

1 STATE OF OKLAHOMA

2 1st Session of the 51st Legislature (2007)

3 COMMITTEE SUBSTITUTE

4 FOR

5 HOUSE BILL NO. 1753

6 By: Worthen

7 COMMITTEE SUBSTITUTE

8 An Act relating to intoxicating liquors; providing
9 legislative intent regarding alcoholic beverage
10 industry; allowing certain shipment of wine out of
11 Oklahoma; requiring certain reports be made by
12 winemakers to the Alcoholic Beverage Laws Enforcement
13 Commission; establishing circumstances for review of
14 records; requiring records be maintained for five
15 years; specifying information to be included in
16 reports; providing for codification; and providing an
17 effective date.

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

19 SECTION 1. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 521.2 of Title 37, unless there
21 is created a duplication in numbering, reads as follows:

22 The Legislature finds and declares that:

23 1. The state has a substantial interest in exercising its
24 powers and the powers granted to the states by the Twenty-first
25 Amendment to the Constitution of the United States and in regulating
26 the structure of the state's alcoholic beverage industry including
27 the activities of manufacturers, importers, wholesalers and

1 retailers, the methods by which alcoholic beverages are marketed,
2 and influences that affect the consumption levels of alcoholic
3 beverages by the people of the state;

4 2. The state's system of regulating the manufacture,
5 distribution and sale of alcoholic beverages has served this state
6 and its citizens well and has contributed to the economic growth and
7 stability of the state;

8 3. Changes in market dynamics and advances in technology may
9 have altered the way the alcoholic beverage industry operates, but
10 have not changed the state's desire for strict regulation of the
11 manufacture, importation, distribution, marketing and sale of
12 alcoholic beverages in accordance with the Oklahoma State
13 Constitution and laws and regulations enacted by the Legislature and
14 the Oklahoma Alcoholic Beverage Laws Enforcement Commission. Such
15 regulation advances the interest of the state in ensuring a
16 competitive and orderly market in the distribution and sale of
17 alcoholic beverages, promoting temperance in the use and consumption
18 of alcoholic beverages, and facilitating the collection of excise
19 taxes and fees. The purpose of the state's regulatory system is to
20 promote these interests by requiring economic separation between the
21 tiers that contributes to a fair, open and competitive market
22 resulting in interbrand and other competition within each tier, and
23 prevents disorderly market conditions, including but not limited to
24 the domination of local markets and the undue influence of one tier

1 over another. This purpose is through any direct or indirect
2 ownership interest, or any other financial or business obligation;

3 4. The state maintains an interest in the promotion of
4 temperance as a paramount public health, safety and welfare concern.
5 The Legislature further reaffirms that temperance is achieved,
6 consistent with structural regulation that promotes a competitive
7 and orderly market, by controlled access to, and responsible use and
8 consumption of, alcoholic beverages by persons of legal drinking
9 age; and

10 5. All provisions of this act shall be literally construed for
11 the accomplishment of these purposes, and any exceptions are to be
12 narrowly interpreted and applied.

13 SECTION 2. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 521.3 of Title 37, unless there
15 is created a duplication in numbering, reads as follows:

16 A. Oklahoma wineries may ship products manufactured in the
17 state to consumers in other states, so long as the recipient is of
18 legal age and the laws of the recipient's state allow such
19 shipments.

20 B. Oklahoma wineries that ship products to consumers in other
21 states shall submit a monthly report of all shipments to the
22 Oklahoma Alcoholic Beverage Laws Enforcement Commission. The report
23 shall contain the name, address and age of the recipient and shall
24 list the common carrier used to ship the product. The contents of

1 the reports shall be a matter of public record and shall be made
2 available to the public as well as any law enforcement or regulatory
3 official in Oklahoma or another state. The manufacturer shall also
4 keep a copy of all such reports on its premises for a period of not
5 less than five (5) years and shall make those reports available for
6 inspection by any law enforcement officer of any state or federal
7 agency upon request.

8 SECTION 3. This act shall become effective November 1, 2007.

9

10 51-1-6932 CJB 01/25/07

11

12

13

14

15

16

17

18

19

20

21

22

23

24