1	HOUSE OF REPRESENTATIVES - FLOOR VERSION
2	STATE OF OKLAHOMA
3	1st Session of the 55th Legislature (2015)
4	ENGROSSED SENATE
5	BILL NO. 383 By: Bice and Jolley of the Senate
6	and
7	Mulready of the House
8	
9	
10	[ intoxicating liquor - authority under certain
11	licenses – retail package store authority – chilled beer – effective date ]
12	
13	
14	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
15	SECTION 1. NEW LAW A new section of law to be codified
16	in the Oklahoma Statutes as Section 150 of Title 37, unless there is
17	created a duplication in numbering, reads as follows:
18	A. The provisions of this section shall become effective only
19	upon approval of the people of this state of a duly enrolled
20	legislative measure proposing a state question or multiple state
21	questions by legislative referendum(s) to amend and/or repeal all or
22	part of Article XXVIII of the Oklahoma Constitution and remove
23	certain restrictions, regulations, and control of low-point beer as
24	defined in Section 163.2 of Title 37 of the Oklahoma Statutes, and
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beer, light beer, mixed beverage cooler, light wine, and wine as
 each is defined in Section 506 of Title 37 of the Oklahoma Statutes.

B. The Legislature shall enact laws providing for the strict
regulation, control, licensing, and taxation of the manufacture,
sale, distribution, possession, and transportation of all alcoholic
beverages in this state.

The exclusion in the Oklahoma Constitution, Article XXVIII,
 Section 2, for beer containing not more than three and two-tenths
 percent (3.2%) of alcohol by weight is hereby abolished.

2. The sale of beer and wine in incorporated cities and towns 10 11 of this state wherein the sale of alcoholic beverages is lawful 12 shall be available to the public through qualified licensed retail stores. The licenses for retail stores shall be issued by the ABLE 13 Commission pursuant to statutory authority. The term "retail store" 14 means a "retailer" as defined by Section 506 of Title 37 of the 15 Oklahoma Statutes and a "retail dealer" as defined by Section 163.2 16 of Title 37 of the Oklahoma Statutes. 17

C. 1. Retail sales of alcoholic beverages shall be limited to the original sealed package by licensed privately owned and operated retail stores in cities and towns having a population in excess of two hundred (200) persons.

22 2. Goods, wares or merchandise may be sold on the same premises 23 on which retail alcoholic beverages are sold, unless specifically 24 proscribed by law or rule.

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1 3. Beer and wine may be offered for sale at room temperature or chilled. 2

3 4. The space in which retail alcoholic beverages are sold or displayed must be able to be secured, and shall be secured, by a 4 5 door or closure approved by the ABLE Commission during those times that retail sales of alcoholic beverages are prohibited. Alcoholic 6 7 beverages may be sold by the licensee on days and at times not prohibited by law, rule or county prohibition. 8

9 5. Not more than one retail store license shall be issued to any person or general or limited partnership. 10

11 SECTION 2. AMENDATORY 37 O.S. 2011, Section 521, as last 12 amended by Section 4, Chapter 298, O.S.L. 2014 (37 O.S. Supp. 2014, Section 521), is amended to read as follows: 13

Section 521. A. A brewer license shall authorize the holder 14 15 thereof: To manufacture, bottle, package, and store beer on licensed premises; to sell beer in this state to holders of Class B 16 wholesaler licenses and retail licenses and to sell beer out of this 17 state to qualified persons; and to serve free samples of beer 18 produced by the licensee to visitors twenty-one (21) years of age or 19 older. For purposes of this section, no visitor may sample more 20 than a total of twelve (12) fluid ounces of beer per day. 21 The brewer must restrict the distribution and consumption of beer 22 samples to an area within the licensed premises designated by the 23 24 brewer. A current floor plan that includes the designated sampling SB383 HFLR

1 area must be on file with the Oklahoma Alcoholic Beverage Laws Enforcement (ABLE) Commission. No visitor under twenty-one (21) 2 3 years of age shall be permitted to enter this designated sampling area when samples are being distributed or consumed. Samples may 4 5 only be distributed or consumed between ten 10:00 a.m. and nine 9:00 p.m. Samples of beer served by a brewery under this section shall 6 not be considered a "sale" of beer within the meaning of Article 7 XXVIII of the Oklahoma Constitution or Section 506 of this title; 8 9 however, such samples of beer shall be considered beer removed or 10 withdrawn from the brewery for "use or consumption" within the 11 meaning of Section 542 of this title for excise tax determination 12 and reporting requirements.

