

1 STATE OF OKLAHOMA

2 2nd Session of the 54th Legislature (2014)

3 SENATE BILL 1715

By: Holt

4
5
6 AS INTRODUCED

7 An Act relating to alcoholic beverages; amending 37
8 O.S. 2011, Sections 506, 518, 518.1, 521, as last
9 amended by Section 1, Chapter 81, O.S.L. 2013, 527.1,
10 528.1, 532.1, 535, 535.1, 535.2, 537, 537.1, 538,
11 554.1, 554.2, 561, 576, as amended by Section 1,
12 Chapter 369, O.S.L. 2013, 577, 578, 579, 582, 584,
13 591, 596 and 599 (37 O.S. Supp. 2013, Sections 521
14 and 576), which relate to the Alcoholic Beverage
15 Control Act; adding definitions; modifying
16 references; adding licenses; setting fees; providing
17 for certain public events; allowing annual public
18 event; allowing one time public event; requiring
19 storage license; modifying certain charitable event
20 licenses; providing for complimentary beverage
21 license; prohibiting sale of entire bottle under
22 certain license; prohibiting drunkenness on certain
23 property; deleting certain penalty for intoxication
24 on premises; providing an effective date; and
declaring an emergency.

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

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

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

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

3 2. "Alcohol" means and includes hydrated oxide of ethyl, ethyl
4 alcohol, ethanol, or spirits of wine, from whatever source or by
5 whatever process produced. It does not include wood alcohol or
6 alcohol which has been denatured or produced as denatured in
7 accordance with Acts of Congress and regulations promulgated
8 thereunder;

9 3. "Alcoholic beverage" means alcohol, spirits, beer, and wine
10 as those terms are defined herein and also includes every liquid or
11 solid, patented or not, containing alcohol, spirits, wine or beer
12 and capable of being consumed as a beverage by human beings, but
13 does not include low-point beer as that term is defined in Section
14 163.2 of this title;

15 4. "Applicant" means any individual, legal or commercial
16 business entity, or any individual involved in any legal or
17 commercial business entity allowed to hold any license issued in
18 accordance with the Oklahoma Alcoholic Beverage Control Act;

19 5. "Beer" means any beverage containing more than three and
20 two-tenths percent (3.2%) of alcohol by weight and obtained by the
21 alcoholic fermentation of an infusion or decoction of barley, or
22 other grain, malt or similar products. "Beer" may or may not
23 contain hops or other vegetable products. "Beer" includes, among
24 other things, beer, ale, stout, lager beer, porter and other malt or

1 brewed liquors, but does not include sake, known as Japanese rice
2 wine;

3 6. "Bottle club" means any establishment in a county which has
4 not authorized the retail sale of alcoholic beverages by the
5 individual drink, which is required to be licensed to keep, mix, and
6 serve alcoholic beverages belonging to club members on club
7 premises;

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

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

12 9. "Complimentary" means free: given free as a courtesy or
13 favor;

14 10. "Convicted" and "conviction" mean and include a finding of
15 guilt resulting from a plea of guilty or nolo contendere, the
16 decision of a court or magistrate or the verdict of a jury,
17 irrespective of the pronouncement of judgment or the suspension
18 thereof ;

19 ~~10.~~ 11. "Director" means the Director of the Alcoholic Beverage
20 Laws Enforcement Commission under the supervision of said
21 Commission;

22 ~~11.~~ 12. "Distiller" means any person who produces spirits from
23 any source or substance, or any person who brews or makes mash,
24 wort, or wash, fit for distillation or for the production of spirits

1 (except a person making or using such material in the authorized
2 production of wine or beer, or the production of vinegar by
3 fermentation), or any person who by any process separates alcoholic
4 spirits from any fermented substance, or any person who, making or
5 keeping mash, wort, or wash, has also in his or her possession or
6 use a still;

7 ~~12.~~ 13. "Hotel" or "motel" shall mean an establishment which is
8 licensed to sell alcoholic beverages by the individual drink and
9 which contains guestroom accommodations with respect to which the
10 predominant relationship existing between the occupants thereof and
11 the owner or operator of the establishment is that of innkeeper and
12 guest. For purposes of this section, the existence of other legal
13 relationships as between some occupants and the owner or operator
14 thereof shall be immaterial;

15 ~~13.~~ 14. "Legal newspaper" means a newspaper meeting the
16 requisites of a newspaper for publication of legal notices as
17 prescribed in Sections 101 through 114 of Title 25 of the Oklahoma
18 Statutes;

