more than fourteen percent (14%) alcohol by volume.

(3) "Person" means any individual, firm, copartnership, association, corporation or any group or combination acting as a unit, and the plural as well as the singular number unless the intent to give a more limited meaning is disclosed by the context.

(4) "Retailer" means a person to whom a retail liquor license has been issued.

(5) "Retail liquor license" means a license issued by the director, authorizing the licensee to sell liquor at retail for consumption off the licensed premises.

23-302. RETAIL STORES -- LOCAL RESTRICTIONS. (1) A board of county commissioners may not, by resolution or otherwise, restrict the number of retail liquor licenses to be issued within their county.

(2) A board of county commissioners may not, by resolution or otherwise, opt to prohibit the lawful establishment of a retail liquor store within the county.

(3) A board of county commissioners may adopt resolutions such governing board deems necessary in the interest of public health and welfare or for the responsible conduct of the business of selling liquor within the boundaries of the county, including but not limited to hours, days, places, required retail store square-footage, and conditions of sale.

(4) A board of county commissioners may adopt resolutions establishing restrictions on the location of liquor products in retail liquor stores that are open to persons under the legal age for consumption of liquor.

(5) A copy of any resolution adopted by a board of county commissioners relating to liquor shall be furnished to the director of the Idaho state police and to the director of the state liquor division immediately upon passage.

23-303. LICENSES REQUIRED -- APPLICATION -- ISSUANCE AND REFUSAL. Before any person shall sell liquor at retail for consumption off the premises within the state of Idaho, he or it shall apply for and obtain the director a license to do so. The application shall be on a form prescribed and furnished by the director and require that the applicant show that he or it possesses all of the qualifications and none of the disqualifications of a licensee. The applicant shall

submit the application and license fee as prescribed in section 23-305, Idaho Code, to the director. An applicant shall submit an application and license fee for each sought to be licensed. If the director is satisfied that the applicant possesses the required qualifications and none of the disqualifications for such license, the director shall issue to such applicant a retail liquor license. Licenses issued shall be at all times prominently displayed the place of business of the licensee. If the director determines that the applicant is not properly qualified, the director shall refuse to issue a license and shall immediately so notify the applicant and shall return to the applicant with such notification three-fourths (3/4) of the license fee remitted with the application.

23-304. QUALIFICATIONS FOR RETAIL LIQUOR LICENSE. No retail liquor license shall be issued to an applicant who at the time of making the application:

(1) If an individual, is not a citizen of the United States and has resided within the state of Idaho for a period of thirty (30) days immediately prior to making application;

(2) If a partnership, does not include at least one (1) member who is a citizen of the United States and who has resided within the state of Idaho a period of at least thirty (30) days immediately prior to making application;

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

(4) Has had a license that was issued under the provisions of title 23, Idaho Code, revoked within three (3) years from the date of making application;

(5) Has been convicted of a violation of any law of this state or of United States governing the sale of alcoholic beverages, wine or beer within three (3) years from the date of making application;

(6) Has been convicted of a felony or has been granted a withheld judgment following an adjudication of guilt of a felony within five (5) years from the date of making application;

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

(8) Does not possess a retail beer license in accordance with the provisions of chapter 10, title 23, Idaho Code.

23-305. LICENSE FEES.

(1) Every person who holds a retail liquor license under the provisions of this chapter shall pay an initial license fee and an annual license fee of five hundred dollars (\$500.00).

(2) All license fees shall be remitted to the liquor account created in section 23-401, Idaho Code.

(3) A county may charge a license fee equal to one-third (1/3) of the state annual fee, with a minimum of one hundred thirty-five dollars (\$135.00) per license.

23-306. TRANSFER OF LICENSES -- FEE -- APPLICATION FOR APPROVAL.

(1) No retail liquor license may be transferred to another person, including an executor, administrator or trustee in bankruptcy of the estate of the licensee, unless the transferee shall first obtain the approval of the director to the transfer upon application containing substantially the same information required of an applicant for a retail liquor license. If the transferee possesses all of the qualifications and none of the disqualifications for a license, the director shall approve the transfer. The approval shall be attached to and made a part of the license. A transfer fee of one hundred dollars (\$100.00) shall accompany each application for transfer.