B. A distiller license shall authorize the holder thereof: To
manufacture, bottle, package, and store spirits on licensed
premises; to sell spirits in this state to licensed wholesalers and
manufacturers only; to sell spirits out of this state to qualified
persons; to purchase from licensed distillers and rectifiers in this
state, and import spirits from without this state for manufacturing
purposes in accordance with federal laws and regulations.

C. A winemaker license shall authorize the holder thereof: To manufacture (including such mixing, blending and cellar treatment as authorized by federal law), bottle, package, and store on licensed premises wine containing not more than twenty-four percent (24%) alcohol by volume<sub>7</sub>; provided, the bottle or package sizes authorized <u>BB383 HFLR</u> Page 4

1 shall be limited to the capacities approved by the United States 2 Alcohol and Tobacco Tax and Trade Bureau; to sell wine in this state 3 to licensed wholesalers and manufacturers; to sell bottles of wine produced at the winery from grapes and other fruits and berries 4 5 grown in this state, if available, to consumers on the premises of the winery; to serve visitors on the licensed premises samples of 6 wine produced on the premises; to serve samples of wine produced at 7 the winery at festivals and trade shows; to sell wine produced at 8 9 the winery, in original sealed containers, at festivals and trade 10 shows; to sell wine out of this state to qualified persons; to 11 purchase from licensed winemakers, distillers and rectifiers in this 12 state, and to import into this state wine, brandy and fruit spirits for use in manufacturing in accordance with federal laws and 13 regulations; provided, a winemaker either within or without this 14 15 state that annually produces no more than ten thousand (10,000) gallons of wine may elect to sell and self-distribute the wine 16 produced by such winemaker directly to licensed retail package 17 stores and restaurants in this state; and provided further that: 18

Any such winemaker which elects to directly sell its wine to
 package stores and restaurants shall not also use a licensed
 wholesale distributor as a means of distribution, and shall be
 required to sell its wines to every package store and restaurant
 licensee who desires to purchase the same, on the same price basis
 and without discrimination;

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1 2. If a winemaker or winery sells directly to a retail package 2 store or restaurant, the winemaker shall transport the wine from the 3 winemaker's winery to the premises where the wine is to be delivered only in vehicles owned or leased by the winemaker and not by common 4 5 or private contract carrier and shall obtain all necessary permits as required by the Oklahoma Alcoholic Beverage Control Act; and 6

7 3. If the production volume limit applicable to winemakers is ruled to be unconstitutional by a court of competent jurisdiction, 8 9 then no winemaker shall be permitted to directly sell its wine to 10 retail package stores or restaurants in this state.

D. A winemaker self-distribution license shall authorize a 11 12 licensed winemaker within or without this state which is permitted by Section 3 of Article XXVIII of the Oklahoma Constitution and 13 subsection C of this section, to distribute its wine directly to 14 15 retail package stores and restaurants in this state and that elects to do so, to sell and deliver its wines directly to licensed retail 16 package stores and restaurants in this state in full case lots only, 17 and in accordance with the provisions of the Oklahoma Alcoholic 18 Beverage Control Act and such rules as the ABLE Commission shall 19 adopt. 20

Ε. A rectifier license shall authorize the holder thereof: To 21 rectify spirits and wines, bottle, package, and store same on the 22 licensed premises; to sell spirits and wines in this state to 23 24 licensed wholesalers and manufacturers only; to sell spirits and SB383 HFLR

1 wines out of this state to qualified persons; to purchase from 2 licensed manufacturers in this state; and to import into this state 3 for manufacturing purposes spirits and wines in accordance with federal laws and regulations. 4

5 F. 1. A wholesaler license shall authorize the holder thereof: To purchase and import into this state spirits and wines from 6 persons authorized to sell same who are the holders of a nonresident 7 seller license, and their agents who are the holders of 8 9 manufacturers agent licenses; to purchase spirits and wines from 10 licensed distillers, rectifiers and winemakers in this state; to 11 purchase spirits and wines from licensed wholesalers, to the extent 12 set forth in paragraphs 2 and 3 of this subsection; to sell in retail containers in this state to retailers, mixed beverage, 13 caterer, special event, public event, hotel beverage or 14 airline/railroad beverage licensees, spirits and wines which have 15 been received and unloaded at the bonded warehouse facilities of the 16 wholesaler before such sale; to sell to licensed wholesalers, to the 17 extent set forth in paragraphs 2 and 3 of this subsection, spirits 18 and wines which have been received and unloaded at the bonded 19 warehouse facilities of the wholesaler before such sale; and to sell 20 spirits and wines out of this state to qualified persons. 21 Provided, however, sales of spirits and wine in containers with a capacity of 22 less than one-twentieth (1/20) gallon by a holder of a wholesaler 23 license shall be in full case lots and in the original unbroken 24 SB383 HFLR

> UNDERLINED language denotes Amendments to present Statutes. BOLD FACE CAPITALIZED language denotes Committee Amendments. Strike thru language denotes deletion from present Statutes.

