

1 **SENATE FLOOR VERSION**

2 February 25, 2014

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 1715

By: Holt of the Senate

6 and

7 Grau of the House

8
9 [alcoholic beverages - adding licenses - public
10 events - effective date -
11 emergency]

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

13 SECTION 1. AMENDATORY 37 O.S. 2011, Section 506, is
14 amended to read as follows:

15 Section 506. When used in the Oklahoma Alcoholic Beverage
16 Control Act, the following words and phrases shall have the
17 following meaning:

18 1. "ABLE Commission" means the Alcoholic Beverage Laws
19 Enforcement Commission;

20 2. "Alcohol" means and includes hydrated oxide of ethyl, ethyl
21 alcohol, ethanol, or spirits of wine, from whatever source or by
22 whatever process produced. It does not include wood alcohol or
23 alcohol which has been denatured or produced as denatured in
24

1 accordance with Acts of Congress and regulations promulgated
2 thereunder;

3 3. "Alcoholic beverage" means alcohol, spirits, beer, and wine
4 as those terms are defined herein and also includes every liquid or
5 solid, patented or not, containing alcohol, spirits, wine or beer
6 and capable of being consumed as a beverage by human beings, but
7 does not include low-point beer as that term is defined in Section
8 163.2 of this title;

9 4. "Applicant" means any individual, legal or commercial
10 business entity, or any individual involved in any legal or
11 commercial business entity allowed to hold any license issued in
12 accordance with the Oklahoma Alcoholic Beverage Control Act;

13 5. "Beer" means any beverage containing more than three and
14 two-tenths percent (3.2%) of alcohol by weight and obtained by the
15 alcoholic fermentation of an infusion or decoction of barley, or
16 other grain, malt or similar products. "Beer" may or may not
17 contain hops or other vegetable products. "Beer" includes, among
18 other things, beer, ale, stout, lager beer, porter and other malt or
19 brewed liquors, but does not include sake, known as Japanese rice
20 wine;

21 6. "Bottle club" means any establishment in a county which has
22 not authorized the retail sale of alcoholic beverages by the
23 individual drink, which is required to be licensed to keep, mix, and
24

1 serve alcoholic beverages belonging to club members on club
2 premises;

3 7. "Brewer" means any person who produces beer in this state;

4 8. "Class B wholesaler" means and includes any person doing any
5 such acts or carrying on any such business that would require such
6 person to obtain a Class B wholesaler license hereunder;

7 9. "Convicted" and "conviction" mean and include a finding of
8 guilt resulting from a plea of guilty or nolo contendere, the
9 decision of a court or magistrate or the verdict of a jury,
10 irrespective of the pronouncement of judgment or the suspension
11 thereof;

12 10. "Director" means the Director of the Alcoholic Beverage
13 Laws Enforcement Commission under the supervision of said
14 Commission;

15 11. "Distiller" means any person who produces spirits from any
16 source or substance, or any person who brews or makes mash, wort, or
17 wash, fit for distillation or for the production of spirits (except
18 a person making or using such material in the authorized production
19 of wine or beer, or the production of vinegar by fermentation), or
20 any person who by any process separates alcoholic spirits from any
21 fermented substance, or any person who, making or keeping mash,
22 wort, or wash, has also in his or her possession or use a still;

23 12. "Hotel" or "motel" shall mean an establishment which is
24 licensed to sell alcoholic beverages by the individual drink and

1 which contains guestroom accommodations with respect to which the
2 predominant relationship existing between the occupants thereof and
3 the owner or operator of the establishment is that of innkeeper and
4 guest. For purposes of this section, the existence of other legal
5 relationships as between some occupants and the owner or operator
6 thereof shall be immaterial;

7 13. "Legal newspaper" means a newspaper meeting the requisites
8 of a newspaper for publication of legal notices as prescribed in
9 Sections 101 through 114 of Title 25 of the Oklahoma Statutes;

10 14. "Licensee" means any person holding a license under the
11 Oklahoma Alcoholic Beverage Control Act, and any agent, servant, or
12 employee of such licensee while in the performance of any act or
13 duty in connection with the licensed business or on the licensed
14 premises;

15 15. "Light beer" means a low-point beer controlled under this
16 title;

17 16. "Light wine" means any wine containing not more than
18 fourteen percent (14%) alcohol measured by volume at sixty (60)
19 degrees Fahrenheit;

20 17. "Manufacturer's agent" means a salaried or commissioned
21 salesman who sells to a wholesaler or Class B wholesaler only;

22 18. "Manufacturer" means a brewer, distiller, winemaker,
23 rectifier, or bottler of any alcoholic beverage;

24

1 19. "Meals" means foods commonly ordered at lunch or dinner and
2 at least part of which is cooked on the licensed premises and
3 requires the use of dining implements for consumption. Provided,
4 that the service of only food such as appetizers, sandwiches, salads
5 or desserts shall not be considered "meals";

6 20. "Mini-bar" means a closed container, either refrigerated,
7 in whole or in part, or nonrefrigerated, and access to the interior
8 of which is (1) restricted by means of a locking device which
9 requires the use of a key, magnetic card, or similar device, or (2)
10 controlled at all times by the licensee;

11 21. "Mixed beverage cooler" means any beverage, by whatever
12 name designated, consisting of an alcoholic beverage and fruit or
13 vegetable juice, fruit or vegetable flavorings, dairy products or
14 carbonated water containing more than one-half of one percent (1/2
15 of 1%) of alcohol measured by volume but not more than seven percent
16 (7%) alcohol by volume at sixty (60) degrees Fahrenheit and which is
17 packaged in a container not larger than three hundred seventy-five
18 (375) milliliters. Such term shall include, but not be limited to,
19 the beverage popularly known as a "wine cooler";

20 22. "Mixed beverages" means one or more servings of a beverage
21 composed in whole or part of an alcoholic beverage in a sealed or
22 unsealed container of any legal size for consumption on the premises
23 where served or sold by the holder of a mixed beverage, beer and
24 wine, caterer, or special event license;

1 23. "Motion picture theater" means a place where motion
2 pictures are exhibited and to which the general public is admitted,
3 but does not include a place where meals, as defined by this
4 section, are served, if only persons over twenty-one (21) years of
5 age are admitted;

6 24. "Retail salesperson" means a salesperson soliciting orders
7 from and calling upon retail alcoholic beverage stores with regard
8 to his or her product;

9 25. "Occupation" as used in connection with "occupation tax"
10 means the sites occupied as the places of business of the
11 manufacturers, wholesalers, Class B wholesalers, retailers, mixed
12 beverage licensees, beer and wine licensees, bottle clubs, caterers,
13 and special event licensees;

14 26. "Original package" means any container of alcoholic
15 beverage filled and stamped or sealed by the manufacturer;

16 27. "Patron" means any person, customer, or visitor who is not
17 employed by a licensee or who is not a licensee;

18 28. "Person" means an individual, any type of partnership,
19 corporation, association, limited liability company or any
20 individual involved in the legal structure of any such business
21 entity;

22 29. "Premises" means the grounds and all buildings and
23 appurtenances pertaining to the grounds including any adjacent
24 premises if under the direct or indirect control of the licensee and

1 the rooms and equipment under the control of the licensee and used
2 in connection with or in furtherance of the business covered by a
3 license. Provided that the ABLE Commission shall have the authority
4 to designate areas to be excluded from the licensed premises solely
5 for the purpose of:

6 a. allowing the presence and consumption of alcoholic
7 beverages by private parties which are closed to the
8 general public, or

9 b. allowing the services of a caterer serving alcoholic
10 beverages provided by a private party.

11 This exception shall in no way limit the licensee's concurrent
12 responsibility for any violations of the Oklahoma Alcoholic Beverage
13 Control Act occurring on the licensed premises;

14 30. "Public Event" means any event that can be attended by the
15 general public.

16 31. "Rectifier" means any person who rectifies, purifies, or
17 refines spirits or wines by any process (other than by original and
18 continuous distillation, or original and continuous processing, from
19 mash, wort, wash, or other substance, through continuous closed
20 vessels and pipes, until the production thereof is complete), and
21 any person who, without rectifying, purifying, or refining spirits,
22 shall by mixing (except for immediate consumption on the premises
23 where mixed) such spirits, wine, or other liquor with any material,
24 manufactures any spurious, imitation, or compound liquors for sale,

1 under the name of whiskey, brandy, rum, gin, wine, spirits,
2 cordials, or any other name;

3 ~~31.~~ 32. "Regulation" or "rule" means a formal rule of general
4 application promulgated by the ABLE Commission as herein required;

5 ~~32.~~ 33. "Restaurant" means an establishment that is licensed to
6 sell alcoholic beverages by the individual drink for on-premises
7 consumption and where food is prepared and sold for immediate
8 consumption on the premises;

9 ~~33.~~ 34. "Retail container for spirits and wines" means an
10 original package of any capacity approved by the United States
11 Bureau of Alcohol, Tobacco and Firearms;

12 ~~34.~~ 35. "Retailer" means the holder of a Package Store License;

13 ~~35.~~ 36. "Sale" means any transfer, exchange or barter in any
14 manner or by any means whatsoever, and includes and means all sales
15 made by any person, whether as principal, proprietor or as an agent,
16 servant or employee. The term "sale" is also declared to be and
17 include the use or consumption in this state of any alcoholic
18 beverage obtained within or imported from without this state, upon
19 which the excise tax levied by the Oklahoma Alcoholic Beverage
20 Control Act has not been paid or exempted;

21 ~~36.~~ 37. "Short order food" means food other than full meals
22 including but not limited to sandwiches, soups, and salads.
23 Provided that popcorn, chips, and other similar snack food shall not
24 be considered "short order food";

1 ~~37.~~ 38. "Sparkling wine" means champagne or any artificially
2 carbonated wine;

3 ~~38.~~ 39. "Spirits" means any beverage other than wine, beer or
4 light beer, which contains more than one-half of one percent (1/2 of
5 1%) alcohol measured by volume and obtained by distillation, whether
6 or not mixed with other substances in solution and includes those
7 products known as whiskey, brandy, rum, gin, vodka, liqueurs,
8 cordials and fortified wines and similar compounds; but shall not
9 include any alcohol liquid completely denatured in accordance with
10 the Acts of Congress and regulations pursuant thereto;

11 ~~39.~~ 40. "Wholesaler" means and includes any person doing any
12 such acts or carrying on any such business or businesses that would
13 require such person to obtain a wholesaler's license or licenses
14 hereunder;

15 ~~40.~~ 41. "Wine" means and includes any beverage containing more
16 than one-half of one percent (1/2 of 1%) alcohol by volume and not
17 more than twenty-four percent (24%) alcohol by volume at sixty (60)
18 degrees Fahrenheit obtained by the fermentation of the natural
19 contents of fruits, vegetables, honey, milk or other products
20 containing sugar, whether or not other ingredients are added, and
21 includes vermouth and sake, known as Japanese rice wine;

22 ~~41.~~ 42. "Winemaker" means any person who produces wine; ~~and~~

23 ~~42.~~ 43. "Oklahoma winemaker" means a business premises in
24 Oklahoma licensed pursuant to the Oklahoma Alcoholic Beverage

1 Control Act wherein wine is produced by the licensee who must be a
2 resident of the state. The wine product fermented in said licensed
3 premises shall be of grapes, berries and other fruits and vegetables
4 imported into this state and processed herein or shall be of grapes,
5 berries and other fruits and vegetables grown in Oklahoma; and

6 44. "Sample" means a substantially smaller amount or part of
7 something, used as an example of the character, features, or quality
8 of the whole.

9 Words in the plural include the singular, and vice versa, and
10 words imparting the masculine gender include the feminine, as well
11 as persons and licensees as defined in this section.