(2) An application to transfer a retail liquor license from one (1) location to another location shall be made to the director on a form prescribed and made available by the director. The director

shall approve any such transfer upon submission of the application and receipt by the director of a transfer fee of one hundred dollars (\$100.00).

23-307. ORIGINAL PACKAGE -- CONTAINERS.

(1) Liquor shall be sold purchased only in the original package.

(2) No liquor shall be sold to any purchaser, which is not a retailer, except in a sealed container and no such container shall be opened upon the premises of any retailer.

(3) No liquor shall be sold to a retailer except in a sealed container with the official seal or label prescribed by the division.

23-308. EXCISE TAX -- MONTHLY REPORTS.

(1) Every retailer shall impose and collect an excise tax upon the sale of all liquor sold by it to a purchaser, which is not a retailer, in this state. The state tax commission shall promulgate rules setting forth such excise tax, which shall be based upon alcohol by volume. Such rules shall be approved by the legislature. Every retailer shall, on or before the fifteenth day of each month, file a written report with the state tax commission showing all sales of liquor made by the retailer during the calendar month immediately preceding. The information contained in the report shall be deemed trade secrets and such report shall be exempt from disclosure pursuant to the provisions of subsection (1) of section 9-340D, Idaho Code. The excise tax payable with respect to such sales shall be paid to the state tax commission division by the retailer at the time the report is filed.

2) The surcharge imposed and collected pursuant to the provisions of subsection (1) of this section shall be remitted by the state tax commission 46 to the state treasurer for deposit in the liquor account created in section 23-401, Idaho Code.

23-309. LIQUOR NOT TO BE CONSUMED ON RETAILER PREMISES. No employee of a retailer shall allow any alcoholic liquor to be consumed on the premises of such retailer, nor shall any person consume any such liquor on such premises.

23-310. WHEN SALES PROHIBITED. It shall be unlawful to transact the sale or delivery of any liquor in, on or from the premises of any retailer during periods when the sale of beer is prohibited by law or during any other periods or days as may be designated by the boards of county commissioners for their respective counties.

23-311. CERTAIN PERSONS -- PROHIBITED SALES.

(1) No officer, agent or employee of a retailer shall sell any liquor to a person under the age of twenty-one (21) years or to any person intoxicated or apparently intoxicated.

(2) No person under the age of nineteen (19) may sell liquor in a retail store or in any place where liquor is lawfully sold at retail for consumption off the premises.

23-312. RETAIL LIQUOR STORE NOT ALLOWED NEAR SCHOOLS -- EXCEPTIONS. No retail liquor license shall be issued for any place where liquor is sold to be consumed off the premises that is within three hundred (300) feet of any public school, measured in a straight line to the nearest entrance to the licensed premises, except with the approval of the governing body of the municipality. The limitation prescribed in this section shall not apply to the premises of any business that is within three hundred (300) feet of a public school if the business existed on such premises prior to the effective date of this chapter.

23-313. SUSPENSION, REVOCATION AND REFUSAL TO RENEW RETAIL LIQUOR LICENSES.

(1) The director may suspend, revoke or refuse to renew a retail liquor license for any violation of or failure to comply with the provisions of this chapter. Procedures for suspension, revocation or refusal to grant or renew a retail liquor license shall be in accordance with the provisions of chapter 52, title 67, Idaho Code.

(2) When the director determines to suspend a retail liquor license, the affected licensee may petition the director prior to the effective date of the suspension requesting that a monetary payment be allowed in lieu of the license suspension. If the director determines such payment to be consistent with the purpose of the laws of the state of Idaho and is in the public interest, he shall establish a monetary payment in an amount not to exceed five thousand dollars (\$5,000). The licensee may reject the payment amount determined by the director and instead be subject to the suspension provisions of subsection (1) of this section. Upon payment by the licensee of the amount established, the director shall cancel the suspension period. The director shall cause such payment to be remitted to the state treasurer for deposit in the general fund.