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1 case. Wholesalers shall be authorized to place such signs outside 2 their place of business as are required by Acts of Congress and by 3 such laws and regulations promulgated under such Acts.

2. Wholesalers are prohibited from purchasing annually in 4 5 excess of fifteen percent (15%) of their total spirits inventory and fifteen percent (15%) of their total wine inventory from one or more 6 wholesalers. Wholesalers are also prohibited from purchasing 7 annually in excess of fifteen percent (15%) of their inventory of 8 9 any individual brand of spirits or wine from one or more wholesalers. The volume of spirits and wine and of each brand that 10 11 each wholesaler is permitted to purchase annually from other 12 wholesalers shall be calculated by the ABLE Commission by multiplying fifteen percent (15%) by: 13

the total volume of spirits sales of the wholesaler, 14 a. by liter, from the previous calendar year, and 15 the total volume of wine sales of the wholesaler, by b. 16 liter, from the previous calendar year, and 17 the volume of sales of each brand of spirits or wine с. 18 of the wholesaler, by liter, from the previous 19 calendar year. 20

A wholesaler who did not post any sales of spirits, wine or of a 21 particular brand in the previous calendar year shall be deemed to 22 have sold the same volume of spirits, wine or of a particular brand 23 24 as the wholesaler posting the smallest volumes of sales in spirits, SB383 HFLR Page 8

1 wine or of a particular brand for that year for the purposes of this paragraph. Notwithstanding the foregoing, wholesalers shall not 2 3 purchase any inventory in spirits or wine from any other wholesaler until such time that the purchasing wholesaler possesses an 4 5 inventory valued at no less than Two Hundred Fifty Thousand Dollars (\$250,000.00). Inventory valuation shall be based on the original 6 7 actual price paid by the purchasing wholesaler to the nonresident seller for the inventory. 8

9 3. A wholesaler may sell spirits and wine to other wholesalers
10 or purchase spirits and wines from other wholesalers without
11 complying with paragraph 2 of this subsection in the case of the
12 sale, purchase, or other transfer or acquisition of the entire
13 business of a wholesaler, including the inventory of spirits and
14 wine.

4. A wholesaler license shall authorize the holder thereof to
operate a single bonded warehouse with a single central office
together with delivery facilities at a location in this state only
at the principal place of business for which the wholesaler license
was granted.

5. All licensed wholesalers shall register prices, purchase and
keep on hand or have on order a fifteen-day supply of all brands
constituting the top eighteen brands in total sales by all Oklahoma
wholesalers during the past twelve-month period, according to the
records of the ABLE Commission as revised by the ABLE Commission

1 quarterly; provided, however, that not more than three brands of any 2 particular nonresident seller shall be included in the top-brands 3 classification. All purchase orders for these top eighteen brands must show an expected due delivery date. These purchase orders may 4 5 only be canceled with prior approval of the Director of the ABLE Commission, unless a wholesaler shall have in its warehouse a 6 7 fifteen-day supply of merchandise on such purchase order.

In order to allow the ABLE Commission to determine the top 8 9 eighteen brands, wholesalers must submit to the ABLE Commission 10 every sixty (60) days a sworn affidavit listing their top twenty-11 five brands in sales for the previous sixty (60) days, excluding sales to wholesalers. Such affidavits shall be submitted in 12 conjunction with the original price postings of wholesalers. 13

A fifteen-day supply of a particular brand for a particular 14 15 wholesaler shall be based upon the market share of the wholesaler, determined by first multiplying the total number of liters of such 16 brand sold by all wholesalers to all retailers during the previous 17 calendar year by the percentage that the total sales of wine and 18 spirits of the particular wholesaler, in liters, for such calendar 19 year bears to the total sales of wine and spirits, in liters, 20 reported by all wholesalers for such calendar year; and then 21 dividing by twenty-four (24); provided, that a fifteen-day supply 22 for a wholesaler who has not been in business for the entirety of 23 24 the previous calendar year shall be deemed to be equal to that of SB383 HFLR

1 the wholesaler who was in business for the entirety of the previous 2 calendar year and who reported the lowest volume of sales of wine 3 and spirits, in liters, of any wholesaler having been in business for such period. 4