12 SECTION 2. AMENDATORY 37 O.S. 2011, Section 518, is
13 amended to read as follows:

14 Section 518. A. Except as otherwise provided in this section,
15 the licenses issued by the Alcoholic Beverage Laws Enforcement
16 Commission, and the annual fees therefor, shall be as follows:

- 17 1. Brewer License..... \$1,250.00
- 18 2. Oklahoma Brewer License..... \$125.00
- 19 3. Distiller License
 - 20 a. For each fiscal year ending
 - 21 after June 30, 2010..... \$3,125.00
 - 22 b. For the fiscal years ending
 - 23 June 30, 2008, 2009 and 2010..... \$1,250.00
- 24 4. Winemaker License..... \$625.00

| | | | |
|----|-----|--|------------|
| 1 | | (renewal) | |
| 2 | 13. | Bottle Club License..... | \$1,000.00 |
| 3 | | (initial license) | |
| 4 | | | \$900.00 |
| 5 | | (renewal) | |
| 6 | 14. | Caterer License..... | \$1,005.00 |
| 7 | | (initial license) | |
| 8 | | | \$905.00 |
| 9 | | (renewal) | |
| 10 | 15. | Annual Special Event License..... | \$55.00 |
| 11 | 16. | Quarterly Special Event License..... | \$55.00 |
| 12 | 17. | Hotel Beverage License..... | \$1,005.00 |
| 13 | | (initial license) | |
| 14 | | | \$905.00 |
| 15 | | (renewal) | |
| 16 | 18. | Airline/Railroad Beverage License..... | \$1,005.00 |
| 17 | | (initial license) | |
| 18 | | | \$905.00 |
| 19 | | (renewal) | |
| 20 | 19. | Agent License..... | \$55.00 |
| 21 | 20. | Employee License..... | \$30.00 |
| 22 | 21. | Industrial License..... | \$23.00 |
| 23 | 22. | Carrier License..... | \$23.00 |
| 24 | 23. | Private Carrier License..... | \$23.00 |

- 1 24. Bonded Warehouse License..... \$190.00
- 2 25. Storage License..... \$23.00
- 3 26. Nonresident Seller License..... \$750.00
- 4 27. Manufacturers Agent License..... \$55.00
- 5 28. Sacramental Wine Supplier License..... \$100.00
- 6 29. Charitable Auction License..... \$1.00
- 7 30. Charitable Alcoholic Beverage License..... \$55.00
- 8 31. Winemaker Self-distribution License..... \$750.00
- 9 32. Annual Public Event License..... \$1005.00
- 10 33. One Time Public Event License..... \$255.00

11 There shall be added to the initial or renewal fees for a Mixed
12 Beverage License an administrative fee, which shall not be deemed to
13 be a license fee, in the amount of Five Hundred Dollars (\$500.00),
14 which shall be paid at the same time and in the same manner as the
15 license fees prescribed by paragraph 10 of this subsection;
16 provided, this fee shall not be assessed against service
17 organizations or fraternal beneficiary societies which are exempt
18 under Section 501(c) (19), (8) or (10) of the Internal Revenue Code.
19 There shall be added to the fee for a Mixed Beverage/Caterer
20 Combination License an administrative fee, which shall not be deemed
21 to be a license fee, in the amount of Two Hundred Fifty Dollars
22 (\$250.00), which shall be paid at the same time and in the same
23 manner as the license fee prescribed by paragraph 11 of this
24 subsection.

1 B. Notwithstanding the provisions of subsection A of this
2 section:

3 1. The license fee for a mixed beverage or bottle club license
4 for those service organizations or fraternal beneficiary societies
5 which are exempt under Section 501(c)(19), (8) or (10) of the
6 Internal Revenue Code shall be Five Hundred Dollars (\$500.00) per
7 year;

8 2. The fees provided for in subsection A of this section for a
9 brewer license and for a Class B wholesaler license shall be reduced
10 by seventy-five percent (75%) if the applicant therefor is also the
11 holder of a license to manufacture or wholesale any low-point beer
12 as provided for in this title; and

13 3. The renewal fee for an airline/railroad beverage license
14 held by a railroad described in 49 U.S.C., Section 24301, shall be
15 One Hundred Dollars (\$100.00).

16 C. An applicant may apply for and receive both a beer and wine
17 license and a caterer license.

18 D. All licenses, except as otherwise provided, shall be valid
19 for one (1) year from date of issuance unless revoked or
20 surrendered. Provided, all employee licenses issued on or after
21 September 1, 1993, shall be valid for two (2) years.

22 E. The holder of a license, issued by the ABLE Commission, for
23 a bottle club located in a county of this state where the sale of
24 alcoholic beverages by the individual drink for on-premises

1 consumption has been authorized, may exchange the bottle club
2 license for a mixed beverage license or a beer and wine license and
3 operate the licensed premises as a mixed beverage establishment or a
4 beer and wine establishment subject to the provisions of the
5 Oklahoma Alcoholic Beverage Control Act. There shall be no
6 additional fee for such exchange and the mixed beverage license or
7 beer and wine license issued shall expire one (1) year from the date
8 of issuance of the original bottle club license.

9 F. In addition to the applicable licensing fee, the following
10 surcharge shall be assessed annually on the following licenses:

- 11 1. Nonresident Seller..... \$2,500.00
- 12 2. Wholesaler..... \$2,500.00
- 13 3. Class B Wholesaler without an active low-point
14 beer license..... \$1,000.00
- 15 4. Class B Wholesaler with an active low-point
16 beer license..... \$1,500.00
- 17 5. Package Store for cities and towns over 5,000
18 population..... \$250.00
- 19 6. Package Store for cities and towns from 2,501
20 to 5,000 population..... \$200.00
- 21 7. Package Store for cities and towns from 200 to
22 2,500 population..... \$150.00
- 23 8. Mixed Beverage..... \$25.00
- 24 9. Mixed Beverage/Caterer Combination..... \$25.00

- 10. Caterer..... \$25.00
- 11. Beer and Wine..... \$25.00
- 12. Annual Public Event License..... \$25.00

The surcharge shall be paid concurrent with the licensee's annual licensing fee and shall be deposited in the ABLE Commission Revolving Fund established pursuant to Section 567 of this title.

SECTION 3. AMENDATORY 37 O.S. 2011, Section 518.1, is amended to read as follows:

Section 518.1. The holder of a mixed beverage, beer and wine, caterer, special event, public event or airline/railroad beverage license shall purchase alcoholic beverages only from a licensed wholesaler or Class B wholesaler or as specifically provided by law; provided, the holder of a mixed beverage, beer and wine, caterer or special event license issued for an establishment which is also a restaurant may purchase wine produced at wineries in this state directly from an Oklahoma winemaker as provided in Section 3 of Article XXVIII of the Oklahoma Constitution.

A wholesaler or Class B wholesaler may deliver such products to licensees authorized to sell alcoholic beverages for on-premises consumption; provided, such licensees may pick up alcoholic beverage orders if they hold a private carrier license issued by the Alcoholic Beverage Laws Enforcement Commission.

1 SECTION 4. AMENDATORY 37 O.S. 2011, Section 521, as last
2 amended by Section 1, Chapter 81, O.S.L. 2013 (37 O.S. Supp. 2013,
3 Section 521), is amended to read as follows:

4 Section 521. A. A brewer license shall authorize the holder
5 thereof: To manufacture, bottle, package, and store beer on
6 licensed premises; to sell beer in this state to holders of Class B
7 wholesaler licenses and retail licenses and to sell beer out of this
8 state to qualified persons; and to serve free samples of beer
9 produced by the licensee to visitors twenty-one (21) years of age or
10 older. For purposes of this section, no visitor may sample more
11 than a total of twelve (12) fluid ounces of beer per day. The
12 brewer must restrict the distribution and consumption of beer
13 samples to an area within the licensed premises designated by the
14 brewer. A current floor plan that includes the designated sampling
15 area must be on file with the Oklahoma Alcoholic Beverage Laws
16 Enforcement (ABLE) Commission. No visitor under twenty-one (21)
17 years of age shall be permitted to enter this designated sampling
18 area when samples are being distributed or consumed. Samples may
19 only be distributed or consumed between ten a.m. and nine p.m.
20 Samples of beer served by a brewery under this section shall not be
21 considered a "sale" of beer within the meaning of Article XXVIII of
22 the Oklahoma Constitution or Section 506 of this title; however,
23 such samples of beer shall be considered beer removed or withdrawn
24 from the brewery for "use or consumption" within the meaning of

1 Section 542 of this title for excise tax determination and reporting
2 requirements.

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

10 C. A winemaker license shall authorize the holder thereof: To
11 manufacture (including such mixing, blending and cellar treatment as
12 authorized by federal law), bottle, package, and store on licensed
13 premises wine containing not more than twenty-four percent (24%)
14 alcohol by volume, provided the bottle or package sizes authorized
15 shall be limited to the capacities approved by the United States
16 Alcohol and Tobacco Tax and Trade Bureau; to sell wine in this state
17 to licensed wholesalers and manufacturers; to sell bottles of wine
18 produced at the winery from grapes and other fruits and berries
19 grown in this state, if available, to consumers on the premises of
20 the winery; to serve visitors on the licensed premises samples of
21 wine produced on the premises; to serve samples of wine produced at
22 the winery at festivals and trade shows; to sell wine produced at
23 the winery, in original sealed containers, at festivals and trade
24 shows; to sell wine out of this state to qualified persons; to

1 purchase from licensed winemakers, distillers and rectifiers in this
2 state, and to import into this state wine, brandy and fruit spirits
3 for use in manufacturing in accordance with federal laws and
4 regulations; provided, a winemaker either within or without this
5 state that annually produces no more than ten thousand (10,000)
6 gallons of wine may elect to sell and self-distribute the wine
7 produced by such winemaker directly to licensed retail package
8 stores and restaurants in this state; and provided further that:

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

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

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

1 D. A winemaker self-distribution license shall authorize a
2 licensed winemaker within or without this state which is permitted
3 by Section 3 of Article XXVIII of the Oklahoma Constitution and
4 subsection C of this section, to distribute its wine directly to
5 retail package stores and restaurants in this state and that elects
6 to do so, to sell and deliver its wines directly to licensed retail
7 package stores and restaurants in this state in full case lots only,
8 and in accordance with the provisions of the Oklahoma Alcoholic
9 Beverage Control Act and such rules as the ABLE Commission shall
10 adopt.

11 E. A rectifier license shall authorize the holder thereof: To
12 rectify spirits and wines, bottle, package, and store same on the
13 licensed premises; to sell spirits and wines in this state to
14 licensed wholesalers and manufacturers only; to sell spirits and
15 wines out of this state to qualified persons; to purchase from
16 licensed manufacturers in this state; and to import into this state
17 for manufacturing purposes spirits and wines in accordance with
18 federal laws and regulations.

19 F. 1. A wholesaler license shall authorize the holder thereof:
20 To purchase and import into this state spirits and wines from
21 persons authorized to sell same who are the holders of a nonresident
22 seller license, and their agents who are the holders of
23 manufacturers agent licenses; to purchase spirits and wines from
24 licensed distillers, rectifiers and winemakers in this state; to

1 purchase spirits and wines from licensed wholesalers, to the extent
2 set forth in paragraphs 2 and 3 of this subsection; to sell in
3 retail containers in this state to retailers, mixed beverage,
4 caterer, special event, public event, hotel beverage or
5 airline/railroad beverage licensees, spirits and wines which have
6 been received and unloaded at the bonded warehouse facilities of the
7 wholesaler before such sale; to sell to licensed wholesalers, to the
8 extent set forth in paragraphs 2 and 3 of this subsection, spirits
9 and wines which have been received and unloaded at the bonded
10 warehouse facilities of the wholesaler before such sale; and to sell
11 spirits and wines out of this state to qualified persons. Provided,
12 however, sales of spirits and wine in containers with a capacity of
13 less than one-twentieth (1/20) gallon by a holder of a wholesaler
14 license shall be in full case lots and in the original unbroken
15 case. Wholesalers shall be authorized to place such signs outside
16 their place of business as are required by Acts of Congress and by
17 such laws and regulations promulgated under such Acts.

18 2. Wholesalers are prohibited from purchasing annually in
19 excess of fifteen percent (15%) of their total spirits inventory and
20 fifteen percent (15%) of their total wine inventory from one or more
21 wholesalers. Wholesalers are also prohibited from purchasing
22 annually in excess of fifteen percent (15%) of their inventory of
23 any individual brand of spirits or wine from one or more
24 wholesalers. The volume of spirits and wine and of each brand that

1 each wholesaler is permitted to purchase annually from other
2 wholesalers shall be calculated by the ABLE Commission by
3 multiplying fifteen percent (15%) by:

- 4 a. the total volume of spirits sales of the wholesaler,
5 by liter, from the previous calendar year, and
- 6 b. the total volume of wine sales of the wholesaler, by
7 liter, from the previous calendar year, and
- 8 c. the volume of sales of each brand of spirits or wine
9 of the wholesaler, by liter, from the previous
10 calendar year.