19 ~~14.~~ 15. "Licensee" means any person holding a license under the
20 Oklahoma Alcoholic Beverage Control Act, and any agent, servant, or
21 employee of such licensee while in the performance of any act or
22 duty in connection with the licensed business or on the licensed
23 premises;

24

1 ~~15.~~ 16. "Light beer" means a low-point beer controlled under
2 this title;

3 ~~16.~~ 17. "Light wine" means any wine containing not more than
4 fourteen percent (14%) alcohol measured by volume at sixty (60)
5 degrees Fahrenheit;

6 ~~17.~~ 18. "Manufacturer's agent" means a salaried or commissioned
7 salesman who sells to a wholesaler or Class B wholesaler only;

8 ~~18.~~ 19. "Manufacturer" means a brewer, distiller, winemaker,
9 rectifier, or bottler of any alcoholic beverage;

10 ~~19.~~ 20. "Meals" means foods commonly ordered at lunch or dinner
11 and at least part of which is cooked on the licensed premises and
12 requires the use of dining implements for consumption. Provided,
13 that the service of only food such as appetizers, sandwiches, salads
14 or desserts shall not be considered "meals";

15 ~~20.~~ 21. "Mini-bar" means a closed container, either
16 refrigerated, in whole or in part, or nonrefrigerated, and access to
17 the interior of which is (1) restricted by means of a locking device
18 which requires the use of a key, magnetic card, or similar device,
19 or (2) controlled at all times by the licensee;

20 ~~21.~~ 22. "Mixed beverage cooler" means any beverage, by whatever
21 name designated, consisting of an alcoholic beverage and fruit or
22 vegetable juice, fruit or vegetable flavorings, dairy products or
23 carbonated water containing more than one-half of one percent (1/2
24 of 1%) of alcohol measured by volume but not more than seven percent

1 (7%) alcohol by volume at sixty (60) degrees Fahrenheit and which is
2 packaged in a container not larger than three hundred seventy-five
3 (375) milliliters. Such term shall include, but not be limited to,
4 the beverage popularly known as a "wine cooler";

5 ~~22.~~ 23. "Mixed beverages" means one or more servings of a
6 beverage composed in whole or part of an alcoholic beverage in a
7 sealed or unsealed container of any legal size for consumption on
8 the premises where served or sold by the holder of a mixed beverage,
9 beer and wine, caterer, or special event license;

10 ~~23.~~ 24. "Motion picture theater" means a place where motion
11 pictures are exhibited and to which the general public is admitted,
12 but does not include a place where meals, as defined by this
13 section, are served, if only persons over twenty-one (21) years of
14 age are admitted;

15 ~~24.~~ 25. "Retail salesperson" means a salesperson soliciting
16 orders from and calling upon retail alcoholic beverage stores with
17 regard to his or her product;

18 ~~25.~~ 26. "Occupation" as used in connection with "occupation
19 tax" means the sites occupied as the places of business of the
20 manufacturers, wholesalers, Class B wholesalers, retailers, mixed
21 beverage licensees, beer and wine licensees, bottle clubs, caterers,
22 and special event licensees;

23 ~~26.~~ 27. "Original package" means any container of alcoholic
24 beverage filled and stamped or sealed by the manufacturer;

1 ~~27.~~ 28. "Patron" means any person, customer, or visitor who is
2 not employed by a licensee or who is not a licensee;

3 ~~28.~~ 29. "Person" means an individual, any type of partnership,
4 corporation, association, limited liability company or any
5 individual involved in the legal structure of any such business
6 entity;

7 ~~29.~~ 30. "Premises" means the grounds and all buildings and
8 appurtenances pertaining to the grounds including any adjacent
9 premises if under the direct or indirect control of the licensee and
10 the rooms and equipment under the control of the licensee and used
11 in connection with or in furtherance of the business covered by a
12 license. Provided that the ABLE Commission shall have the authority
13 to designate areas to be excluded from the licensed premises solely
14 for the purpose of:

15 a. allowing the presence and consumption of alcoholic
16 beverages by private parties which are closed to the
17 general public, or

18 b. allowing the services of a caterer serving alcoholic
19 beverages provided by a private party.

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

23 ~~30.~~ 31. "Public Event" means any event that can be attended by
24 the general public.