5 G. A Class B wholesaler license shall authorize the holder thereof: To purchase and import into this state beer from persons 6 authorized to sell same who are the holders of nonresident seller 7 licenses, and their agents who are the holders of manufacturers 8 9 agent licenses; to purchase beer from licensed brewers and Class B 10 wholesalers in this state; to sell in retail containers to 11 retailers, mixed beverage, caterer, special event, public event, 12 hotel beverage and airline/railroad beverage licensees in this state, beer which has been unloaded and stored at the holder's self-13 owned or leased and self-operated warehouse facilities for a period 14 of at least twenty-four (24) hours before such sale; and to sell 15 beer in this state to Class B wholesalers and out of this state to 16 qualified persons, including federal instrumentalities and voluntary 17 associations of military personnel on federal enclaves in this state 18 over which this state has ceded jurisdiction. 19

A package store license shall authorize the holder thereof: 20 Η. To purchase alcohol, spirits, beer and wine in retail containers 21 from the holder of a brewer, wholesaler or Class B wholesaler 22 license and to purchase wine from a winemaker who is permitted and 23 24 has elected to self-distribute as provided in Section 3 of Article SB383 HFLR Page 11

1 XXVIII of the Oklahoma Constitution and to sell same on the licensed 2 premises in such containers to consumers for off-premises 3 consumption only and not for resale; provided, wine may be sold to charitable organizations that are holders of charitable auction or 4 5 charitable wine event licenses. All alcoholic Alcoholic beverages 6 that are sold by a package store are to be sold at ordinary room temperature, except a package store may elect to store and sell beer 7 as defined in Section 506 of this title that has been chilled to a 8 9 temperature that is below room temperature.

I. A mixed beverage license shall authorize the holder thereof: 10 11 To purchase alcohol, spirits, beer or wine in retail containers from 12 the holder of a wholesaler or Class B wholesaler license or as specifically provided by law and to sell, offer for sale and possess 13 mixed beverages for on-premises consumption only; provided, the 14 15 holder of a mixed beverage license issued for an establishment which is also a restaurant may purchase wine directly from a winemaker who 16 is permitted and has elected to self-distribute as provided in 17 Section 3 of Article XXVIII of the Oklahoma Constitution. 18

Sales and service of mixed beverages by holders of mixed beverage licenses shall be limited to the licensed premises of the licensee unless the holder of the mixed beverage license also obtains a caterer license or a mixed beverage/caterer combination license. A mixed beverage license shall only be issued in counties of this state where the sale of alcoholic beverages by the

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1 individual drink for on-premises consumption has been authorized. A
2 separate license shall be required for each place of business. No
3 mixed beverage license shall be issued for any place of business
4 functioning as a motion picture theater, as defined by Section 506
5 of this title.

J. A bottle club license shall authorize the holder thereof: To 6 7 store, possess and mix alcoholic beverages belonging to members of the club and to serve such alcoholic beverages for on-premises 8 9 consumption to club members. A bottle club license shall only be 10 issued in counties of this state where the sale of alcoholic 11 beverages by the individual drink for on-premises consumption has 12 not been authorized. A separate license shall be required for each place of business. 13

K. A caterer license shall authorize the holder thereof: To 14 sell mixed beverages for on-premises consumption incidental to the 15 sale or distribution of food at particular functions, occasions, or 16 events which are temporary in nature. A caterer license shall not 17 be issued in lieu of a mixed beverage license. A caterer license 18 shall only be issued in counties of this state where the sale of 19 alcoholic beverages by the individual drink for on-premises 20 consumption has been authorized. A separate license shall be 21 required for each place of business. 22

23 L. 1. An annual special event license shall authorize the 24 holder thereof: To sell and distribute mixed beverages for sb383 HFLR

1 consumption on the premises for which the license has been issued 2 for up to four events to be held over a period not to exceed one (1) 3 year, not to exceed two such events in any three-month period. For purposes of this paragraph, an event shall not exceed a period of 4 5 ten (10) consecutive days. An annual special event license shall only be issued in counties of this state where the sale of alcoholic 6 beverages by the individual drink for on-premises consumption has 7 been authorized. The holder of an annual special event license 8 9 shall provide written notice to the ABLE Commission of each special 10 event not less than ten (10) days before the event is held.