11 A wholesaler who did not post any sales of spirits, wine or of a
12 particular brand in the previous calendar year shall be deemed to
13 have sold the same volume of spirits, wine or of a particular brand
14 as the wholesaler posting the smallest volumes of sales in spirits,
15 wine or of a particular brand for that year for the purposes of this
16 paragraph. Notwithstanding the foregoing, wholesalers shall not
17 purchase any inventory in spirits or wine from any other wholesaler
18 until such time that the purchasing wholesaler possesses an
19 inventory valued at no less than Two Hundred Fifty Thousand Dollars
20 (\$250,000.00). Inventory valuation shall be based on the original
21 actual price paid by the purchasing wholesaler to the nonresident
22 seller for the inventory.

23 3. A wholesaler may sell spirits and wine to other wholesalers
24 or purchase spirits and wines from other wholesalers without

1 complying with paragraph 2 of this subsection in the case of the
2 sale, purchase, or other transfer or acquisition of the entire
3 business of a wholesaler, including the inventory of spirits and
4 wine.

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

10 5. All licensed wholesalers shall register prices, purchase and
11 keep on hand or have on order a fifteen-day supply of all brands
12 constituting the top eighteen brands in total sales by all Oklahoma
13 wholesalers during the past twelve-month period, according to the
14 records of the ABLE Commission as revised by the ABLE Commission
15 quarterly; provided, however, that not more than three brands of any
16 particular nonresident seller shall be included in the top-brands
17 classification. All purchase orders for these top eighteen brands
18 must show an expected due delivery date. These purchase orders may
19 only be canceled with prior approval of the Director of the ABLE
20 Commission, unless a wholesaler shall have in its warehouse a
21 fifteen-day supply of merchandise on such purchase order.

22 In order to allow the ABLE Commission to determine the top
23 eighteen brands, wholesalers must submit to the ABLE Commission
24 every sixty (60) days a sworn affidavit listing their top twenty-

1 five brands in sales for the previous sixty (60) days, excluding
2 sales to wholesalers. Such affidavits shall be submitted in
3 conjunction with the original price postings of wholesalers.

4 A fifteen-day supply of a particular brand for a particular
5 wholesaler shall be based upon the market share of the wholesaler,
6 determined by first multiplying the total number of liters of such
7 brand sold by all wholesalers to all retailers during the previous
8 calendar year by the percentage that the total sales of wine and
9 spirits of the particular wholesaler, in liters, for such calendar
10 year bears to the total sales of wine and spirits, in liters,
11 reported by all wholesalers for such calendar year; and then
12 dividing by twenty-four (24); provided, that a fifteen-day supply
13 for a wholesaler who has not been in business for the entirety of
14 the previous calendar year shall be deemed to be equal to that of
15 the wholesaler who was in business for the entirety of the previous
16 calendar year and who reported the lowest volume of sales of wine
17 and spirits, in liters, of any wholesaler having been in business
18 for such period.

19 G. A Class B wholesaler license shall authorize the holder
20 thereof: To purchase and import into this state beer from persons
21 authorized to sell same who are the holders of nonresident seller
22 licenses, and their agents who are the holders of manufacturers
23 agent licenses; to purchase beer from licensed brewers and Class B
24 wholesalers in this state; to sell in retail containers to

1 | retailers, mixed beverage, caterer, special event, public event,
2 | hotel beverage and airline/railroad beverage licensees in this
3 | state, beer which has been unloaded and stored at the holder's self-
4 | owned or leased and self-operated warehouse facilities for a period
5 | of at least twenty-four (24) hours before such sale; and to sell
6 | beer in this state to Class B wholesalers and out of this state to
7 | qualified persons, including federal instrumentalities and voluntary
8 | associations of military personnel on federal enclaves in this state
9 | over which this state has ceded jurisdiction.

10 | H. A package store license shall authorize the holder thereof:
11 | To purchase alcohol, spirits, beer and wine in retail containers
12 | from the holder of a brewer, wholesaler or Class B wholesaler
13 | license and to purchase wine from a winemaker who is permitted and
14 | has elected to self-distribute as provided in Section 3 of Article
15 | XXVIII of the Oklahoma Constitution and to sell same on the licensed
16 | premises in such containers to consumers for off-premises
17 | consumption only and not for resale; provided, wine may be sold to
18 | charitable organizations that are holders of charitable auction or
19 | charitable wine event licenses. All alcoholic beverages that are
20 | sold by a package store are to be sold at ordinary room temperature.

21 | I. A mixed beverage license shall authorize the holder thereof:
22 | To purchase alcohol, spirits, beer or wine in retail containers from
23 | the holder of a wholesaler or Class B wholesaler license or as
24 | specifically provided by law and to sell, offer for sale and possess

1 mixed beverages for on-premises consumption only; provided, the
2 holder of a mixed beverage license issued for an establishment which
3 is also a restaurant may purchase wine directly from a winemaker who
4 is permitted and has elected to self-distribute as provided in
5 Section 3 of Article XXVIII of the Oklahoma Constitution.

6 Sales and service of mixed beverages by holders of mixed
7 beverage licenses shall be limited to the licensed premises of the
8 licensee unless the holder of the mixed beverage license also
9 obtains a caterer license or a mixed beverage/caterer combination
10 license. A mixed beverage license shall only be issued in counties
11 of this state where the sale of alcoholic beverages by the
12 individual drink for on-premises consumption has been authorized. A
13 separate license shall be required for each place of business. No
14 mixed beverage license shall be issued for any place of business
15 functioning as a motion picture theater, as defined by Section 506
16 of this title.

17 J. A bottle club license shall authorize the holder thereof: To
18 store, possess and mix alcoholic beverages belonging to members of
19 the club and to serve such alcoholic beverages for on-premises
20 consumption to club members. A bottle club license shall only be
21 issued in counties of this state where the sale of alcoholic
22 beverages by the individual drink for on-premises consumption has
23 not been authorized. A separate license shall be required for each
24 place of business.

1 K. A caterer license shall authorize the holder thereof: To
2 sell mixed beverages for on-premises consumption incidental to the
3 sale or distribution of food at particular functions, occasions, or
4 events which are temporary in nature. A caterer license shall not
5 be issued in lieu of a mixed beverage license. A caterer license
6 shall only be issued in counties of this state where the sale of
7 alcoholic beverages by the individual drink for on-premises
8 consumption has been authorized. A separate license shall be
9 required for each place of business.

10 L. 1. An annual special event license shall authorize the
11 holder thereof: To sell and distribute mixed beverages for
12 consumption on the premises for which the license has been issued
13 for up to four events to be held over a period not to exceed one (1)
14 year, not to exceed two such events in any three-month period. For
15 purposes of this paragraph, an event shall not exceed a period of
16 ten (10) consecutive days. An annual special event license shall
17 only be issued in counties of this state where the sale of alcoholic
18 beverages by the individual drink for on-premises consumption has
19 been authorized. The holder of an annual special event license
20 shall provide written notice to the ABLE Commission of each special
21 event not less than ten (10) days before the event is held.

22 2. A quarterly special event license shall authorize the holder
23 thereof: To sell and distribute mixed beverages for consumption on
24 the premises for which the license has been issued for up to three

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

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

22 4. A one time public event license shall authorize the holder
23 thereof: to sell and distribute mixed beverages for consumption on
24 the premises for which the license has been issued. For purposes of

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

9 M. A hotel beverage license shall authorize the holder thereof:
10 To sell or serve alcoholic beverages in 50 milliliter spirits, 187
11 milliliter wine, and 12-ounce malt beverage containers which are
12 distributed from a hotel room mini-bar. A hotel beverage license
13 shall only be issued in counties of this state where the sale of
14 alcoholic beverages by the individual drink for on-premises
15 consumption has been authorized. A hotel beverage license shall
16 only be issued to a hotel or motel as defined by Section 506 of this
17 title which is also the holder of a mixed beverage license.
18 Provided, that application may be made simultaneously for both such
19 licenses. A separate license shall be required for each place of
20 business.

21 N. An airline/railroad beverage license shall authorize the
22 holder thereof: To sell or serve alcoholic beverages in or from any
23 size container on a commercial passenger airplane or railroad
24 operated in compliance with a valid license, permit or certificate

1 issued under the authority of the United States or this state, even
2 though the airplane or train, in the course of its travel, may cross
3 an area in which the sale of alcoholic beverages by the individual
4 drink is not authorized and to store alcoholic beverages in sealed
5 containers of any size at any airport or station regularly served by
6 the licensee, in accordance with rules promulgated by the Alcoholic
7 Beverage Laws Enforcement Commission. Alcoholic beverages purchased
8 by the holder of an airline/railroad license from the holder of a
9 wholesaler license shall be presumed to be purchased for consumption
10 outside the State of Oklahoma or in interstate commerce, and shall
11 be exempt from the excise tax provided for in Section 553 of this
12 title.

13 O. An agent license shall authorize the holder thereof: To
14 represent only the holders of licenses within this state, other than
15 retailers, authorized to sell alcoholic beverages to retail dealers
16 in Oklahoma, and to solicit and to take orders for the purchase of
17 alcoholic beverages from retailers including licensees authorized to
18 sell alcoholic beverages by the individual drink for on-premises
19 consumption. Such license shall be issued only to agents and
20 employees of the holder of a license under the Oklahoma Alcoholic
21 Beverage Control Act, but no such license shall be required of an
22 employee making sales of alcoholic beverages on licensed premises of
23 the employee's principal. No person holding an agent license shall
24 be entitled to a manufacturers agent license.

1 P. An employee license shall authorize the holder thereof: To
2 work in a package store, mixed beverage establishment, bottle club,
3 public event or any establishment where alcohol or alcoholic
4 beverages are sold, mixed, or served. Persons employed by a mixed
5 beverage licensee, public event licensee or a bottle club who do not
6 participate in the service, mixing, or sale of mixed beverages shall
7 not be required to have an employee license. Provided, however,
8 that a manager employed by a mixed beverage licensee, public event
9 licensee or a bottle club shall be required to have an employee
10 license whether or not the manager participates in the service,
11 mixing or sale of mixed beverages. Applicants for an employee
12 license must have a health card issued by the county in which they
13 are employed, if the county issues such a card. Employees of
14 special event, caterer or airline/railroad beverage licensees shall
15 not be required to obtain an employee license. Persons employed by
16 a hotel licensee who participate in the stocking of hotel room mini-
17 bars or in the handling of alcoholic beverages to be placed in such
18 devices shall be required to have an employee license.

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

21 1. Manufacture of patent, proprietary, medicinal,
22 pharmaceutical, antiseptic, and toilet preparations;

23 2. Manufacture of extracts, syrups, condiments, and food
24 products; and

1 3. For use in scientific, chemical, mechanical, industrial, and
2 medicinal products and purposes.

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

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

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

16 R. A carrier license may be issued to any common carrier
17 operating under a certificate of convenience and necessity issued by
18 any duly authorized federal or state regulatory agency. Such
19 license shall authorize the holder thereof to transport alcoholic
20 beverages other than wine sold directly by a winemaker or winery to
21 a retail package store or restaurant into, within, and out of this
22 state under such terms, conditions, limitations, and restrictions as
23 the ABLE Commission may prescribe by order issuing such license and
24 by regulations.

1 S. A private carrier license may be issued to any carrier other
2 than a common carrier described in subsection Q of this section.
3 Such license shall authorize the holder thereof to transport
4 alcoholic beverages other than wine sold directly by a winemaker or
5 winery to a retail package store or restaurant into, within, or out
6 of this state under such terms, conditions, limitations, and
7 restrictions as the ABLE Commission may prescribe by order issuing
8 such license and by regulations. No carrier license or private
9 carrier license shall be required of licensed brewers, distillers,
10 winemakers, rectifiers, wholesalers, or Class B wholesalers, to
11 transport alcoholic beverages from the place of purchase or
12 acquisition to the licensed premises of such licensees and from such
13 licensed premises to the licensed premises of the purchaser in
14 vehicles owned or leased by such licensee when such transportation
15 is for a lawful purpose and not for hire.

