

**EHB 1014**

**THE STATE SENATE**  
**Thursday, March 27, 2003**

**ENGROSSED**

**House Bill No. 1014**

**As Amended**

6 ENGROSSED HOUSE BILL NO. 1014 - By: WORTHEN, ADKINS, ASKINS,  
7 BALKMAN, BENGE, BLACKWELL, BOREN, CALVEY, CAREY, CASE, CLAUNCH,  
8 COLEMAN, COX, DANK, DAVIS, DEUTSCHENDORF, DeWITT, DORMAN, ELLIS,  
9 ERICSON, ERWIN, FERGUSON, GRAVES, GREENWOOD, HAMILTON, HARRISON,  
10 HASTINGS, HIETT, HUTCHISON, INGMIRE, JONES, LINDLEY, LIOTTA, MADDUX,  
11 McCARTER, MILLER (Doug), MILLER (Ray), MORGAN (Fred), NANCE,  
12 NATIONS, NEWPORT, O'NEAL, PAULK, PERRY, PETERSON, PETTIGREW,  
13 PHILLIPS, PIATT, POPE, REYNOLDS, RICE, ROAN, ROBERTS, ROGGOW,  
14 SMALIGO, SMITH (Hopper), STAGGS, STEELE, SULLIVAN, TIBBS, TOURE,  
15 TREBILCOCK, TURNER, TYLER, VAUGHN, WALKER, WILT, WINCHESTER, WRIGHT,  
16 YOUNG, CARGILL, EASLEY, ADAIR, MITCHELL and LAMONS of the House and  
17 EASLEY, ALDRIDGE, GUMM and JOHNSON of the Senate.

18 **[ intoxicating beverages - requiring identification seals -**  
19 **codification - effective date ]**

20 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

21 SECTION 1. NEW LAW A new section of law to be codified  
22 in the Oklahoma Statutes as Section 163.29 of Title 37, unless there  
23 is created a duplication in numbering, reads as follows:

24 A. For purposes of this section:

25 1. "Beer keg" means any brewery-sealed, single container that  
26 contains not less than four (4) gallons of low-point beer, as  
27 defined by Section 163.2 of Title 37 of the Oklahoma Statutes;

1           2. "Licensed retailer" means a retail dealer licensed to sell  
2 low-point beer in original containers for consumption off the  
3 premises;

4           3. "Commission" means the Oklahoma Tax Commission; and

5           4. "Identification seal" means any device approved by the  
6 Commission which is designed to be affixed to beer kegs and which  
7 displays an identification number and any other information as may  
8 be prescribed by the Commission.

9           B. No licensed retailer shall sell beer kegs unless that  
10 retailer affixes an identification seal to each beer keg. An  
11 identification seal shall consist of durable material as determined  
12 by the Commission that is not easily removed or destroyed.  
13 Identification seals used may contain a nonpermanent adhesive  
14 material in order to apply the seal directly to an outside surface  
15 of a beer keg at the time of sale. Identification seals shall be  
16 attached to beer kegs at the time of sale as determined by the  
17 Commission. The identification information contained on the seal  
18 shall include the licensed retailer's name, address, beer license  
19 number, and telephone number; a unique beer keg number assigned by  
20 the licensed retailer; and a prominently visible warning that  
21 intentional removal or defacement of the seal is a misdemeanor.  
22 Upon return of a beer keg to the licensed retailer that sold the  
23 beer keg and attached the identification seal, the licensed retailer

1 shall be responsible for the complete and thorough removal of the  
2 entire identification seal, and any adhesive or attachment devices  
3 of the seal. The seal beer keg identification number must be kept  
4 on file with the retailer for not less than one (1) year from the  
5 date of return.

6 C. A licensed retailer shall not sell a beer keg unless the  
7 beer keg has attached a seal complying with the standards  
8 established by subsection B of this section.

9 D. 1. A licensed retailer who sells a beer keg must at the  
10 time of the sale record:

11 a. the purchaser's name and address and the number of the  
12 purchaser's driver license, identification card issued  
13 by the Department of Public Safety, military  
14 identification card, or valid United States or foreign  
15 passport,

16 b. the date and time of the purchase,

17 c. the beer keg identification seal number required by  
18 subsection B of this section, and

19 d. the purchaser's signature.

20 2. The record shall be retained for not less than one (1) year  
21 after the date of the sale.

22 E. A licensed retailer required to retain records under  
23 subsection D of this section shall make the records available during

1 regular business hours for inspection by a law enforcement officer  
2 or an agent of the Commission.

3 F. 1. A person required to record information under subsection  
4 D of this section shall not knowingly make a materially false entry  
5 in the book or register required under subsection D of this section.  
6 In a prosecution under this subsection, it is a defense for the  
7 defendant to prove by a preponderance of the evidence that the  
8 defendant reasonably and in good faith relied upon the  
9 identification provided by the purchaser of a beer keg.

10 2. No person other than a licensed retailer, a licensed  
11 wholesaler of low-point beer, a law enforcement officer, or an agent  
12 of the Commission may intentionally remove a seal placed on a beer  
13 keg in compliance with subsection C of this section. No person may  
14 intentionally deface or damage the seal on a beer keg to make it  
15 unreadable.