11 2. A quarterly special event license shall authorize the holder 12 thereof: To sell and distribute mixed beverages for consumption on the premises for which the license has been issued for up to three 13 events to be held over a period not to exceed three (3) months. For 14 15 purposes of this paragraph, an event shall not exceed a period of ten (10) consecutive days. A quarterly special event license shall 16 only be issued in counties of this state where the sale of alcoholic 17 beverages by the individual drink for on-premises consumption has 18 been authorized. The holder of a quarterly special event license 19 shall provide written notice to the ABLE Commission of each special 20 event not less than ten (10) days before the event is held. 21

3. An annual public event license shall authorize the holder 22 thereof: to sell and distribute mixed beverages for consumption on 23 24 the premises for which the license has been issued for up to six SB383 HFLR Page 14

1 events to be held over a period not to exceed one (1) calendar year. 2 For purposes of this paragraph, an event shall not exceed a period 3 of three (3) consecutive days. An annual public event license shall only be issued in counties of this state where the sale of alcoholic 4 5 beverages by the individual drink for on-premises consumption has been authorized. The holder of an annual public event license shall 6 7 provide written notice to the ABLE Commission of each promoted public event not less than ten (10) days before the event is held. 8 9 A public event license shall not be used in lieu of a mixed beverage 10 license.

11 4. A one-time public event license shall authorize the holder 12 thereof: to sell and distribute mixed beverages for consumption on the premises for which the license has been issued. For purposes of 13 this paragraph, an event shall not exceed a period of three (3) 14 15 consecutive days. A public event license shall only be issued in counties of this state where the sale of alcoholic beverages by the 16 individual drink for on-premises consumption has been authorized. 17 The holder of a public event license shall provide written notice to 18 the ABLE Commission of each public event not less than ten (10) days 19 before the event is held. A public event license shall not be used 20 in lieu of a mixed beverage license. 21

A hotel beverage license shall authorize the holder thereof: 22 М. To sell or serve alcoholic beverages in 50 milliliter spirits, 187 23 24 milliliter wine, and 12-ounce malt beverage containers which are SB383 HFLR Page 15

1 distributed from a hotel room mini-bar. A hotel beverage license 2 shall only be issued in counties of this state where the sale of 3 alcoholic beverages by the individual drink for on-premises consumption has been authorized. A hotel beverage license shall 4 5 only be issued to a hotel or motel as defined by Section 506 of this title which is also the holder of a mixed beverage license. 6 Provided, that application may be made simultaneously for both such 7 licenses. A separate license shall be required for each place of 8 9 business.

Ν. An airline/railroad beverage license shall authorize the 10 11 holder thereof: To sell or serve alcoholic beverages in or from any 12 size container on a commercial passenger airplane or railroad operated in compliance with a valid license, permit or certificate 13 issued under the authority of the United States or this state, even 14 15 though the airplane or train, in the course of its travel, may cross an area in which the sale of alcoholic beverages by the individual 16 drink is not authorized and to store alcoholic beverages in sealed 17 containers of any size at any airport or station regularly served by 18 the licensee, in accordance with rules promulgated by the Alcoholic 19 Beverage Laws Enforcement Commission. Alcoholic beverages purchased 20 by the holder of an airline/railroad license from the holder of a 21 wholesaler license shall be presumed to be purchased for consumption 22 outside the State of Oklahoma or in interstate commerce, and shall 23

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1 be exempt from the excise tax provided for in Section 553 of this 2 title.

3 An agent license shall authorize the holder thereof: To Ο. represent only the holders of licenses within this state, other than 4 5 retailers, authorized to sell alcoholic beverages to retail dealers in Oklahoma, and to solicit and to take orders for the purchase of 6 7 alcoholic beverages from retailers including licensees authorized to sell alcoholic beverages by the individual drink for on-premises 8 9 consumption. Such license shall be issued only to agents and 10 employees of the holder of a license under the Oklahoma Alcoholic 11 Beverage Control Act, but no such license shall be required of an 12 employee making sales of alcoholic beverages on licensed premises of the employee's principal. No person holding an agent license shall 13 be entitled to a manufacturers agent license. 14

P. An employee license shall authorize the holder thereof: To 15 work in a package store, mixed beverage establishment, bottle club, 16 public event or any establishment where alcohol or alcoholic 17 beverages are sold, mixed, or served. Persons employed by a mixed 18 beverage licensee, public event licensee or a bottle club who do not 19 participate in the service, mixing, or sale of mixed beverages shall 20 not be required to have an employee license. Provided, however, 21 that a manager employed by a mixed beverage licensee, public event 22 licensee or a bottle club shall be required to have an employee 23 24 license whether or not the manager participates in the service, SB383 HFLR

1 mixing or sale of mixed beverages. Applicants for an employee 2 license must have a health card issued by the county in which they 3 are employed, if the county issues such a card. Employees of special event, caterer or airline/railroad beverage licensees shall 4 5 not be required to obtain an employee license. Persons employed by a hotel licensee who participate in the stocking of hotel room mini-6 7 bars or in the handling of alcoholic beverages to be placed in such devices shall be required to have an employee license. 8

9 Q. An industrial license may be issued to persons desiring to10 import, transport, and use alcohol for the following purposes:

Manufacture of patent, proprietary, medicinal,
 pharmaceutical, antiseptic, and toilet preparations;

Manufacture of extracts, syrups, condiments, and food
 products; and

15 3. For use in scientific, chemical, mechanical, industrial, and16 medicinal products and purposes.