16 No carrier license or private carrier license shall be required
17 of the holder of a package store, mixed beverage, caterer, special
18 event, hotel beverage, public event or airline/railroad license to
19 pick up alcoholic beverage orders from the licensees' wholesaler or
20 Class B wholesaler from whom they are purchased, and to transport
21 such alcoholic beverages from the place of purchase or acquisition
22 to the licensed premise of such licensees in vehicles owned or under
23 the control of such licensee or a licensed employee of such licensee

24

1 under such terms, conditions, limitations and restrictions as the
2 ABLE Commission may prescribe.

3 T. A bonded warehouse license shall authorize the holder
4 thereof: To receive and store alcoholic beverages for the holders of
5 storage licenses on the licensed premises of the bonded warehouse
6 licensee. No goods, wares or merchandise other than alcoholic
7 beverages may be stored in the same bonded warehouse with alcoholic
8 beverages. The holder of a bonded warehouse license shall furnish
9 and file with the ABLE Commission a bond running to all bailers of
10 alcoholic beverages under proper storage licenses and their
11 assignees (including mortgagees or other bona fide lienholders)
12 conditioned upon faithful performance of the terms and conditions of
13 such bailments.

14 U. A storage license may be issued to a holder of a brewer,
15 distiller, winemaker, rectifier, wholesaler, Class B wholesaler,
16 nonresident seller, package store, mixed beverage, caterer, public
17 event or hotel beverage license, and shall authorize the holder
18 thereof: To store alcoholic beverages in a public warehouse holding
19 a bonded warehouse license, and no goods, wares or merchandise other
20 than alcoholic beverages may be stored in the same warehouse with
21 alcoholic beverages in private warehouses owned or leased and
22 operated by such licensees elsewhere than on their licensed
23 premises. Provided:

24

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

4 2. Any licensee who is the holder of a mixed beverage/caterer
5 combination license or the holder of a mixed beverage license and a
6 hotel beverage license who is issued a storage license shall store
7 all inventories of alcoholic beverages either on the premises of the
8 mixed beverage establishment or in the warehouse;

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

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

15 5. Notwithstanding the provisions of subsection I of this
16 section or any other provision of this title, a licensee who wholly
17 owns more than one licensed mixed beverage establishment may store
18 alcoholic beverages for each of the licensed establishments in one
19 location under one storage license. Alcoholic beverages purchased
20 and stored pursuant to the provisions of a storage license, for one
21 licensed mixed beverage establishment may be transferred by a
22 licensee to another licensed mixed beverage establishment which is
23 wholly owned by the same licensee. Notice of such a transfer shall
24 be given in writing to the Oklahoma Tax Commission and the ABLE

1 Commission within three (3) business days of the transfer. The
2 notice shall clearly show the quantity, brand and size of every
3 transferred bottle or case.

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

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

20 Sales and service of beer and wine by holders of beer and wine
21 licenses shall be limited to the licensed premises of the licensee
22 unless the holder of the beer and wine license also obtains a
23 caterer license. A beer and wine license shall only be issued in
24 counties of this state where the sale of alcoholic beverages by the

1 individual drink for on-premises consumption has been authorized. A
2 separate license shall be required for each place of business. No
3 beer and wine 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. No spirits shall be stored, possessed or consumed on
6 the licensed premises of a beer and wine licensee.

7 X. A charitable auction, ~~charitable wine event~~ or charitable
8 ~~beer~~ alcoholic beverage event license may be issued to a charitable
9 organization exempt from taxation under Section 501(c)(3), (4), (5),
10 (7), (8), (9), (10), or (19) of the United States Internal Revenue
11 Code. The charitable ~~wine event license or charitable beer~~
12 alcoholic beverage event license shall authorize the holder thereof
13 to conduct a wine ~~or~~, spirit and beer event which may consist of one
14 or more of a wine ~~or~~, spirit and beer tasting event, a wine ~~or~~,
15 spirit and beer dinner event or a wine ~~or~~, spirit and beer auction,
16 which may be either a live auction conducted by an auctioneer or a
17 silent auction for which:

18 1. Bid sheets are accepted from interested bidders at the
19 event;

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

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

24

1 A charitable ~~wine or charitable beer~~ alcoholic beverage event
2 shall be conducted solely to raise funds for charitable purposes.
3 Wine, spirits or beer used in, served, or consumed at a charitable
4 ~~wine or beer~~ alcoholic beverage event may be purchased by the
5 charitable organization or donated by any person or entity. The
6 charitable ~~wine event license or charitable beer~~ alcoholic beverage
7 event license shall be issued for a period not exceeding four (4)
8 days. Only ~~one~~ eight such ~~license~~ licenses may be issued to an
9 organization in any twelve-month period. The charitable
10 organization holding a charitable ~~wine event license or charitable~~
11 ~~beer~~ alcoholic beverage event license shall not be required to
12 obtain a special event license. Charitable auction and charitable
13 alcoholic beverage event license holders may also utilize a licensed
14 caterer to provide additional alcohol services at the event and on
15 the premises. The charitable auction license shall authorize the
16 holder thereof to auction wine, spirits or beer purchased from a
17 retail package store or received as a gift from an individual if the
18 auction is conducted to raise funds for charitable purposes. The
19 charitable auction license shall be issued for a period not to
20 exceed two (2) days. Only ~~one~~ four such ~~license~~ licenses shall be
21 issued to an organization in any twelve-month period. The maximum
22 amount of wine, spirits and beer auctioned pursuant to the
23 charitable auction license shall not exceed fifty (50) gallons. All
24 wines auctioned pursuant to the charitable auction license shall be

1 registered and all fees and taxes shall be paid in accordance with
2 the Oklahoma Alcoholic Beverage Control Act.

3 Y. A mixed beverage/caterer combination license shall authorize
4 the holder thereof: To purchase or sell mixed beverages as
5 specifically provided by law for the holder of a mixed beverage
6 license or a caterer license. All provisions of the Oklahoma
7 Alcoholic Beverage Control Act applicable to mixed beverage licenses
8 or caterer licenses, or the holders thereof, shall also be
9 applicable to mixed beverage/caterer combination licenses or the
10 holders thereof, except where specifically otherwise provided. A
11 mixed beverage/caterer combination license shall only be issued in
12 counties of this state where the sale of alcoholic beverages by the
13 individual drink for on-premises consumption has been authorized. A
14 separate license shall be required for each place of business.

15 Z. In the event any portion of this section is declared invalid
16 for any reason, the invalid portion shall be severed and the rest
17 and remainder of the section shall be saved and given full force and
18 application.AA. Except as provided in Sections 554.1 and 554.2 of
19 this title with respect to cities, towns and counties, and except as
20 may be provided under Title 68 of the Oklahoma Statutes with respect
21 to the Oklahoma Tax Commission, no license or permit other than
22 licenses as provided under the Oklahoma Alcoholic Beverage Control
23 Act shall be required of any licensee by any agency, instrumentality
24 or political subdivision of this state to engage in any activity

1 covered by the Oklahoma Alcoholic Beverage Control Act anywhere
2 within the State of Oklahoma and no agency, instrumentality or
3 political subdivision of this state shall interfere with the ABLE
4 Commission's regulation of, or a wholesaler's performance of, the
5 sale, distribution, possession, handling or marketing of alcoholic
6 beverages on any premises of any licensee as defined in Section 506
7 of this title.

8 SECTION 5. AMENDATORY 37 O.S. 2011, Section 527.1, is
9 amended to read as follows:

10 Section 527.1. The Alcoholic Beverage Laws Enforcement
11 Commission shall refuse to issue a mixed beverage, beer and wine,
12 bottle club, public event or caterer license, either on an original
13 application or a renewal application, if it has reasonable grounds
14 to believe and finds any of the following to be true:

15 1. That the applicant, in the case of a natural person, is
16 under twenty-one (21) years of age;

17 2. That the applicant, in the case of a corporation, has a
18 stockholder who owns fifteen percent (15%) or more of the stock,
19 officer, or director who is under twenty-one (21) years of age;

20 3. That the applicant, in the case of any type of partnership,
21 has any partner who is under twenty-one (21) years of age;

22 4. That the applicant, in the case of a limited liability
23 company, has a manager or member who is under twenty-one (21) years
24 of age;

1 5. That the applicant or any type of partner has been convicted
2 of a felony;

3 6. That the applicant, in the case of a corporation, has a
4 stockholder owning fifteen percent (15%) of the stock, officer or
5 director who has been convicted of a felony;

6 7. That the applicant, in the case of a limited liability
7 company, has a manager or a member who has been convicted of a
8 felony;

9 8. That the applicant has made false statements to the ABLE
10 Commission;

11 9. That the applicant is not the legitimate owner of the
12 business for which a license is sought or that other persons have
13 undisclosed ownership interests in the business;

14 10. That the applicant or any partner, within twelve (12)
15 months after being issued a license, either on an original
16 application or a renewal application, has violated any provision of
17 the Oklahoma Alcoholic Beverage Control Act or regulation of the
18 ABLE Commission issued pursuant hereto. Provided, however, that if
19 the ABLE Commission, during said twelve-month period, has suspended
20 any license sought to be renewed, such renewal application may be
21 approved if the term of the suspension has been completed and the
22 applicant has complied with any special conditions imposed in
23 connection with the suspension;

24

1 11. That the applicant is not the real party in interest, or
2 intends to carry on the business authorized by the license as the
3 agent of another;

4 12. That the applicant is a person who appoints or is a law
5 enforcement official or is an employee of the ABLE Commission or of
6 the Director; or

7 13. That the applicant does not own or have a written lease for
8 the premises for which a license is sought.

9 SECTION 6. AMENDATORY 37 O.S. 2011, Section 528.1, is
10 amended to read as follows:

11 Section 528.1. The governing board of any municipality, as to
12 any mixed beverage, beer and wine, caterer, public event or bottle
13 club licensee having its principal place of business in such
14 municipality, and the board of county commissioners of any county,
15 as to any mixed beverage, beer and wine, caterer, public event or
16 bottle club licensee having its principal place of business in such
17 county but outside the incorporated limits of a municipality, may
18 initiate a license suspension or revocation proceeding as to such
19 licensee by filing a written complaint with the ABLE Commission,
20 setting forth the grounds for the proposed suspension or revocation.
21 Such complaint may be based on any ground that the ABLE Commission
22 might have asserted. Upon receipt of such complaint, the ABLE
23 Commission shall forward a copy of the complaint to the licensee
24 together with written notice of the time and place of hearing

1 thereon. If the complaint is filed by a municipality the hearing
2 shall be conducted within the corporate limits of said municipality.
3 If the complaint is filed by a county, the hearing shall be
4 conducted in said county. The hearing shall be held within the time
5 limits, and in the manner, prescribed for suspension or revocation
6 proceedings initiated by the ABLE Commission. In any proceeding
7 initiated pursuant to this section, the municipality or county shall
8 be deemed an interested party, shall have the right to be heard and
9 to present evidence at the hearing on the complaint, and shall be
10 entitled to appeal from any final order entered by the ABLE
11 Commission in the manner otherwise provided in the Oklahoma
12 Alcoholic Beverage Control Act. Such municipality or county shall
13 not be required to give bond on appeal.

14 SECTION 7. AMENDATORY 37 O.S. 2011, Section 532.1, is
15 amended to read as follows:

16 Section 532.1. All licenses issued pursuant to the provisions
17 of the Oklahoma Alcoholic Beverage Control Act shall be displayed in
18 a conspicuous place at all times on the licensed premises. No
19 licensee may consent to or allow the use or display of his license
20 by a person other than the person to whom the license was issued.
21 No person may use a license or exercise any privileges granted by
22 the license except at the place, address, premises or location for
23 which the license is issued, except as otherwise provided by the
24 Oklahoma Alcoholic Beverage Control Act.

1 If the mixed beverage, caterer, public event or bottle club
2 license for a licensed premises is suspended or revoked by the ABLE
3 Commission, all other licenses issued by the ABLE Commission for
4 such premises shall cease to be valid. If a mixed beverage,
5 caterer, public event or bottle club license is suspended or revoked
6 for any licensed premises, this shall not invalidate licenses held
7 by the licensee for other licensed premises.

