

State of South Dakota

EIGHTY-FOURTH SESSION
LEGISLATIVE ASSEMBLY, 2009

447Q0634

HOUSE BILL NO. 1268

Introduced by: Representative Dreyer and Senator Nesselhuf

1 FOR AN ACT ENTITLED, An Act to revise certain provisions concerning the maximum
2 number of alcoholic beverage retail licenses that may be held by any person, corporation,
3 or business.

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

5 Section 1. That § 35-4-4 be amended to read as follows:

6 35-4-4. No person, corporation, or business entity may hold or have an interest in more than
7 three retail licenses issued under subdivision 35-4-2(3), (4), (6), or (13). However, a person,
8 corporation, or business entity may hold or have an interest in three additional retail licenses
9 issued under subdivision 35-4-2(4) in any first class municipality if the licensee derives more
10 than fifty percent of the licensee's annual gross receipts from the sale of food at the location
11 where the license is held. Any person, corporation, or business entity may hold or have an
12 interest in additional retail licenses issued under subdivision 35-4-2(3) in municipalities of the
13 first class if the licensee derives more than fifty percent of the licensee's annual gross receipts
14 from the sale of food, prepared food, and food ingredients at the location where the license is
15 held. Any such new licensee under subdivision 35-4-2(3) shall sell its alcoholic beverages, other



1 than malt beverages, in an area which is separated by a physical barrier from the rest of the
2 establishment. For the purposes of this section, a physical barrier includes a wall or fence
3 erected for the sole purpose of separating the area in which the alcoholic beverages are sold
4 from the rest of the establishment. For purposes of this section, location means one contiguous
5 piece of real estate on which sales are generated by the licensee.