

STATE OF IOWA  
BEFORE THE IOWA DEPARTMENT OF COMMERCE  
ALCOHOLIC BEVERAGES DIVISION

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IN RE:	)	
Kris Koestner	)	Docket No. D-2017-00061
d/b/a J&K Dinner Cruises	)	
Rathbun Lake – Marina Place	)	
Rathbun, IA 52544	)	CONSENT AGREEMENT
	)	
APPLICANT	)	

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The Iowa Alcoholic Beverages Division (ABD) and Kris Koestner (Applicant) enter into this Consent Agreement (Agreement) pursuant to Iowa Code sections 17A.10 and 123.32 (2013).

1. The parties acknowledge the following:

- (A) A person who makes a false statement of material fact on an application for an Iowa retail liquor license may be denied a license by the ABD solely on the grounds of the false statement. See Iowa Code § 123.39(1)(b).
- (B) On or about March 27, 2017, the Applicant submitted an Application to the ABD for a new class “D” liquor license for J&K Dinner Cruises in Rathbun, Iowa. The application form requested that the Applicant provide the complete criminal history of all persons identified as having an ownership interest in the Applicant.
- (C) The Applicant’s application was submitted to the ABD as the local authority. The ABD commenced a review of the Applicant’s application to determine whether the Applicant met all statutory requirements for obtaining and holding a retail liquor license. See Iowa Code § 123.32(6)(b).
- (D) Investigation by the ABD revealed that the Applicant failed to accurately disclose the complete criminal history of all identified owners as requested on the application form. The Applicant does not contest that it failed to accurately disclose the criminal history of all identified owners as requested the application form.

- (E) Truthful and complete disclosure of one's criminal history is essential to the ABD's determination of whether an applicant meets all requirements for obtaining an Iowa retail liquor license. See Iowa Code § 123.30(1)(a) ; see also Iowa Code § 123.3(34) (defining person of good moral character); 481 Iowa Admin. Code § 4.2(4). The Applicant's failure to accurately disclose the criminal history of all identified owners constitutes a false statement of material fact upon which the ABD may deny the license application.
- (F) The criminal history of the Applicant's owners as of the date of license application would not have otherwise disqualified the Applicant from obtaining an Iowa retail liquor license had it accurately disclosed that history as requested on the license application form.

2. In recognition of the material false statements submitted to the ABD as detailed above in subparagraphs 1-D and 1-E, the Applicant voluntarily agrees that as a condition for receiving a new class "D" liquor license, the Applicant shall within 10 days of the ABD Administrator or Administrator's Designee's approval of this Agreement pay to the ABD a civil monetary penalty in the amount of five hundred dollars (\$500.00). Failure to timely submit the agreed upon civil penalty shall result in the denial of the Applicant's license application.

3. Upon the Applicant's timely submission of the civil monetary penalty required by paragraph two of this Agreement, the Applicant's application shall be processed as provided in Iowa Code section 123.39.

4. By entering into this Agreement, the Applicant acknowledges and voluntarily waives its right to adjudicate the merits of the pending application for a new Iowa retail liquor license through the commencement of a contested case proceeding before the ABD, and all rights attendant to a contested case proceeding including the right to seek judicial review of the ABD's actions.

5. This Agreement shall be made a part of the record of the Applicant and may be considered by the ABD in determining the nature and severity of any disciplinary action to be imposed on the Applicant for any future violations of the laws and rules governing the sale and service of alcoholic beverages.

6. The Applicant voluntarily submits this Agreement to the ABD for its consideration. This Agreement is contingent upon the approval of all parties. The failure of either the ABD or the Applicant to accept all terms of this Agreement shall render the

entire agreement null and void without force or effect upon any p  
approve this Agreement, the Agreement shall fully dispose of all

7. This Agreement is a public record and shall be availab

**WHEREFORE**, the terms of this Consent Agreement a  
by the Iowa Alcoholic Beverages Division and Applicant Kris

**IOWA ALCOHOLIC BEVERAGES DIVISION**

*Karen Freund*

*5/11/17*

**KAREN FREUND**  
Administrator's Designee

Date

**APPLICANT**

*Kris Koestner*

*5/10/17*

**KRIS KOESTNER**

Date