8 SECTION 8. AMENDATORY 37 O.S. 2011, Section 535, is
9 amended to read as follows:

10 Section 535. It shall be unlawful for any manufacturer,
11 wholesaler, Class B wholesaler, or person authorized to sell
12 alcoholic beverages to a wholesaler, or any employee, officer,
13 director, stockholder owning fifteen percent (15%) or more of the
14 stock, any type of partner, manager, member or agent thereof, to
15 directly or indirectly:

16 1. Have any financial interest in any premises upon which any
17 alcoholic beverage or light beer is sold at retail or in any
18 business connected with the retailing of alcoholic beverages or
19 light beer as defined in Section 506 of this title;

20 2. Lend any money or other thing of value, or to make any gift
21 or offer any gratuity, to any package store, mixed beverage, beer
22 and wine, public event or bottle club licensee or caterer;

23

24

1 3. Guarantee any loan or the repayment of any financial
2 obligation of any retailer, mixed beverage, beer and wine, public
3 event or bottle club licensee or caterer;

4 4. Require any wholesaler, Class B wholesaler, retailer, mixed
5 beverage, beer and wine licensee or caterer to purchase and dispose
6 of any quota of alcoholic beverages, or to require any retailer to
7 purchase any kind, type, size container, or brand of alcoholic
8 beverages in order to obtain any other kind, type, size container,
9 or brand of alcoholic beverages;

10 5. Sell to any retailer, mixed beverage, beer and wine
11 licensee, public event or caterer any alcoholic beverage on
12 consignment, or upon condition, or with the privilege of return, or
13 on any condition other than a bona fide sale; provided, the delivery
14 in good faith, through mistake, inadvertence, or oversight, of
15 alcoholic beverage that was not ordered by a retailer, mixed
16 beverage licensee, beer and wine licensee, caterer, public event or
17 special event licensee to such licensee shall not be considered a
18 violation of this paragraph, as long as action is taken to correct
19 the error and all invoices and records of the transaction are
20 corrected. There shall be no time period imposed by the ABLE
21 Commission for notification of or correction of the error; or

22 6. Extend credit to any retailer, other than holders of Federal
23 Liquor Stamps on United States government reservations and
24 installations, mixed beverage, public event or beer and wine

1 licensee or caterer other than a state lodge located in a county
2 which has approved the retail sale of alcoholic beverages by the
3 individual drink for on-premises consumption. The acceptance of a
4 postdated check or draft or the failure to deposit for collection a
5 current check or draft by the second banking day after receipt shall
6 be deemed an extension of credit. Violation of this subsection
7 shall be grounds for suspension of the license.

8 SECTION 9. AMENDATORY 37 O.S. 2011, Section 535.1, is
9 amended to read as follows:

10 Section 535.1. No mixed beverage, beer and wine, caterer,
11 public event or bottle club licensee, partner in any type of
12 partnership, manager or member of a limited liability company,
13 officer, director or stockholder of any corporate licensee owning
14 more than fifteen percent (15%) of the stock shall have any right,
15 title, lien, claim or interest, financial or otherwise in, upon or
16 to the premises, equipment, business or merchandise of any package
17 store, manufacturer or wholesaler. The provisions of this section
18 shall not prohibit a person who is an officer or director of a
19 fraternal or veteran's organization which is a tax exempt
20 organization under Section 501(c)(8), (10) or (19) of the Internal
21 Revenue Code and which holds a license issued by the ABLE Commission
22 from having a right, title, lien, claim, or interest in the
23 premises, equipment, business, or merchandise of a package store.

24

1 SECTION 10. AMENDATORY 37 O.S. 2011, Section 535.2, is
2 amended to read as follows:

3 Section 535.2. No manufacturer, wholesaler, partner in any type
4 of partnership, manager or member of a limited liability company, or
5 officer, director or stockholder of any nonresident seller or
6 manufacturer licensee, owning more than fifteen percent (15%) of the
7 stock shall have any right, title, claim or interest, financial or
8 otherwise in, upon or to the premises, equipment, business or
9 merchandise of any mixed beverage, beer and wine, caterer, public
10 event or bottle club licensee.

11 SECTION 11. AMENDATORY 37 O.S. 2011, Section 537, is
12 amended to read as follows:

13 Section 537. A. No person shall:

14 1. Knowingly sell, deliver, or furnish alcoholic beverages to
15 any person under twenty-one (21) years of age;

16 2. Sell, deliver or knowingly furnish alcoholic beverages to an
17 intoxicated person or to any person who has been adjudged insane or
18 mentally deficient;

19 3. Open a retail container or consume alcoholic beverages on
20 the premises of a retail package store;

21 4. Import into this state, except as provided for in the
22 Oklahoma Alcoholic Beverage Control Act, any alcoholic beverages;
23 provided, that nothing herein shall prohibit the importation or
24 possession for personal use of not more than one (1) liter of

1 alcoholic beverages upon which the Oklahoma excise tax is
2 delinquent;

3 5. Receive, possess, or use any alcoholic beverage in violation
4 of the provisions of the Oklahoma Alcoholic Beverage Control Act;

5 6. Transport into, within, or through this state more than one
6 (1) liter of alcoholic beverages upon which the Oklahoma excise tax
7 has not been paid unless the person accompanying or in charge of the
8 vehicle transporting same shall possess a true copy of a bill of
9 lading, invoice, manifest or other document particularly identifying
10 the alcoholic beverages being transported and showing the name and
11 address of the consignor and consignee; provided, this prohibition
12 shall not apply to the first one hundred eighty (180) liters of
13 alcoholic beverages classified as household goods by military
14 personnel, age twenty-one (21) or older when entering Oklahoma from
15 temporary active assignment outside the contiguous United States;

16 7. Knowingly transport in any vehicle upon a public highway,
17 street or alley any alcoholic beverage except in the original
18 container which shall not have been opened and the seal upon which
19 shall not have been broken and from which the original cap or cork
20 shall not have been removed, unless the opened container be in the
21 rear trunk or rear compartment, which shall include the spare tire
22 compartment in a vehicle commonly known as a station wagon and panel
23 truck, or any outside compartment which is not accessible to the
24 driver or any other person in the vehicle while it is in motion;

1 8. Drink intoxicating liquor in public except on the premises
2 of a licensee of the Alcoholic Beverage Laws Enforcement Commission
3 who is authorized to sell or serve alcoholic beverages by the
4 individual drink or be intoxicated in a public place. This
5 provision shall be cumulative and in addition to existing law;

6 9. Forcibly resist lawful arrest, or by physical contact
7 interfere with an investigation of any infringement of the Oklahoma
8 Alcoholic Beverage Control Act or with any lawful search or seizure
9 being made by an inspector or agent of the ABLE Commission, when
10 such person knows or should know that such acts are being performed
11 by a state, county, or municipal officer, inspector or agent of the
12 ABLE Commission;

13 10. Manufacture, duplicate, counterfeit or in any way imitate
14 any bottle club membership card required to be issued by the ABLE
15 Commission without the permission of the Commission;

16 11. Consume or possess alcoholic beverages on the licensed
17 premises of a bottle club unless such person possesses a valid
18 membership card for that club issued by the club; or

19 12. Knowingly possess any bottle club membership card required
20 to be issued by the ABLE Commission, which has been manufactured,
21 counterfeited, imitated or in any way duplicated without the
22 permission of the Commission.

23 B. No licensee of the ABLE Commission shall:
24

1 1. Receive, possess, or sell any alcoholic beverage except as
2 authorized by the Oklahoma Alcoholic Beverage Control Act and by the
3 license or permit which the licensee holds;

4 2. Employ any person under the age of twenty-one (21) in the
5 selling or handling of alcoholic beverages. Provided, that a mixed
6 beverage, beer and wine, caterer, public event, special event or
7 bottle club licensee may employ servers who are at least eighteen
8 (18) years of age, except persons under twenty-one (21) years of age
9 may not serve in designated bar or lounge areas, and a mixed
10 beverage, beer and wine, caterer, special event or bottle club
11 licensee may employ or hire musical bands who have musicians who are
12 under twenty-one (21) years of age if each such musician is either
13 accompanied by a parent or legal guardian or has on their person, to
14 be made available for inspection upon demand by any ABLE Commission
15 officer or law enforcement officer, a written, notarized affidavit
16 from the parent or legal guardian giving the underage musician
17 permission to perform in designated bar or lounge areas;

18 3. Give any alcoholic beverage as a prize, premium or
19 consideration for any lottery, game of chance or skill or any type
20 of competition;

21 4. Advertise or offer "happy hours" or any other means or
22 inducements to stimulate the consumption of alcoholic beverages
23 including:
24

- 1 a. deliver more than two drinks to one person at one
2 time,
- 3 b. sell or offer to sell to any person or group of
4 persons any drinks at a price less than the price
5 regularly charged for such drinks during the same
6 calendar week, except at private functions not open to
7 the public,
- 8 c. sell or offer to sell to any person an unlimited
9 number of drinks during any set period of time for a
10 fixed price, except at private functions not open to
11 the public,
- 12 d. sell or offer to sell drinks to any person or group of
13 persons on any one day at prices less than those
14 charged the general public on that day, except at
15 private functions not open to the public,
- 16 e. increase the volume of alcoholic beverages contained
17 in a drink without increasing proportionately the
18 price regularly charged for such drink during the same
19 calendar week, ~~or~~
- 20 f. encourage or permit, on the licensed premises, any
21 game or contest which involves drinking or the
22 awarding of drinks as prizes, or
- 23 g. no licensee licensed for the sale of mixed beverages
24 for on-premises consumption shall offer for sale, sell

1 or serve an entire bottle of spirits, sealed or
2 unsealed in the original container.

3 Provided that the provisions of this paragraph shall not prohibit
4 the advertising or offering of food or entertainment in licensed
5 establishments;

6 5. Permit or allow any patron or person to exit the licensed
7 premises with an open container of any alcoholic beverage.

8 Provided, that this prohibition shall not be applicable to closed
9 original containers of alcoholic beverages which are carried from
10 the licensed premises of a bottle club by a patron, closed original
11 wine containers removed from the premises of restaurants, hotels,
12 and motels, or to closed original containers of alcoholic beverages
13 transported to and from the place of business of a licensed caterer
14 by the caterer or an employee of the caterer; ~~or~~

15 6. Serve or sell alcoholic beverages with an expired license
16 issued by the ABLE Commission; or

17 7. No licensee shall permit any person to be drunk or
18 intoxicated on their licensed premises.

19 C. No package store licensee shall:

20 1. Purchase or receive any alcoholic beverage other than from a
21 person holding a brewer, wholesaler or Class B wholesaler license
22 issued pursuant to the Oklahoma Alcoholic Beverage Control Act;

23 2. Suffer or permit any retail container to be opened, or any
24 alcoholic beverage to be consumed, on the licensed premises;

1 3. Sell, or keep package store premises open for the purpose of
2 selling, any alcoholic beverages at any hour other than between the
3 hours of 10:00 a.m. and 9:00 p.m. Monday through Saturday; provided,
4 that no such sales shall be made, or package store premises be
5 allowed to remain open for the purpose of making such sales, on New
6 Year's Day, Memorial Day, the Fourth of July, Labor Day,
7 Thanksgiving Day or Christmas Day. Package store licensees shall be
8 permitted to sell, or keep package store premises open for the
9 purpose of selling, alcoholic beverages on the day of any General,
10 Primary, Runoff Primary or Special Election whether on a national,
11 state, county or city election, provided that the election day does
12 not occur on any day on which such sales are otherwise prohibited by
13 law;

14 4. Operate a retail package store unless such store shall be
15 located in a city or town having a population in excess of two
16 hundred (200) according to the latest Federal Decennial Census;

17 5. Sell any alcoholic beverage on credit; provided that
18 acceptance by a retail liquor store of a cash or debit card, or a
19 nationally recognized credit card, in lieu of actual cash payment
20 does not constitute the extension of credit; provided further, as
21 used in this section:

22 a. "cash or debit card" means any instrument or device
23 whether known as a debit card or by any other name,
24 issued with or without fee by an issuer for the use of

1 the cardholder in depositing, obtaining or
2 transferring funds from a consumer banking electronic
3 facility, and

4 b. "nationally recognized credit card" means any
5 instrument or device, whether known as a credit card,
6 credit plate, charge plate or by any other name,
7 issued with or without fee by an issuer for the use of
8 the cardholder in obtaining money, goods, services or
9 anything else of value on credit which is accepted by
10 over one hundred merchants;

11 6. Offer or furnish any prize, premium, gift or similar
12 inducement to a consumer in connection with the sale of alcoholic
13 beverage, except that goods or merchandise included by the
14 manufacturer in packaging with alcoholic beverages or for packaging
15 with alcoholic beverages shall not be included in this prohibition,
16 but no wholesaler or package store shall sell any alcoholic beverage
17 prepackaged with other goods or merchandise at a price which is
18 greater than the price at which the alcoholic beverage alone is
19 sold;

20 7. Permit any person under twenty-one (21) years of age to
21 enter into, remain within or loiter about the licensed premises; or

22 8. Pay for alcoholic beverages by a check or draft which is
23 dishonored by the drawee when presented to such drawee for payment;
24 and the ABLE Commission may cancel or suspend the license of any

1 retailer who has given a check or draft, as maker or endorser, which
2 is so dishonored upon presentation.