16 3. Any person who purchases a beer keg and who fails to return  
17 the keg or who returns a keg with a damaged or missing seal shall be  
18 subject to a fine of Five Hundred Dollars (\$500.00).

19 4. Any licensed retailer who fails to report an individual  
20 provided for in paragraph 3 of this subsection to law enforcement  
21 shall be guilty of a misdemeanor and shall be subject to fines of  
22 not less than Five Hundred Dollars (\$500.00) for first and second  
23 offenses. A third violation by a licensed retailer of the

1 provisions of this paragraph shall result in the revocation of the  
2 retailer's license to sell low-point beer for up to one (1) year.

3 G. The Commission shall promulgate rules for the implementation  
4 and application of this section.

5 SECTION 2. NEW LAW A new section of law to be codified  
6 in the Oklahoma Statutes as Section 521.1 of Title 37, unless there  
7 is created a duplication in numbering, reads as follows:

8 A. For purposes of this section:

9 1. "Beer keg" means any brewery-sealed, single container that  
10 contains not less than four (4) gallons of beer, as defined by  
11 Section 506 of Title 37 of the Oklahoma Statutes;

12 2. "Licensed retailer" means a licensed package store;

13 3. "Commission" means the Oklahoma Beverage Laws Enforcement  
14 Commission; and

15 4. "Identification seal" means any device approved by the  
16 Commission which is designed to be affixed to beer kegs and which  
17 displays an identification number and any other information as may  
18 be prescribed by the Commission.

19 B. No licensed retailer shall sell beer kegs unless that  
20 retailer affixes an identification seal to each beer keg. An  
21 identification seal shall consist of durable material as determined  
22 by the Commission that is not easily removed or destroyed.  
23 Identification seals used may contain a nonpermanent adhesive

1 material in order to apply the seal directly to an outside surface  
2 of a beer keg at the time of sale. Identification seals shall be  
3 attached to beer kegs at the time of sale as determined by the  
4 Commission. The identification information contained on the seal  
5 shall include the licensed retailer's name, address, beer license  
6 number, and telephone number; a unique beer keg number assigned by  
7 the licensed retailer; and a prominently visible warning that  
8 intentional removal or defacement of the seal is a misdemeanor.  
9 Upon return of a beer keg to the licensed retailer that sold the  
10 beer keg and attached the identification seal, the licensed retailer  
11 shall be responsible for the complete and thorough removal of the  
12 entire identification seal, and any adhesive or attachment devices  
13 of the seal. The seal beer keg identification number must be kept  
14 on file with the retailer for not less than one (1) year from the  
15 date of return.

16 C. A licensed retailer shall not sell a beer keg unless the  
17 beer keg has attached a seal complying with the standards  
18 established by subsection B of this section.

19 D. 1. A licensed retailer who sells a beer keg must at the  
20 time of the sale record:

21 a. the purchaser's name and address and the number of the  
22 purchaser's driver license, identification card issued  
23 by the Department of Public Safety, military

1 identification card, or valid United States or foreign  
2 passport,

3 b. the date and time of the purchase,

4 c. the beer keg identification seal number required by  
5 subsection B of this section, and

6 d. the purchaser's signature.

7 2. The record shall be retained for not less than one (1) year  
8 after the date of the sale.

9 E. A licensed retailer required to retain records under  
10 subsection D of this section shall make the records available during  
11 regular business hours for inspection by a law enforcement officer  
12 or an agent of the Commission.

13 F. 1. A person required to record information under subsection  
14 D of this section shall not knowingly make a materially false entry  
15 in the book or register required under subsection D of this section.  
16 In a prosecution under this subsection, it is a defense for the  
17 defendant to prove by a preponderance of the evidence that the  
18 defendant reasonably and in good faith relied upon the  
19 identification provided by the purchaser of a beer keg.

20 2. No person other than a licensed retailer, a licensed Class B  
21 wholesaler, a law enforcement officer, or an agent of the Commission  
22 may intentionally remove a seal placed on a beer keg in compliance

1 with subsection C of this section. No person may intentionally  
2 deface or damage the seal on a beer keg to make it unreadable.

3 3. Any person who purchases a beer keg and who fails to return  
4 the keg or who returns a keg with a damaged or missing seal shall be  
5 subject to a fine of Five Hundred Dollars (\$500.00).

6 4. Any licensed retailer who fails to report an individual  
7 provided for in paragraph 3 of this subsection to law enforcement  
8 shall be guilty of a misdemeanor and shall be subject to fines of  
9 not less than Five Hundred Dollars (\$500.00) for first and second  
10 offenses. A third violation by a licensed retailer of the  
11 provisions of this paragraph shall result in the revocation of the  
12 retailer's license for up to one (1) year.

13 G. The Commission shall promulgate rules for the implementation  
14 and application of this section.

15 SECTION 3. This act shall become effective November 1, 2003.

16 COMMITTEE REPORT BY: COMMITTEE ON FINANCE, dated 3-25-03 - DO PASS,  
17 As Amended and Coauthored.