No other provisions of the Oklahoma Alcoholic Beverage Control
Act shall apply to alcohol intended for industrial, medical,
mechanical, or scientific use.

20 Any person receiving alcohol under authority of an industrial 21 license who shall use, permit, or cause same to be used for purposes 22 other than authorized purposes specified above, and all such 23 alcohol, shall be liable to all provisions of the Oklahoma Alcoholic 24 Beverage Control Act, including payment of tax thereon.

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1 No provisions of the Oklahoma Alcoholic Beverage Control Act 2 shall apply to alcohol withdrawn by any person free of federal tax 3 under a tax-free permit issued by the United States government, if such alcohol is received, stored, and used as authorized by federal 4 5 laws.

A carrier license may be issued to any common carrier 6 R. 7 operating under a certificate of convenience and necessity issued by any duly authorized federal or state regulatory agency. Such 8 9 license shall authorize the holder thereof to transport alcoholic beverages other than wine sold directly by a winemaker or winery to 10 a retail package store or restaurant into, within, and out of this 11 12 state under such terms, conditions, limitations, and restrictions as the ABLE Commission may prescribe by order issuing such license and 13 by regulations. 14

S. A private carrier license may be issued to any carrier other 15 than a common carrier described in subsection Q of this section. 16 Such license shall authorize the holder thereof to transport 17 alcoholic beverages other than wine sold directly by a winemaker or 18 winery to a retail package store or restaurant into, within, or out 19 of this state under such terms, conditions, limitations, and 20 restrictions as the ABLE Commission may prescribe by order issuing 21 such license and by regulations. No carrier license or private 22 carrier license shall be required of licensed brewers, distillers, 23 24 winemakers, rectifiers, wholesalers, or Class B wholesalers, to SB383 HFLR

1 transport alcoholic beverages from the place of purchase or 2 acquisition to the licensed premises of such licensees and from such 3 licensed premises to the licensed premises of the purchaser in 4 vehicles owned or leased by such licensee when such transportation 5 is for a lawful purpose and not for hire.

No carrier license or private carrier license shall be required 6 7 of the holder of a package store, mixed beverage, caterer, special event, hotel beverage, public event or airline/railroad license to 8 9 pick up alcoholic beverage orders from the licensees' wholesaler or 10 Class B wholesaler from whom they are purchased, and to transport 11 such alcoholic beverages from the place of purchase or acquisition 12 to the licensed premise of such licensees in vehicles owned or under the control of such licensee or a licensed employee of such licensee 13 under such terms, conditions, limitations and restrictions as the 14 ABLE Commission may prescribe. 15

T. A bonded warehouse license shall authorize the holder 16 thereof: To receive and store alcoholic beverages for the holders of 17 storage licenses on the licensed premises of the bonded warehouse 18 licensee. No goods, wares or merchandise other than alcoholic 19 beverages may be stored in the same bonded warehouse with alcoholic 20 The holder of a bonded warehouse license shall furnish beverages. 21 and file with the ABLE Commission a bond running to all bailers of 22 alcoholic beverages under proper storage licenses and their 23 24 assignees (including mortgagees or other bona fide lienholders)

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conditioned upon faithful performance of the terms and conditions of
 such bailments.

3 U. A storage license may be issued to a holder of a brewer, distiller, winemaker, rectifier, wholesaler, Class B wholesaler, 4 5 nonresident seller, package store, mixed beverage, caterer, public event or hotel beverage license, and shall authorize the holder 6 thereof: To store alcoholic beverages in a public warehouse holding 7 a bonded warehouse license, and no goods, wares or merchandise other 8 9 than alcoholic beverages may be stored in the same warehouse with alcoholic beverages in private warehouses owned or leased and 10 11 operated by such licensees elsewhere than on their licensed 12 premises. Provided:

A storage license issued to a Class B wholesaler shall
 permit the storage of light beer and permit the sale and delivery to
 retailers from the premises covered by such license;