3 D. No wholesaler licensee shall:

4 1. Sell or deliver any amount of spirits or wines to any
5 package store licensee on Saturday or Sunday; or

6 2. Sell or deliver any amount of spirits or wines to any
7 package store licensee on New Year's Day, Memorial Day, the Fourth
8 of July, Labor Day, Thanksgiving Day or Christmas Day.

9 E. No mixed beverage, public event, special event or beer and
10 wine licensee shall:

11 1. Purchase or receive any alcoholic beverage other than from a
12 person holding a wholesaler or Class B wholesaler license issued
13 pursuant to the Oklahoma Alcoholic Beverage Control Act; provided, a
14 mixed beverage or beer and wine licensee whose premises are a
15 restaurant may purchase wine produced at wineries in this state
16 directly from an Oklahoma winemaker as provided in Section 3 of
17 Article XXVIII of the Oklahoma Constitution;

18 2. Transport alcoholic beverages from the place of purchase to
19 the licensed premises unless the licensee also holds a private
20 carrier license issued by the ABLE Commission;

21 3. Use or allow the use of any mark or label on a container of
22 alcoholic beverage which is kept for sale which does not clearly and
23 precisely indicate the nature of the contents or which might deceive
24

1 or conceal the nature, composition, quantity, age or quality of such
2 beverage;

3 4. Keep or knowingly permit any alcoholic beverage to be kept,
4 brought or consumed on the licensed premises which is not allowed to
5 be sold or served upon such premises; or

6 5. Allow any person under twenty-one (21) years of age to enter
7 into, remain within or loiter about the designated bar area of the
8 licensed premises, except for persons who incidentally pass through
9 the designated area.

10 The prohibition in this subsection against persons under twenty-
11 one (21) years of age entering or remaining within the designated
12 bar area of the licensed premises shall not apply, if the licensed
13 premises are closed to the public during a time the premises are
14 legally permitted to be open for business and the premises are used
15 for a private party at which alcoholic beverages may be served to
16 persons twenty-one (21) years of age or older. Any alcoholic
17 beverages served at a private party on the licensed premises may be
18 purchased from the licensee at a negotiated price or purchased
19 privately and served at the private party on the licensed premises.
20 Any licensee who desires to conduct such a private party shall
21 notify the ABLE Commission, in writing, at least ten (10) calendar
22 days prior to the private party. The notification shall include the
23 date, time, and purpose of the private party and any other
24 information the ABLE Commission may deem necessary.

1 F. No bottle club licensee shall:

2 1. Use or allow the use of any mark or label on a container of
3 alcoholic beverage which does not clearly and precisely indicate the
4 nature of the contents or which might deceive or conceal the nature,
5 composition, quantity, age or quality of any such beverage;

6 2. Act as an agent for any bottle club member and purchase any
7 alcoholic beverage for the member;

8 3. Use or allow the use of any pool system of storage or
9 purchase of alcoholic beverages;

10 4. Allow any person to enter or remain in the designated bar or
11 lounge area of the club unless that person possesses a valid
12 membership card for that club issued by the club;

13 5. Sell any alcoholic beverage;

14 6. Deliver or furnish to any club member any alcoholic beverage
15 that does not belong to the member;

16 7. Serve alcoholic beverages to any person who does not possess
17 a valid membership card for that club issued by the club;

18 8. Issue a membership card for the club to a person under
19 twenty-one (21) years of age; or

20 9. Allow any person under twenty-one (21) years of age to enter
21 into, remain within or loiter about the designated bar area of the
22 licensed premises, except for members of a musical band employed or
23 hired as provided in paragraph 2 of subsection B of this section
24 when the band is to perform within such area.

1 The prohibition in this subsection against persons under twenty-
2 one (21) years of age entering or remaining within the designated
3 bar area of the licensed premises shall not apply, if the licensed
4 premises are closed to the public during a time the premises are
5 legally permitted to be open for business and the premises are used
6 for a private party at which alcoholic beverages may be served to
7 persons twenty-one (21) years of age or older. Any alcoholic
8 beverages served at a private party on the licensed premises may be
9 purchased from the licensee at a negotiated price or purchased
10 privately and served at the private party on the licensed premises.
11 Any licensee who desires to conduct such a private party shall
12 notify the ABLE Commission, in writing, at least ten (10) calendar
13 days prior to the private party. The notification shall include the
14 date, time, and purpose of the private party and any other
15 information the ABLE Commission may deem necessary.

16 G. No special event or caterer licensee shall:

17 1. Purchase or receive any alcoholic beverage other than from a
18 person holding a wholesaler or Class B wholesaler license issued
19 pursuant to the provisions of the Oklahoma Alcoholic Beverage
20 Control Act; provided, a special event or caterer licensee may
21 purchase wine produced at wineries in this state directly from an
22 Oklahoma winemaker as provided in Section 3 of Article XXVIII of the
23 Oklahoma Constitution; or

24

1 2. Transport alcoholic beverages from the place of purchase to
2 the licensed premises unless the licensee also holds a private
3 carrier license issued by the ABLE Commission.

4 ~~H. No person operating a cafe, restaurant, club, or any place
5 of recreation shall permit any person to be drunk or intoxicated in
6 the person's place of business.~~

7 SECTION 12. AMENDATORY 37 O.S. 2011, Section 537.1, is
8 amended to read as follows:

9 Section 537.1. No mixed beverage, beer and wine, bottle club,
10 caterer, public event or special event licensee or any employee,
11 manager, operator or agent thereof shall:

12 1. Consume or be under the influence of alcoholic beverages
13 during the hours he is on duty. For the purposes of this section,
14 licensees will be deemed to be on duty from the time he first comes
15 on duty until the time he goes off duty at the end of the shift,
16 including any break periods permitted by management. This paragraph
17 shall not apply to any person who works on the premises as an
18 entertainer only;

19 2. Permit or tolerate any conduct or language which is intended
20 to threaten another with physical harm or any fighting or offensive
21 physical contact, in or upon the licensed premises or areas just
22 outside the licensed premises which are controlled by the licensee;

23 3. Permit empty or discarded alcoholic beverage containers to
24 be in public view outside the licensed premises. All empty or

1 discarded containers shall be disposed of in accordance with ABLE
2 Commission rules and regulations;

3 4. Permit any illegal gambling activity, violations of the
4 state narcotic and dangerous drug laws, or prostitution activity or
5 any other criminal conduct to occur on the licensed premises;

6 5. Refuse or fail to promptly open a door to the licensed
7 premises upon request of an agent or inspector of the Alcoholic
8 Beverage Laws Enforcement Commission or any other peace officer to
9 enter the premises, when the licensee or employee knows or should
10 know that such request is made by an agent or inspector of the ABLE
11 Commission or any other peace officer. This provision shall not be
12 construed to deny agents of the ABLE Commission or any other peace
13 officer access at any time to any licensed premises;

14 6. Permit a sealed or unsealed container of alcoholic beverage
15 to be removed from the licensed premises. Provided that
16 restaurants, hotels and motels may permit the removal of closed
17 original wine containers the contents of which have been partially
18 consumed and bottle clubs may permit the removal by a club member of
19 closed original containers of alcoholic beverages belonging to said
20 members. The provisions of this paragraph shall not be construed to
21 prohibit or restrict:

22 ~~(a)~~

23 a. hotels or motels who are holders of mixed beverage or
24 beer and wine licenses from allowing alcoholic

1 beverages to be served away from the bar area anywhere
2 on the licensed premises, or

3 ~~(b)~~

4 b. licensees, who are lawfully operating at an event held
5 in a facility owned or operated by any agency,
6 political subdivision or public trust of this state,
7 from allowing persons to transport alcoholic beverages
8 from one licensed premises to another within the same
9 building, provided that the building or a part thereof
10 is defined as a common drinking area for consumption
11 of alcohol by resolution of the governing body of the
12 agency, political subdivision or public trust of this
13 state; or

14 7. Destroy, damage, alter, remove or conceal potential
15 evidence, or attempt to do so, or refuse to surrender evidence when
16 lawfully requested to do so by an inspector, agent or any other
17 peace officer or incite another person to do any of the above.

18 SECTION 13. AMENDATORY 37 O.S. 2011, Section 538, is
19 amended to read as follows:

20 Section 538. A. Any person who shall operate a whiskey still
21 with intent to produce alcoholic beverages or any person who shall
22 carry on the business of a distiller without having in his
23 possession a valid and existing distiller's license issued pursuant
24 to the provisions of the Oklahoma Alcoholic Beverage Control Act

1 shall be guilty of a felony and upon conviction be fined not less
2 than Two Thousand Five Hundred Dollars (\$2,500.00) nor more than
3 Five Thousand Dollars (\$5,000.00), or imprisoned in the State
4 Penitentiary for not more than three (3) years, or both such fine
5 and imprisonment.

6 B. Any person who shall file a false or fraudulent return in
7 connection with any tax imposed by the Oklahoma Alcoholic Beverage
8 Control Act, or willfully evade, or attempt to evade, any tax herein
9 levied shall be guilty of a felony and upon conviction be fined not
10 less than Two Thousand Five Hundred Dollars (\$2,500.00) nor more
11 than Five Thousand Dollars (\$5,000.00), or imprisoned in the State
12 Penitentiary for not more than three (3) years, or both such fine
13 and imprisonment.

14 C. Any person who shall knowingly engage in any activity or
15 perform any transaction or act for which a license is required under
16 the Oklahoma Alcoholic Beverage Control Act, not having such
17 license, shall be guilty of a misdemeanor and for the first offense
18 be fined not more than Two Thousand Five Hundred Dollars (\$2,500.00)
19 and imprisoned for not less than thirty (30) days nor more than six
20 (6) months, and for a second or subsequent offense shall be guilty
21 of a felony and be fined not more than Two Thousand Five Hundred
22 Dollars (\$2,500.00), or imprisoned in the State Penitentiary for not
23 more than one (1) year, or both such fine and imprisonment.

24

1 D. Any person holding a license issued pursuant to the Oklahoma
2 Alcoholic Beverage Control Act who shall sell or deliver alcoholic
3 beverage to any person not entitled to purchase or receive same,
4 except as provided in subsection F of this section, or who shall
5 possess for sale any alcoholic beverage which he is not entitled to
6 sell under his license, or any person who buys any alcoholic
7 beverage, either retail or wholesale, from any person other than a
8 licensed dealer under the terms of the Oklahoma Alcoholic Beverage
9 Control Act, shall be guilty of a misdemeanor and upon conviction be
10 fined not more than One Thousand Five Hundred Dollars (\$1,500.00),
11 or imprisoned in the county jail for not more than six (6) months,
12 or both such fine and imprisonment.

13 E. Any person under twenty-one (21) years of age who shall
14 misrepresent his age in writing or by presenting false documentation
15 of age for the purpose of inducing any person to sell or serve him
16 alcoholic beverage or issue him a bottle club membership card, or
17 who enters or attempts to enter a package store or a separate or
18 enclosed bar area as designated by the ABLE Commission, shall be
19 guilty of a misdemeanor and fined not more than Fifty Dollars
20 (\$50.00). In addition, if a person is convicted or pleads guilty to
21 a violation of the provisions of this subsection in any court having
22 jurisdiction over said offense, the court may order the Department
23 of Public Safety to cancel or deny the offender's privilege to
24 operate a motor vehicle and, upon such order, shall require that the

1 operator's or chauffeur's license, if any, be surrendered to the
2 Department pursuant to Section 6-209 of Title 47 of the Oklahoma
3 Statutes. The cancellation or denial period shall be for one (1)
4 year, or until the person reaches twenty-one (21) years of age,
5 whichever is longer.