1 32. "Rectifier" means any person who rectifies, purifies, or
2 refines spirits or wines by any process (other than by original and
3 continuous distillation, or original and continuous processing, from
4 mash, wort, wash, or other substance, through continuous closed
5 vessels and pipes, until the production thereof is complete), and
6 any person who, without rectifying, purifying, or refining spirits,
7 shall by mixing (except for immediate consumption on the premises
8 where mixed) such spirits, wine, or other liquor with any material,
9 manufactures any spurious, imitation, or compound liquors for sale,
10 under the name of whiskey, brandy, rum, gin, wine, spirits,
11 cordials, or any other name;

12 ~~31.~~ 33. "Regulation" or "rule" means a formal rule of general
13 application promulgated by the ABLE Commission as herein required;

14 ~~32.~~ 34. "Restaurant" means an establishment that is licensed to
15 sell alcoholic beverages by the individual drink for on-premises
16 consumption and where food is prepared and sold for immediate
17 consumption on the premises;

18 ~~33.~~ 35. "Retail container for spirits and wines" means an
19 original package of any capacity approved by the United States
20 Bureau of Alcohol, Tobacco and Firearms;

21 ~~34.~~ 36. "Retailer" means the holder of a Package Store License;

22 ~~35.~~ 37. "Sale" means any transfer, exchange or barter in any
23 manner or by any means whatsoever, and includes and means all sales
24 made by any person, whether as principal, proprietor or as an agent,

1 servant or employee. The term "sale" is also declared to be and
2 include the use or consumption in this state of any alcoholic
3 beverage obtained within or imported from without this state, upon
4 which the excise tax levied by the Oklahoma Alcoholic Beverage
5 Control Act has not been paid or exempted;

6 ~~36.~~ 38. "Short order food" means food other than full meals
7 including but not limited to sandwiches, soups, and salads.
8 Provided that popcorn, chips, and other similar snack food shall not
9 be considered "short order food";

10 ~~37.~~ 39. "Sparkling wine" means champagne or any artificially
11 carbonated wine;

12 ~~38.~~ 40. "Spirits" means any beverage other than wine, beer or
13 light beer, which contains more than one-half of one percent (1/2 of
14 1%) alcohol measured by volume and obtained by distillation, whether
15 or not mixed with other substances in solution and includes those
16 products known as whiskey, brandy, rum, gin, vodka, liqueurs,
17 cordials and fortified wines and similar compounds; but shall not
18 include any alcohol liquid completely denatured in accordance with
19 the Acts of Congress and regulations pursuant thereto;

20 ~~39.~~ 41. "Wholesaler" means and includes any person doing any
21 such acts or carrying on any such business or businesses that would
22 require such person to obtain a wholesaler's license or licenses
23 hereunder;

24

1 ~~40.~~ 42. "Wine" means and includes any beverage containing more
2 than one-half of one percent (1/2 of 1%) alcohol by volume and not
3 more than twenty-four percent (24%) alcohol by volume at sixty (60)
4 degrees Fahrenheit obtained by the fermentation of the natural
5 contents of fruits, vegetables, honey, milk or other products
6 containing sugar, whether or not other ingredients are added, and
7 includes vermouth and sake, known as Japanese rice wine;

8 ~~41.~~ 43. "Winemaker" means any person who produces wine; ~~and~~

9 ~~42.~~ 44. "Oklahoma winemaker" means a business premises in
10 Oklahoma licensed pursuant to the Oklahoma Alcoholic Beverage
11 Control Act wherein wine is produced by the licensee who must be a
12 resident of the state. The wine product fermented in said licensed
13 premises shall be of grapes, berries and other fruits and vegetables
14 imported into this state and processed herein or shall be of grapes,
15 berries and other fruits and vegetables grown in Oklahoma; and

16 45. "Sample" means a substantially smaller amount or part of
17 something, used as an example of the character, features, or quality
18 of the whole.

19 Words in the plural include the singular, and vice versa, and
20 words imparting the masculine gender include the feminine, as well
21 as persons and licensees as defined in this section.