16 2. Any licensee who is the holder of a mixed beverage/caterer 17 combination license or the holder of a mixed beverage license and a 18 hotel beverage license who is issued a storage license shall store 19 all inventories of alcoholic beverages either on the premises of the 20 mixed beverage establishment or in the warehouse;

3. A storage license shall not be required for a special event
 licensee storing alcoholic beverages for use at a subsequent event;

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4. A storage license shall be required for a public event
 licensee storing alcoholic beverages for use at a subsequent event;
 and

5. Notwithstanding the provisions of subsection I of this 4 5 section or any other provision of this title, a licensee who wholly 6 owns more than one licensed mixed beverage establishment may store alcoholic beverages for each of the licensed establishments in one 7 location under one storage license. Alcoholic beverages purchased 8 9 and stored pursuant to the provisions of a storage license, for one 10 licensed mixed beverage establishment may be transferred by a 11 licensee to another licensed mixed beverage establishment which is 12 wholly owned by the same licensee. Notice of such a transfer shall be given in writing to the Oklahoma Tax Commission and the ABLE 13 Commission within three (3) business days of the transfer. 14 The 15 notice shall clearly show the quantity, brand and size of every transferred bottle or case. 16

V. A sacramental wine supplier license shall authorize the holder thereof: To sell, ship or deliver sacramental wine to any religious corporation or society of this state holding a valid exemption from taxation issued pursuant to Section 501(a) of the Internal Revenue Code, 1986, and listed as an exempt organization in Section 501(c)(3) of the Internal Revenue Code, 1986, of the United States, as amended.

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1 W. A beer and wine license shall authorize the holder thereof: To purchase beer and wine in retail containers from the holder of a 2 3 wholesaler or Class B wholesaler license or as specifically provided by law and to sell, offer for sale and possess beer and wine for on-4 5 premises consumption only; provided, the holder of a beer and wine license issued for an establishment which is also a restaurant may 6 purchase wine from a winemaker who is permitted and has elected to 7 self-distribute as provided in Section 3 of Article XXVIII of the 8 9 Oklahoma Constitution.

10 Sales and service of beer and wine by holders of beer and wine licenses shall be limited to the licensed premises of the licensee 11 unless the holder of the beer and wine license also obtains a 12 caterer license. A beer and wine license shall only be issued in 13 counties of this state where the sale of alcoholic beverages by the 14 15 individual drink for on-premises consumption has been authorized. A separate license shall be required for each place of business. No 16 beer and wine license shall be issued for any place of business 17 functioning as a motion picture theater, as defined by Section 506 18 of this title. No spirits shall be stored, possessed or consumed on 19 the licensed premises of a beer and wine licensee. 20

Х. A charitable auction or charitable alcoholic beverage event 21 license may be issued to a charitable organization exempt from 22 taxation under Section 501(c)(3), (4), (5), (7), (8), (9), (10), or 23 (19) of the United States Internal Revenue Code. The charitable 24 SB383 HFLR Page 23

1 alcoholic beverage event license shall authorize the holder thereof 2 to conduct a wine, spirit and/or beer event which may consist of one 3 or more of a wine, spirit and/or beer tasting event, a wine, spirit and/or beer dinner event or a wine, spirit and/or beer auction, 4 5 which may be either a live auction conducted by an auctioneer or a silent auction for which: 6

7 1. Bid sheets are accepted from interested bidders at the 8 event;

9 2. The holders of tickets are allowed to bid online for a period not exceeding thirty (30) days prior to the event; or 10

11 3. Both bid sheets are accepted at the event and online bids 12 are accepted pursuant to paragraph 2 of this subsection.

A charitable alcoholic beverage event shall be conducted solely 13 to raise funds for charitable purposes. A charitable alcoholic 14 beverage license will allow the event attendees access to tastings, 15 samples, dinners and alcoholic beverages as parts of their entrance 16 fee or ticket price. Wine, spirits and/or beer used in, served, or 17 consumed at a charitable alcoholic beverage event may be purchased 18 by the charitable organization or donated by any person or entity. 19 The charitable alcoholic beverage event license shall be issued for 20 a period not exceeding four (4) days. Only eight such licenses may 21 be issued to an organization in any twelve-month period. 22 The charitable organization holding a charitable alcoholic beverage 23 24 event license shall not be required to obtain a special event SB383 HFLR

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1 license. Charitable auction and charitable alcoholic beverage event 2 license holders may also utilize a licensed caterer to provide 3 additional alcohol services at the event and on the premises. The charitable auction license shall authorize the holder thereof to 4 5 auction wine, spirits and/or beer purchased from a retail package store or received as a gift from an individual if the auction is 6 conducted to raise funds for charitable purposes. The charitable 7 auction license shall be issued for a period not to exceed two (2) 8 9 days. Only four such licenses shall be issued to an organization in any twelve-month period. The maximum amount of wine, spirits and/or 10 11 beer auctioned pursuant to the charitable auction license shall not 12 exceed fifty (50) gallons. All wines auctioned pursuant to the charitable auction license shall be registered and all fees and 13 taxes shall be paid in accordance with the Oklahoma Alcoholic 14 15 Beverage Control Act.