6 Any person whose driving privileges are ordered cancelled or
7 denied pursuant to this section may petition the court of original
8 jurisdiction for review of the order. Upon notice and hearing, the
9 court may modify or withdraw the order as the court deems
10 appropriate except:

11 1. A court may not withdraw an order for at least ninety (90)
12 days following the issuance of the order if it is the first such
13 order issued regarding the person named; and

14 2. A court may not withdraw an order for at least six (6)
15 months following the issuance of the order if it is the second or
16 subsequent such order issued regarding the person named. If the
17 Department receives written notice from the court of original
18 jurisdiction that it has withdrawn such an order, the Department
19 shall immediately reinstate any driving privileges that have been
20 canceled or denied under this section, without requiring payment of
21 a reinstatement fee.

22 F. Any person who shall knowingly sell, furnish or give
23 alcoholic beverage to a person under twenty-one (21) years of age
24 shall be guilty of a felony, and shall be fined not less than Two

1 Thousand Five Hundred Dollars (\$2,500.00) nor more than Five
2 Thousand Dollars (\$5,000.00), or imprisoned in the State
3 Penitentiary for not more than five (5) years, or both such fine and
4 imprisonment. The ABLE Commission shall revoke the license of any
5 person convicted of a violation of this subsection.

6 G. Any person who shall knowingly sell, furnish or give
7 alcoholic beverage to an insane, mentally deficient, or intoxicated
8 person shall be guilty of a felony, and shall be fined not less than
9 Five Hundred Dollars (\$500.00) nor more than One Thousand Dollars
10 (\$1,000.00), or imprisoned in the State Penitentiary for not more
11 than one (1) year, or both such fine and imprisonment.

12 H. The payment of the special tax required of liquor dealers by
13 the United States by any person within this state without a
14 corresponding state license shall constitute prima facie evidence of
15 an intention to violate the provisions of the Oklahoma Alcoholic
16 Beverage Control Act.

17 ~~I. Any person operating a cafe, restaurant, club or any place~~
18 ~~of recreation who permits any person to be drunk or intoxicated in~~
19 ~~said place of business shall be guilty of a misdemeanor, and shall~~
20 ~~be fined not more than One Hundred Dollars (\$100.00), or imprisoned~~
21 ~~for not more than thirty (30) days or by both such fine and~~
22 ~~imprisonment.~~

23 J. Any person selling or keeping a package store open to sell
24 any alcoholic beverage during any day or hours not authorized by the

1 Oklahoma Alcoholic Beverage Control Act shall be guilty of a
2 misdemeanor.

3 SECTION 14. AMENDATORY 37 O.S. 2011, Section 554.1, is
4 amended to read as follows:

5 Section 554.1. Cities and towns are hereby authorized to levy
6 an annual occupational tax for the privilege of operating as a
7 retailer, mixed beverage, beer and wine, caterer, public event or
8 special event licensee, bottle club, manufacturer, wholesaler or
9 Class B wholesaler, within their respective jurisdictions, not to
10 exceed the state license fee for such licensees; provided that the
11 aforementioned tax shall be levied only by the city or town in which
12 such licensee has his principal place of business. This section
13 shall not give any city or town any right to determine or regulate
14 the issuance of any license, except as specifically provided for in
15 this section, as the Alcoholic Beverage Laws Enforcement Commission
16 shall have exclusive authority as to issuance and regulations of
17 said licenses and no city or town may prescribe rules or regulations
18 in conflict with or in addition to the statutes of this state or the
19 rules of the ABLE Commission.

20 Cities or towns which levy an occupational tax under this
21 section shall make an annual report to the ABLE Commission, covering
22 the fiscal year, showing the number and class of licensees subject
23 to said tax, and the amount of money received therefrom, which
24 information is to be included in the annual report of the ABLE

1 Commission submitted to the Governor, and transmitted to the
2 Legislature.

3 SECTION 15. AMENDATORY 37 O.S. 2011, Section 554.2, is
4 amended to read as follows:

5 Section 554.2. Counties are hereby authorized to levy an annual
6 occupational tax for the privilege of operating as a mixed beverage,
7 beer and wine, caterer, public event or special event licensee or as
8 a bottle club, within their respective jurisdictions and not located
9 in a city or town levying an occupation tax as provided by Section
10 554.1 of this title, not to exceed the state license fee for such
11 licensees; provided that the aforementioned tax shall be levied only
12 by the county in which such licensee has his principal place of
13 business. All revenues derived from any such annual occupational
14 tax shall be deposited in the general revenue fund of the county.
15 This section shall not give any county any right to determine or
16 regulate the issuance of any license, except as specifically
17 provided for in this section, as the Alcoholic Beverage Laws
18 Enforcement Commission shall have exclusive authority as to issuance
19 and regulations of said licenses and no county may prescribe rules
20 or regulations in conflict with or in addition to the statutes of
21 this state or the rules of the ABLE Commission.

22 Counties which levy an occupational tax under this section shall
23 make an annual report to the ABLE Commission, covering the fiscal
24 year, showing the number and class of licensees subject to said tax,

1 and the amount of money received therefrom, which information is to
2 be included in the annual report of the ABLE Commission submitted to
3 the Governor, and transmitted to the Legislature.

4 SECTION 16. AMENDATORY 37 O.S. 2011, Section 561, is
5 amended to read as follows:

6 Section 561. Every manufacturer, wholesaler, Class B
7 wholesaler, nonresident seller, retailer, mixed beverage, caterer,
8 public event and special event licensee shall keep a record of all
9 alcoholic beverages imported, purchased, received, manufactured,
10 produced, sold, delivered, or otherwise disposed of, and the amount
11 of all alcoholic beverages on hand, as herein provided. Such
12 records must be kept for a period of at least three (3) years and
13 shall include the date, the number of the invoice, manifest, bill of
14 lading, or similar type document, and the total amount of alcoholic
15 beverages purchased, imported, received, manufactured, produced,
16 sold, delivered, or otherwise disposed of, by such licensee in each
17 transaction. Each such licensee shall keep and maintain such other
18 records in details as the Oklahoma Tax Commission may require.

19 SECTION 17. AMENDATORY 37 O.S. 2011, Section 576, as
20 amended by Section 1, Chapter 369, O.S.L. 2013 (37 O.S. Supp. 2013,
21 Section 576), is amended to read as follows:

22 Section 576. A. A tax at the rate of thirteen and one-half
23 percent (13.5%) is hereby levied and imposed on the total gross
24

1 receipts of a holder of a mixed beverage, caterer, public event or
2 special event license, issued by the ABLE Commission, from:

3 1. The sale, preparation or service of mixed beverages;

4 2. The total retail value of complimentary or discounted mixed
5 beverages;

6 3. Ice or nonalcoholic beverages that are sold, prepared or
7 served for the purpose of being mixed with alcoholic beverages and
8 consumed on the premises where the sale, preparation or service
9 occurs; and

10 4. Any charges for the privilege of admission to a mixed
11 beverage establishment which entitle a person to complimentary mixed
12 beverages or discounted prices for mixed beverages.

13 B. For purposes of this section:

14 1. "Mixed beverages" means mixed beverages as defined by
15 Section 506 of this title;

16 2. "Total gross receipts" means the total amount of
17 consideration received as charges for admission to a mixed beverage
18 establishment as provided in paragraph 4 of subsection A of this
19 section and the total retail sale price received for the sale,
20 preparation or service of mixed beverages, ice, and nonalcoholic
21 beverages to be mixed with alcoholic beverages. The advertised
22 price of a mixed beverage may be the sum of the total retail sale
23 price and the gross receipts tax levied thereon; and

24

1 3. "Total retail value" means the total amount of consideration
2 that would be required for the sale, preparation or service of mixed
3 beverages.

4 C. The gross receipts tax levied by this section shall be in
5 addition to the excise tax levied in Section 553 of this title, the
6 sales tax levied in the Oklahoma Sales Tax Code, Section 1350 et
7 seq. of Title 68 of the Oklahoma Statutes and to any municipal or
8 county sales taxes.

9 D. The gross receipts tax levied by this section is hereby
10 declared to be a direct tax upon the receipt of consideration for
11 any charges for admission to a mixed beverage establishment as
12 provided in paragraph 4 of subsection A of this section, for the
13 sale, preparation or service of mixed beverages, ice, and
14 nonalcoholic beverages to be mixed with alcoholic beverages, and the
15 total retail value of complimentary or discounted mixed beverages.

16 E. The total of the retail sale price received for the sale,
17 preparation or service of mixed beverages, ice, and nonalcoholic
18 beverages to be mixed with alcoholic beverages shall be the total
19 gross receipts for purposes of calculating the sales tax levied in
20 the Oklahoma Sales Tax Code, Section 1350 et seq. of Title 68 of the
21 Oklahoma Statutes.

22 SECTION 18. AMENDATORY 37 O.S. 2011, Section 577, is
23 amended to read as follows:

24

1 Section 577. A. Every holder of a mixed beverage, beer and
2 wine, caterer, hotel beverage, public event or special event
3 license, issued by the Alcoholic Beverage Laws Enforcement
4 Commission, shall obtain a mixed beverage tax permit from the
5 Oklahoma Tax Commission prior to engaging, within this state, in the
6 sale, preparation or service of mixed beverages, ice, or
7 nonalcoholic beverages that are sold, prepared or served to be mixed
8 with alcoholic beverages. Each licensee shall file a verified
9 application for a mixed beverage tax permit with the Tax Commission,
10 setting forth information as may be required by the Tax Commission.

11 The Tax Commission, or its designated agent, shall issue,
12 without any fees or charges therefor, a mixed beverage tax permit in
13 the name of the licensee for the place of business set forth in the
14 application upon verification that:

15 1. The applicant is a holder of a mixed beverage, beer and
16 wine, caterer, hotel beverage, public event or special event license
17 issued by the Alcoholic Beverage Laws Enforcement Commission;

18 2. The applicant has posted a surety bond or other negotiable
19 collateral to protect the proper payment of the gross receipts
20 taxes;

21 3. The applicant is a holder of a sales tax permit for the
22 place of business set forth in the application; and

23 4. The applicant is not delinquent in the payment of any gross
24 receipts taxes or sales taxes.

1 A mixed beverage tax permit shall expire three (3) years after
2 issuance; provided, if the holder thereof is also the holder of a
3 sales tax permit, a mixed beverage tax permit shall be valid for
4 three (3) years or until expiration of the sales tax permit,
5 whichever is earlier, after which a renewal permit shall be valid
6 for three (3) years.

7 B. A separate mixed beverage tax permit for each place of
8 business to be operated must be obtained and no charge therefor
9 shall be made by the Tax Commission. The Tax Commission shall grant
10 and issue to each applicant a separate permit for each place of
11 business in this state, upon proper application therefor and
12 verification thereof by the Tax Commission.

13 C. A mixed beverage tax permit is not assignable and shall be
14 valid only for the person in whose name it is issued and for the
15 transaction of business at the place designated in the permit.

16 D. It shall be unlawful for any person to engage in a business
17 subject to the provisions of this section prior to the issuance of a
18 mixed beverage tax permit. Any person who engages in a business
19 subject to the provisions of this section without a mixed beverage
20 tax permit or permits, or after a permit has been suspended, shall
21 be guilty of a misdemeanor, and upon conviction thereof, shall be
22 fined not more than One Thousand Dollars (\$1,000.00) or incarcerated
23 for not more than sixty (60) days, or by both such fine and
24 imprisonment.

1 E. Any person operating under a mixed beverage tax permit as
2 provided in this section shall, upon discontinuance of business by
3 sale or otherwise, return such permit to the Tax Commission for
4 cancellation, together with payment of any unpaid or accrued taxes.
5 Failure to surrender a mixed beverage tax permit and pay any and all
6 accrued taxes will be sufficient cause for the Tax Commission to
7 refuse to issue a mixed beverage tax permit subsequently to such
8 person to engage in or transact any business in this state subject
9 to the provisions of this section. Notwithstanding the provisions
10 of subsection H of Section 1364 of Title 68 of the Oklahoma
11 Statutes, the Tax Commission shall not deny a purchaser of a
12 business subject to the provisions of this section a mixed beverage
13 or sales tax permit because of outstanding tax liabilities of the
14 seller, provided the seller pays to the Tax Commission the estimated
15 sales tax owed by the seller. Provided further, upon completion of
16 an audit by the Tax Commission and determination of actual sales tax
17 owed, the difference between the estimated sales tax paid and the
18 actual sales tax owed shall be paid by the seller to the Tax
19 Commission if taxes were underpaid or returned to the seller by the
20 Tax Commission if taxes were overpaid.