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

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

4 1. Brewer License..... \$1,250.00

5 2. Oklahoma Brewer License..... \$125.00

6 3. Distiller License

7 a. For each fiscal year ending
8 after June 30, 2010..... \$3,125.00

9 b. For the fiscal years ending
10 June 30, 2008, 2009 and 2010..... \$1,250.00

11 4. Winemaker License..... \$625.00

12 5. Oklahoma Winemaker License..... \$75.00

13 6. Rectifier License

14 a. For each fiscal year ending
15 after June 30, 2010..... \$3,125.00

16 b. For the fiscal years ending
17 June 30, 2008, 2009 and 2010..... \$1,250.00

18 7. Wholesaler License..... \$3,500.00

19 8. Class B Wholesaler License..... \$625.00

20 9. The following package store license fees shall be determined
21 by the latest Federal Decennial Census:

22 a. Package Store License for cities and towns from 200 to
23 2,500 population \$305.00

1		(initial license)	
2			\$905.00
3		(renewal)	
4	18.	Airline/Railroad Beverage License.....	\$1,005.00
5		(initial license)	
6			\$905.00
7		(renewal)	
8	19.	Agent License.....	\$55.00
9	20.	Employee License.....	\$30.00
10			<u>\$35.00</u>
11	21.	Industrial License.....	\$23.00
12	22.	Carrier License.....	\$23.00
13	23.	Private Carrier License.....	\$23.00
14	24.	Bonded Warehouse License.....	\$190.00
15	25.	Storage License.....	\$23.00
16	26.	Nonresident Seller License.....	\$750.00
17	27.	Manufacturers Agent License.....	\$55.00
18	28.	Sacramental Wine Supplier License.....	\$100.00
19	29.	Charitable Auction License.....	\$1.00
20			<u>\$55.00</u>
21	30.	<u>Charitable Alcoholic Beverage License.....</u>	<u>\$55.00</u>
22	31.	<u>Winemaker Self-distribution License.....</u>	<u>\$750.00</u>
23	33.	<u>One Time Public Event License.....</u>	<u>\$255.00</u>
24	34.	<u>Complimentary Beverage License.....</u>	<u>\$100.00</u>

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

15 B. Notwithstanding the provisions of subsection A of this
16 section:

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

22 2. The fees provided for in subsection A of this section for a
23 brewer license and for a Class B wholesaler license shall be reduced
24 by seventy-five percent (75%) if the applicant therefor is also the

1 holder of a license to manufacture or wholesale any low-point beer
2 as provided for in this title; and

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

6 C. An applicant may apply for and receive both a beer and wine
7 license and a caterer license.

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

12 E. The holder of a license, issued by the ABLE Commission, for
13 a bottle club located in a county of this state where the sale of
14 alcoholic beverages by the individual drink for on-premises
15 consumption has been authorized, may exchange the bottle club
16 license for a mixed beverage license or a beer and wine license and
17 operate the licensed premises as a mixed beverage establishment or a
18 beer and wine establishment subject to the provisions of the
19 Oklahoma Alcoholic Beverage Control Act. There shall be no
20 additional fee for such exchange and the mixed beverage license or
21 beer and wine license issued shall expire one (1) year from the date
22 of issuance of the original bottle club license.

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

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

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

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

23 Section 518.1. The holder of a mixed beverage, beer and wine,
 24 caterer, special event, public event or airline/railroad beverage

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

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

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

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

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

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

22 C. A winemaker license shall authorize the holder thereof: To
23 manufacture (including such mixing, blending and cellar treatment as
24 authorized by federal law), bottle, package, and store on licensed

1 premises wine containing not more than twenty-four percent (24%)
2 alcohol by volume, provided the bottle or package sizes authorized
3 shall be limited to the capacities approved by the United States
4 Alcohol and Tobacco Tax and Trade Bureau; to sell wine in this state
5 to licensed wholesalers and manufacturers; to sell bottles of wine
6 produced at the winery from grapes and other fruits and berries
7 grown in this state, if available, to consumers on the premises of
8 the winery; to serve visitors on the licensed premises samples of
9 wine produced on the premises; to serve samples of wine produced at
10 the winery at festivals and trade shows; to sell wine produced at
11 the winery, in original sealed containers, at festivals and trade
12 shows; to sell wine out of this state to qualified persons; to
13 purchase from licensed winemakers, distillers and rectifiers in this
14 state, and to import into this state wine, brandy and fruit spirits
15 for use in manufacturing in accordance with federal laws and
16 regulations; provided, a winemaker either within or without this
17 state that annually produces no more than ten thousand (10,000)
18 gallons of wine may elect to sell and self-distribute the wine
19 produced by such winemaker directly to licensed retail package
20 stores and restaurants in this state; and provided further that:

21 1. Any such winemaker which elects to directly sell its wine to
22 package stores and restaurants shall not also use a licensed
23 wholesale distributor as a means of distribution, and shall be
24 required to sell its wines to every package store and restaurant

1 licensee who desires to purchase the same, on the same price basis
2 and without discrimination;

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

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

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

23 E. A rectifier license shall authorize the holder thereof: To
24 rectify spirits and wines, bottle, package, and store same on the

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

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

1 less than one-twentieth (1/20) gallon by a holder of a wholesaler
2 license shall be in full case lots and in the original unbroken
3 case. Wholesalers shall be authorized to place such signs outside
4 their place of business as are required by Acts of Congress and by
5 such laws and regulations promulgated under such Acts.

