

Robert L. Lewis, Attorney at law

814 Pluma Dr.
Rapid City, SD 57702

Mr. Mike Derby
Canyon Lake Chophouse
2720 Chapel Lane
Rapid City, S.D. 57702

January 31, 2013



Dear Mr. Derby,

You have requested an opinion with regard to your Chophouse liquor license and subsequent special events permits at the Chophouse. Specifically, you have inquired as to whether a group or person that has acquired a special events liquor license can host events at the Canyon Lake Chophouse if the Chophouse has only a beer and wine license. The special event group would be responsible for the liquor sales.

I have reviewed various statutes and ordinances that appear to be applicable to this situation. I have also visited with both Jason Evans at the South Dakota Dept. of Revenue and Wade Nyberg, assistant city attorney, about these circumstances.

There appears to be both state statutes and city ordinances which may be applicable. There do not appear to be any statutes or ordinances that specifically prohibit special events liquor licenses for premises like the Chophouse, even if the Chophouse has a beer and wine license.

Specifically, SDCL 35-1-4 provides that generally that "no person may produce, transport, store, or sell any alcoholic beverage except as authorized under the provisions of this title." The following authorization appears to be SDCL 3-4-124 which provides for special alcoholic beverage licenses to be issued by any municipality or county for special events. SDCL 3-4-124 also provides that "the local governing body shall establish rules to regulate and restrict the operation of the special license"

SDCL 35-1-5.6 provides that "it is a Class 2 misdemeanor for any person to consume any alcoholic beverage upon the premises of a licensed on-sale dealer if the alcoholic beverage was not purchased from the on-sales dealer." Under ordinance RCO 5.12.035 the civic, charitable etc. becomes the on-sale dealer. Pursuant to these statutes, Rapid City has established additional rules in RCO 5.12.035. There is nothing in these ordinances that disallows or prevents special events at facilities with a beer and wine license.

Based on the information provided, it is my opinion that the above laws specifically permit the Chophouse to be used by special events groups with a special event permit. In other words, the proposed use of the Chophouse is in compliance with the above statutes and ordinances.

Handwritten signature of Robert L. Lewis.

Robert L. Lewis