21 F. Whenever a holder of a mixed beverage tax permit fails to
22 comply with any provisions of any state alcoholic beverage laws or
23 tax laws, the Tax Commission, after giving ten (10) days' notice in
24 writing of the time and place of hearing to show cause why this

1 permit should not be revoked, may revoke or suspend the permit. A
2 mixed beverage tax permit shall be renewed upon removal of cause or
3 causes of revocation or suspension. Mixed beverage tax permits are
4 conditioned upon the proper and timely payment of all taxes due and
5 in the event a holder of a mixed beverage tax permit becomes
6 delinquent in reporting or paying any tax due under the provisions
7 of state tax law, any duly authorized agent of the Tax Commission
8 may cancel the permit and it shall be renewed only upon the filing
9 of proper reports and payment of all taxes due and application for
10 renewal in accordance with subsection A of this section.

11 G. Upon revocation or suspension of the mixed beverage, beer
12 and wine, caterer, hotel beverage or special event license by the
13 ABLE Commission, the Tax Commission, or its duly authorized agent,
14 shall temporarily suspend the mixed beverage tax permit issued to
15 the licensee in accordance with Section 212 of Title 68 of the
16 Oklahoma Statutes.

17 SECTION 19. AMENDATORY 37 O.S. 2011, Section 578, is
18 amended to read as follows:

19 Section 578. A. Every holder of a mixed beverage, beer and
20 wine, caterer, public event or special event license issued by the
21 Alcoholic Beverage Laws Enforcement Commission, as a condition
22 precedent to the issuance of a mixed beverage tax permit, shall
23 furnish to the Oklahoma Tax Commission a bond from a surety company
24 chartered or authorized to do business in this state, cash bond,

1 certificates of deposits, certificates of savings or U.S. Treasury
2 bond, or an assignment of negotiable stocks or bonds, as the Tax
3 Commission may deem necessary to secure payment of the gross
4 receipts tax levied upon gross receipts of the licensees.

5 B. Any surety bond furnished under this section shall be a
6 continuing instrument and shall constitute a new and separate
7 obligation in the sum stated therein for each calendar year or a
8 portion thereof while such bond is in force. Such bond shall remain
9 in effect until the surety or sureties are released and discharged
10 by the Tax Commission.

11 C. The Tax Commission, or its duly authorized agent, shall fix
12 the amount of such bond or other security for each licensee for each
13 place of business after considering the estimated gross receipts tax
14 liability of such licensee. Such bond shall be no less than an
15 amount equal to the average estimated quarterly gross receipts tax
16 liability and no greater than an amount equal to three times the
17 amount of the average estimated quarterly gross receipts tax
18 liability. Effective July 1, 2001, the minimum bond required for a
19 new permit holder shall be not less than One Thousand Five Hundred
20 Dollars (\$1,500.00).

21 D. Notwithstanding the provisions of subsection C of this
22 section, if the permit holder has held the permit for at least four
23 (4) years and is not delinquent in the payment of mixed beverage
24 taxes, the Tax Commission shall not require any increase in the bond

1 so long as the permit holder remains current in the payment of such
2 taxes.

3 E. Any bond or other security shall be such as will protect
4 this state against failure of the taxpayer or licensee to pay the
5 tax levied by Section 576 of this title. The forfeiture or
6 cancellation of such bond or security, for any reason whatsoever,
7 shall automatically revoke the mixed beverage tax permit issued
8 pursuant to the provisions of the Oklahoma Alcoholic Beverage
9 Control Act.

10 SECTION 20. AMENDATORY 37 O.S. 2011, Section 579, is
11 amended to read as follows:

12 Section 579. A. Every mixed beverage tax permit holder, or any
13 person transacting business subject to the gross receipts tax levied
14 by Section 576 of this title, shall file with the Oklahoma Tax
15 Commission a monthly report for each place or location of business,
16 on or before the twentieth day of the month immediately following
17 the month of receipt. The reports shall be made under oath, on
18 forms prescribed by the Tax Commission, which shall include the
19 following information:

- 20 1. Name of mixed beverage tax permit holder;
- 21 2. Mixed beverage tax permit number;
- 22 3. Sales tax permit number;
- 23 4. Mixed beverage, caterer or special event license number;

24

1 5. Gross receipts for the month for the sale, preparation or
2 service of mixed beverages, ice and nonalcoholic beverages mixed
3 with alcoholic beverages;

4 6. Gross receipts for the month from charges for the privilege
5 of admission to a mixed beverage establishment which entitle a
6 person to complimentary mixed beverages or discounted prices for
7 mixed beverages;

8 7. Total retail value of complimentary or discounted alcoholic
9 beverages served for the month; and

10 8. Such other information as may be required by the Tax
11 Commission to enable it to collect taxes imposed as provided by law.

12 B. The gross receipts tax levied by Section 576 of this title
13 shall be calculated by multiplying the tax rate, thirteen and one-
14 half percent (13.5%), and the total gross receipts for each month
15 from the sale, preparation or service of mixed beverages, ice and
16 nonalcoholic beverages mixed with alcoholic beverages, the total
17 gross receipts of charges received for admission to mixed beverage
18 establishments as provided in paragraph 6 of subsection A of this
19 section, and the total retail value of complimentary or discounted
20 mixed beverages. Gross receipts from the sale of food prepared with
21 alcoholic beverages shall not be included in the calculation of the
22 monthly tax liability. The tax due for the preceding month shall
23 accompany the report required in subsection A of this section. All
24 taxes, penalties and interest imposed by Section 501 et seq. of this

1 title may be paid in the form of electronic funds transfer or by a
2 personal or company check, cashier's check, certified check or
3 postal money order payable to the Tax Commission.

4 C. If the gross receipts tax levied pursuant to the provisions
5 of Section 576 of this title is not paid on or before the twentieth
6 day of each month, the tax shall be delinquent and interest and
7 penalty shall accrue on and from the twenty-first day of each month,
8 pursuant to the provisions of the Uniform Tax Procedure Code,
9 ~~Section 201 et seq. of Title 68 of the Oklahoma Statutes.~~

10 D. Every licensed wholesaler of alcoholic beverages in this
11 state shall file with the Tax Commission a monthly report, under
12 oath, on forms prescribed by the Tax Commission, which shall include
13 the name, location and mixed beverage tax permit number of each
14 mixed beverage, caterer, public event or special event licensee to
15 whom the licensed wholesaler sold alcoholic beverages during the
16 report month.

17 E. If the report required by subsection A of this section is
18 not filed with the Tax Commission on or before the twentieth day of
19 the month, the Tax Commission may assess an additional penalty of
20 Five Dollars (\$5.00) for each day thereafter that the report is not
21 filed pursuant to the provisions of this section. The Tax
22 Commission may waive the penalty assessed pursuant to the provisions
23 of the Uniform Tax Procedure Code; provided, however, the additional
24 penalty, if assessed, shall not exceed an amount equal to twice the

1 amount of tax due for the period for which such report was required
2 to be filed, or the sum of Three Hundred Dollars (\$300.00),
3 whichever is greater.

4 F. Taxes paid as provided by law represented by accounts
5 receivable which are found to be worthless or uncollectible may be
6 credited upon subsequent reports and remittances of such tax, in
7 accordance with rules promulgated by the Tax Commission. If such
8 accounts are thereafter collected, the same shall be reported and
9 the tax shall be paid upon the amount so collected.

10 G. In addition to any other authority granted by law, the Tax
11 Commission is hereby authorized to audit any mixed beverage, beer
12 and wine, caterer, public event or special event licensee to
13 determine if the correct amount of tax payable under Section 576 of
14 this title has been collected; provided, if such an audit reveals
15 that the amount collected is within the following percentages of the
16 amount of tax payable, the taxpayer shall be deemed to be in
17 compliance:

18 1. For spirits, eighty-four percent (84%) to one hundred
19 sixteen percent (116%);

20 2. For wine, ninety percent (90%) to one hundred ten percent
21 (110%);

22 3. For beer sold at draft and not in original packages, eighty-
23 six percent (86%) to one hundred fourteen percent (114%); and
24

1 4. For beer sold in original packages, ninety-five percent
2 (95%) to one hundred five percent (105%).

3 SECTION 21. AMENDATORY 37 O.S. 2011, Section 582, is
4 amended to read as follows:

5 Section 582. A. No mixed beverage, beer and wine, caterer,
6 public event or special event licensee nor any officer, agent or
7 employee of such licensee may possess or permit to be possessed on
8 the premises, for which such license was issued, any container of an
9 alcoholic beverage which is not listed on an invoice from the
10 wholesaler from whom the alcoholic beverage was purchased, unless
11 otherwise permitted by statute.

12 B. All containers of alcoholic beverages which are on the
13 premises of a mixed beverage, beer and wine, caterer, public event
14 or special event licensee and which are not listed on an invoice
15 from the wholesaler pursuant to the provisions of this section are
16 declared contraband. Any duly authorized officer or employee of the
17 ABLE Commission or the Oklahoma Tax Commission is authorized to
18 seize such containers or cases and such seized containers or cases
19 shall be subject to confiscation and forfeiture pursuant to the
20 provisions of the Oklahoma Alcoholic Beverage Control Act.

21 C. Any holder of a wholesaler, mixed beverage, beer and wine,
22 caterer, public event or special event license who violates the
23 provisions of this section shall, upon conviction, be guilty of a
24 misdemeanor and shall be subject to revocation or suspension of such

1 license issued by the ABLE Commission pursuant to the provisions of
2 the Oklahoma Alcoholic Beverage Control Act.

3 SECTION 22. AMENDATORY 37 O.S. 2011, Section 584, is
4 amended to read as follows:

5 Section 584. No holder of a mixed beverage, beer and wine,
6 caterer, special event, public event or airline/railroad beverage
7 license shall refill with any substance a container which contained
8 any alcoholic beverage on which the tax levied by Section 553 of
9 this title has been paid.

10 SECTION 23. AMENDATORY 37 O.S. 2011, Section 591, is
11 amended to read as follows:

12 Section 591. A. No alcoholic beverages may be sold, dispensed,
13 served or consumed on the premises of a mixed beverage, caterer,
14 public event, special event or beer and wine licensee between the
15 hours of 2:00 a.m. and 10:00 a.m.

16 B. Counties that elect to authorize sales of alcoholic
17 beverages by the individual drink may designate any or all of the
18 following days as days or portions thereof on which the sales of
19 alcoholic beverages are not authorized:

- 20 1. On the first day of the week, commonly called Sunday; and
21 2. On Decoration or Memorial Day, Independence Day, Labor Day,
22 Thanksgiving Day, and Christmas Day.

23 C. Counties that elect to authorize sales of alcoholic
24 beverages by the individual drink shall not prohibit such sales on

1 the day of any national, state, county or city election, including
2 primary elections, provided that the election day does not occur on
3 any day on which such sales may otherwise be prohibited by any other
4 law.

5 SECTION 24. AMENDATORY 37 O.S. 2011, Section 596, is
6 amended to read as follows:

7 Section 596. Each bottle club or mixed beverage, beer and wine,
8 caterer, public event or special event licensee shall be held
9 responsible for violation of any alcoholic beverage law or
10 administrative rule of the Alcoholic Beverage Laws Enforcement
11 Commission affecting his license privileges and for any act or
12 omission of his servant, agent, employee or representative in
13 violation of any law, municipal ordinance or administrative rule
14 affecting his license privileges.

15 SECTION 25. AMENDATORY 37 O.S. 2011, Section 599, is
16 amended to read as follows:

17 Section 599. The Alcoholic Beverage Laws Enforcement Commission
18 may issue an additional hours license to the holder of a caterer,
19 public event or special event license. The additional hours license
20 shall authorize the holder thereof to sell, dispense or serve
21 alcoholic beverages from 6:00 a.m. to 10:00 a.m.

22 SECTION 26. This act shall become effective July 1, 2014.

23 SECTION 27. It being immediately necessary for the preservation
24 of the public peace, health and safety, an emergency is hereby

1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.

3 COMMITTEE REPORT BY: COMMITTEE ON FINANCE
4 February 25, 2014 - DO PASS AS AMENDED
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