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

- 16 a. the total volume of spirits sales of the wholesaler,
17 by liter, from the previous calendar year, and
- 18 b. the total volume of wine sales of the wholesaler, by
19 liter, from the previous calendar year, and
- 20 c. the volume of sales of each brand of spirits or wine
21 of the wholesaler, by liter, from the previous
22 calendar year.

23 A wholesaler who did not post any sales of spirits, wine or of a
24 particular brand in the previous calendar year shall be deemed to

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

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

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

22 5. All licensed wholesalers shall register prices, purchase and
23 keep on hand or have on order a fifteen-day supply of all brands
24 constituting the top eighteen brands in total sales by all Oklahoma

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

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

16 A fifteen-day supply of a particular brand for a particular
17 wholesaler shall be based upon the market share of the wholesaler,
18 determined by first multiplying the total number of liters of such
19 brand sold by all wholesalers to all retailers during the previous
20 calendar year by the percentage that the total sales of wine and
21 spirits of the particular wholesaler, in liters, for such calendar
22 year bears to the total sales of wine and spirits, in liters,
23 reported by all wholesalers for such calendar year; and then
24 dividing by twenty-four (24); provided, that a fifteen-day supply

1 for a wholesaler who has not been in business for the entirety of
2 the previous calendar year shall be deemed to be equal to that of
3 the wholesaler who was in business for the entirety of the previous
4 calendar year and who reported the lowest volume of sales of wine
5 and spirits, in liters, of any wholesaler having been in business
6 for such period.

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

22 H. A package store license shall authorize the holder thereof:
23 To purchase alcohol, spirits, beer and wine in retail containers
24 from the holder of a brewer, wholesaler or Class B wholesaler

1 license and to purchase wine from a winemaker who is permitted and
2 has elected to self-distribute as provided in Section 3 of Article
3 XXVIII of the Oklahoma Constitution and to sell same on the licensed
4 premises in such containers to consumers for off-premises
5 consumption only and not for resale; provided, wine may be sold to
6 charitable organizations that are holders of charitable auction or
7 charitable wine event licenses. All alcoholic beverages that are
8 sold by a package store are to be sold at ordinary room temperature.

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

18 Sales and service of mixed beverages by holders of mixed
19 beverage licenses shall be limited to the licensed premises of the
20 licensee unless the holder of the mixed beverage license also
21 obtains a caterer license or a mixed beverage/caterer combination
22 license. A mixed beverage license shall only be issued in counties
23 of this state where the sale of alcoholic beverages by the
24 individual drink for on-premises consumption has been authorized. A

1 separate license shall be required for each place of business. No
2 mixed beverage license shall be issued for any place of business
3 functioning as a motion picture theater, as defined by Section 506
4 of this title.

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

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

22 L. 1. An annual special event license shall authorize the
23 holder thereof: To sell and distribute mixed beverages for
24 consumption on the premises for which the license has been issued

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

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

21 3. An annual public event license shall authorize the holder
22 thereof: to sell and distribute mixed beverages for consumption on
23 the premises for which the license has been issued for up to six
24 events to be held over a period not to exceed one calendar year.

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

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

21 M. A hotel beverage license shall authorize the holder thereof:
22 To sell or serve alcoholic beverages in 50 milliliter spirits, 187
23 milliliter wine, and 12-ounce malt beverage containers which are
24 distributed from a hotel room mini-bar. A hotel beverage license

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

9 N. An airline/railroad beverage license shall authorize the
10 holder thereof: To sell or serve alcoholic beverages in or from any
11 size container on a commercial passenger airplane or railroad
12 operated in compliance with a valid license, permit or certificate
13 issued under the authority of the United States or this state, even
14 though the airplane or train, in the course of its travel, may cross
15 an area in which the sale of alcoholic beverages by the individual
16 drink is not authorized and to store alcoholic beverages in sealed
17 containers of any size at any airport or station regularly served by
18 the licensee, in accordance with rules promulgated by the Alcoholic
19 Beverage Laws Enforcement Commission. Alcoholic beverages purchased
20 by the holder of an airline/railroad license from the holder of a
21 wholesaler license shall be presumed to be purchased for consumption
22 outside the State of Oklahoma or in interstate commerce, and shall
23 be exempt from the excise tax provided for in Section 553 of this
24 title.