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

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

(5) The suspension, revocation or refusal to renew a retail liquor license for a given location shall not effect any other retail liquor license then held by the affected licensee for a different location.

SECTION 6. That Section 23-402, Idaho Code, be, and the same is hereby repealed.

SECTION 7. That Section 23-404, Idaho Code, be, and the same is hereby amended to read as follows:

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

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

~~(ba) From fiscal year 2006 through fiscal year 2009, forty percent (40%) of the balance remaining after transferring the amounts authorized by paragraph (a) of this subsection shall be transferred or appropriated pursuant to this paragraph (b). Beginning in fiscal year 2010 the percentage transferred pursuant to this paragraph (b) shall increase to be forty-two percent (42%) of the moneys in the fund with an increase of two percent (2%) for each subsequent fiscal year thereafter until fiscal year 2014 when such percentage shall be fifty percent (50%).~~

~~(i) For fiscal year 2006 and through fiscal year 2009, one~~

~~million eight hundred thousand dollars (\$1,800,000) shall be appropriated and paid to the cities and counties as set forth in paragraphs (c)(i) and (c)(ii) of this subsection;~~
~~(i)~~ Two million eighty thousand dollars (\$2,080,000) shall be transferred annually to the substance abuse treatment fund, which is created in section 23-408, Idaho Code;
~~(ii)~~ Six hundred thousand dollars (\$600,000) shall be transferred annually to the community college account, created in section 33-2139, Idaho Code;
~~(iii)~~ One million two hundred thousand dollars (\$1,200,000) shall be transferred annually to the public school income fund, as defined in section 33-903, Idaho Code;
~~(iv)~~ Six hundred fifty thousand dollars (\$650,000) shall be transferred annually to the cooperative welfare account in the dedicated fund;
~~(v)~~ Six hundred eighty thousand dollars (\$680,000) shall be transferred annually to the drug court, mental health court and family court services fund;
~~(vi)~~ Four hundred forty thousand dollars (\$440,000) shall be transferred annually to the drug and mental health court supervision fund which is created in section 23-409, Idaho Code; and
~~(vii)~~ The balance shall be transferred to the general fund.

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

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

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

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

2. Ten percent (10%) of the amount appropriated to the cities shall be distributed to those cities which do not have a liquor store ~~or distribution station~~ located within the corporate limits of the city. Each such city shall be entitled to an amount in the proportion that that city's population bears to the population of all cities in the state which do not have a liquor store ~~or distribution station~~ located within the corporate limits of the city, except that no city shall be entitled to an amount less than that city received in distributions from the liquor account during the state's fiscal year 1981.

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

SECTION 8. That Section 23-406, Idaho Code, be, and the same is hereby repealed.

SECTION 9. That Section 23-407, Idaho Code, be, and the same is hereby repealed.

SECTION 10. That Section 23-408, Idaho Code, be, and the same is hereby amended to read as follows:

23-408. SUBSTANCE ABUSE TREATMENT FUND. There is hereby created in the state treasury, the substance abuse treatment fund. Moneys remitted to the substance abuse treatment fund ~~by the division from the state liquor account pursuant to section 23-404, Idaho Code, and from the tax on beer and wine~~ are intended to be utilized for substance abuse treatment services at both the state and local levels. Moneys in the fund may be expended pursuant to appropriation and are intended to assist state government and local units of government in providing affordable, accessible substance abuse treatment services, including crisis intervention and detoxification services, inpatient and outpatient treatment services, and recovery support services for all Idaho residents. The state treasurer is authorized to invest all idle moneys in the fund and the interest earned on such investment shall be returned to the fund.