Y. A mixed beverage/caterer combination license shall authorize 16 the holder thereof: To purchase or sell mixed beverages as 17 specifically provided by law for the holder of a mixed beverage 18 license or a caterer license. All provisions of the Oklahoma 19 Alcoholic Beverage Control Act applicable to mixed beverage licenses 20 or caterer licenses, or the holders thereof, shall also be 21 applicable to mixed beverage/caterer combination licenses or the 22 holders thereof, except where specifically otherwise provided. A 23 24 mixed beverage/caterer combination license shall only be issued in SB383 HFLR Page 25

counties of this state where the sale of alcoholic beverages by the
 individual drink for on-premises consumption has been authorized. A
 separate license shall be required for each place of business.

Z. In the event any portion of this section is declared invalid
for any reason, the invalid portion shall be severed and the rest
and remainder of the section shall be saved and given full force and
application.

Except as provided in Sections 554.1 and 554.2 of this 8 AA. 9 title with respect to cities, towns and counties, and except as may 10 be provided under Title 68 of the Oklahoma Statutes with respect to the Oklahoma Tax Commission, no license or permit other than 11 12 licenses as provided under the Oklahoma Alcoholic Beverage Control Act shall be required of any licensee by any agency, instrumentality 13 or political subdivision of this state to engage in any activity 14 15 covered by the Oklahoma Alcoholic Beverage Control Act anywhere 16 within the State of Oklahoma and no agency, instrumentality or political subdivision of this state shall interfere with the ABLE 17 Commission's regulation of, or a wholesaler's performance of, the 18 sale, distribution, possession, handling or marketing of alcoholic 19 beverages on any premises of any licensee as defined in Section 506 20 of this title. 21

22 SECTION 3. AMENDATORY 37 O.S. 2011, Section 534, is 23 amended to read as follows:

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1 Section 534. A. No package store license shall be issued for 2 premises unless said the premises are separated from premises on 3 which any other goods, wares or merchandise are sold or services are 4 rendered by nontransparent walls which may be broken by a passageway to which the public is not admitted. Provided, it shall be unlawful 5 for any person or persons to take any alcoholic beverage from such 6 7 store through said the passageway for the purpose of selling, reselling, or delivering in connection with the sale of said the 8 9 alcoholic beverage. Such licenses shall apply only to the premises described in the application. No person may own any interest in 10 11 more than one package store. For the purpose only of establishing 12 whether or not a person owns an interest in more than one package store, any person having a beneficial interest in any package store 13 shall be deemed to be a partner in said the package store except 14 that the spouse of any package store license holder or partner shall 15 not be deemed to be a partner or have a beneficial interest in a 16 package store unless his or her name appears on the license. 17 Α beneficial interest shall be any interest that benefits from any 18 sales or profits of said the package store. 19

B. For purposes of this section, any spouse of a package store
license holder shall not hold another license provided for pursuant
to the Oklahoma Alcoholic Beverage Control Act, except a package
store license, beer and wine license, or a mixed beverage license.

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1	C. Package stores licensed under the Oklahoma Alcoholic
2	Beverage Control Act may sell only alcoholic beverages in retail
3	containers as defined in Section 506 of this title, in the original
4	package for consumption off the premises. Provided, all alcoholic
5	Alcoholic beverages are to be sold at ordinary room temperature,
6	except a package store may elect to store and sell beer as defined
7	in Section 506 of this title that has been chilled to a temperature
8	that is below room temperature. All retail sales shall be made on
9	the licensed premises and all deliveries off the premises, at
10	retail, of intoxicating liquor or beer are hereby prohibited.
11	SECTION 4. This act shall become effective November 1, 2015.
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13	COMMITTEE REPORT BY: COMMITTEE ON ALCOHOL, TOBACCO, AND CONTROLLED
14	SUBSTANCES, dated 04/07/2015 - DO PASS, As Amended.
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	BB383 HFLR DNDERLINED language denotes Amendments to present Statutes.