

State of South Dakota

NINETY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 2017

735Y0277

HOUSE BILL NO. 1107

Introduced by: Representatives Rounds, Goodwin, Tieszen, Turbiville, and Willadsen and
Senators Cronin, Haverly, Maher, and Peters

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding the approval by the
2 governing board of licenses for alcoholic beverages.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 35-2-1.2 be amended to read:

5 35-2-1.2. Any ~~application~~ applicant for a new retail license, except as set forth in § 35-2-1.1,
6 or the transfer of an existing license shall ~~be submitted~~ submit an application to the governing
7 board of the municipality within which the applicant intends to operate, or if outside the
8 corporate limits of a municipality, to the board of county commissioners of the county in which
9 the applicant ~~seeks~~ intends to operate. The ~~application shall be accompanied by~~ applicant shall
10 submit the required fee with the application. The governing board may approve or disapprove
11 the application for a new retail license or the transfer of an existing license depending on
12 whether the governing board deems the applicant a suitable person to hold the license and
13 whether the governing board considers the proposed location suitable.

14 The governing board may also disapprove an application for a new retail license or the
15 transfer of an existing license issued under subdivision 35-4-2(4), (6), or (13) if:



(1) The approval of the application permits a person, corporation, or business entity to possess more than one-third of the licenses available to be issued in the jurisdiction; and

(2) The board determines that possession of more than one-third of licenses available is not in the public interest.

Any application for the reissuance of a retail license may be approved by the municipal or county governing board without a hearing unless in the past year the licensee or one or more of the licensee's employees have been subjected to a criminal penalty for violation of the alcoholic beverage control law or the license has been suspended.

Section 2. That § 35-4-4 be repealed.

~~35-4-4. No person, corporation, or business entity may hold or have an interest in more than three retail licenses issued under subdivision 35-4-2 (4), (6), or (13). However, a person, corporation, or business entity may hold or have an interest in additional retail licenses issued under subdivision 35-4-2(4) if the licensee derives more than fifty percent of the licensee's annual gross receipts from the sale of food at the location where the license is held. For purposes of this section, location means one contiguous piece of real estate on which sales are generated by the licensee.~~