SECTION 11. That Section 23-901, Idaho Code, be, and the same is hereby amended to read as follows:

23-901. DECLARATION OF POLICY -- RETAIL SALE OF LIQUOR. It is hereby declared as the policy of the state of Idaho that it is necessary to further regulate and control the sale and distribution within the state of alcoholic beverages and to eliminate certain illegal traffic in liquor now existing and to insure the entire control of the sale of liquor it is advisable and necessary, ~~in addition to the operation of the state liquor stores now provided by law,~~ that the director of the Idaho state police and the county commissioners and the councils of cities in the state of Idaho be empowered and authorized to grant licenses to persons qualified under this act to sell liquor ~~purchased by them at state liquor stores~~ at retail posted prices in accordance with this act and under the rules promulgated by said director and under his strict supervision and control and to provide severe penalty for the sale of liquor except by ~~and in state liquor stores and by~~ persons licensed under this act. The restrictions, rules, and provisions contained in this act are enacted by the legislature for the protection, health, welfare and safety of the people of the state of Idaho and for the purpose of promoting and encouraging temperance in the use of alcoholic beverages within the state of Idaho.

SECTION 12. 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 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) "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.

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

(6) "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.

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

(8) "Liquor" means all kinds of liquor sold by ~~and in a state a~~ retail liquor store of the state of Idaho licensed pursuant to the provisions of chapter 3, title 23, Idaho Code.

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

(10) "Municipal license" means a license issued by a municipality of the state of Idaho under the provisions of law.

(11) "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.

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

(13) "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) "Rules" means rules promulgated by the director in accordance with the provisions of law.

(15) ~~"State liquor store" means a liquor store or distributor established under and pursuant to the law of the state of Idaho for the package sale of liquor at retail.~~

~~(16)~~"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)~~(16) 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 13. That Section 23-914, Idaho Code, be, and the same is hereby amended to read as follows:

23-914. LICENSEE MUST PURCHASE FROM DIVISION -- PRICE. (1) All liquor sold by any licensee shall be purchased from ~~the division through its regular retail stores and distributors at the posted price thereof. The division is hereby authorized and directed to make such sales for cash, check or money order to be paid at the time of purchase upon a special permit issued to such licensee in such form as shall be prescribed by the director of the division. The posted price as used herein shall mean the retail price of such liquor as fixed and determined by the division~~ a retail liquor store licensed pursuant to the provisions of chapter 3, title 23, Idaho Code.

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

(3) The provisions of this section notwithstanding, railroad companies shall have the right to have in their possession liquors other than those purchased from ~~the division~~ a retail liquor store.

SECTION 14. That Section 23-919, Idaho Code, be, and the same is hereby amended to read as follows:

23-919. EFFECT OF ELECTION -- LIQUOR STORE SALES NOT AFFECTED. Upon a canvass of the votes cast, the county board of canvassers shall certify the result to the city who shall report the results to the director. If a majority of the votes cast are "Sale of liquor by the drink, Yes," licenses shall be issued in said city as in this chapter provided. If a majority of the votes cast are "Sale of liquor by the drink, No," then no licenses shall be issued in said city unless thereafter authorized by a subsequent election in said city; provided, however, that nothing herein contained shall be construed to prevent or prohibit the sale of liquor at or by a ~~state~~ licensed retail liquor store or state distributor.

SECTION 15. This act shall be in full force and effect on and after July 1, 2013.

shall be submitted to the qualified electors of the State of Idaho, for their approval or rejection at the regular General Election, to be held on the 6th day of November, A.D., 2012, and each for himself says: I have personally signed this petition; I am a qualified elector of the State of Idaho; my residence and post office are correctly written after my name.

Signature	Printed Name	Residence Street and Number	City or Post Office	Date
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STATE OF IDAHO

ss.

County of _____

I, _____, being first duly sworn, say: That I am a resident of the State of Idaho and at least eighteen (18) years of age: that every person who signed this sheet of the foregoing petition signed his or her name thereto in my presence: I believe that each has stated his or her name, post-office address and residence correctly, that each signer is a qualified elector of the State of Idaho, and a resident of the county of _____.

Signed _____

Post-office address: _____

Subscribed and sworn to before me this _____ day of _____, _____

(Notary Seal)

Signed _____

Notary Public

Residing At _____

My Commission expires on _____

AN INITIATIVE AMENDING TITLE 23, IDAHO CODE, IDAHO LIQUOR ACT, TERMINATING THE STATE LIQUOR DIVISION AND REGUALTING THE RETAIL SALE OF LIQUOR.