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

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

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

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

9 1. Manufacture of patent, proprietary, medicinal,
10 pharmaceutical, antiseptic, and toilet preparations;

11 2. Manufacture of extracts, syrups, condiments, and food
12 products; and

13 3. For use in scientific, chemical, mechanical, industrial, and
14 medicinal products and purposes.

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

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

23 No provisions of the Oklahoma Alcoholic Beverage Control Act
24 shall apply to alcohol withdrawn by any person free of federal tax

1 under a tax-free permit issued by the United States government, if
2 such alcohol is received, stored, and used as authorized by federal
3 laws.

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

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

1 licensed premises to the licensed premises of the purchaser in
2 vehicles owned or leased by such licensee when such transportation
3 is for a lawful purpose and not for hire.

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

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

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

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

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

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

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

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

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

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

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

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

17 X. A charitable auction, ~~charitable wine event~~ or charitable
18 ~~beer~~ alcoholic beverage event license may be issued to a charitable
19 organization exempt from taxation under Section 501(c)(3), (4), (5),
20 (7), (8), (9), (10), or (19) of the United States Internal Revenue
21 Code. The charitable ~~wine event license or charitable beer~~
22 alcoholic beverage event license shall authorize the holder thereof
23 to conduct a wine ~~or, spirit and~~ beer event which may consist of one
24 or more of a wine ~~or, spirit and~~ beer tasting event, a wine ~~or,~~

1 spirit and beer dinner event or a wine ~~or~~, spirit and beer auction,
2 which may be either a live auction conducted by an auctioneer or a
3 silent auction for which:

4 1. Bid sheets are accepted from interested bidders at the
5 event;

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

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

10 A charitable ~~wine or charitable beer~~ alcoholic beverage event
11 shall be conducted solely to raise funds for charitable purposes.
12 Wine, spirits or beer used in, served, or consumed at a charitable
13 ~~wine or beer~~ alcoholic beverage event may be purchased by the
14 charitable organization or donated by any person or entity. The
15 charitable ~~wine event license or charitable beer~~ alcoholic beverage
16 event license shall be issued for a period not exceeding four (4)
17 days. Only ~~one~~ eight such ~~license~~ licenses may be issued to an
18 organization in any twelve-month period. The charitable
19 organization holding a charitable ~~wine event license or charitable~~
20 ~~beer~~ alcoholic beverage event license shall not be required to
21 obtain a special event license. Charitable auction and charitable
22 alcoholic beverage event license holders may also utilize a licensed
23 caterer to provide additional alcohol services at the event and on
24 the premises. The charitable auction license shall authorize the

1 holder thereof to auction wine, spirits or beer purchased from a
2 retail package store or received as a gift from an individual if the
3 auction is conducted to raise funds for charitable purposes. The
4 charitable auction license shall be issued for a period not to
5 exceed two (2) days. Only ~~one~~ four such ~~license~~ licenses shall be
6 issued to an organization in any twelve-month period. The maximum
7 amount of wine, spirits and beer auctioned pursuant to the
8 charitable auction license shall not exceed fifty (50) gallons. All
9 wines auctioned pursuant to the charitable auction license shall be
10 registered and all fees and taxes shall be paid in accordance with
11 the Oklahoma Alcoholic Beverage Control Act.

12 Y. A mixed beverage/caterer combination license shall authorize
13 the holder thereof: To purchase or sell mixed beverages as
14 specifically provided by law for the holder of a mixed beverage
15 license or a caterer license. All provisions of the Oklahoma
16 Alcoholic Beverage Control Act applicable to mixed beverage licenses
17 or caterer licenses, or the holders thereof, shall also be
18 applicable to mixed beverage/caterer combination licenses or the
19 holders thereof, except where specifically otherwise provided. A
20 mixed beverage/caterer combination license shall only be issued in
21 counties of this state where the sale of alcoholic beverages by the
22 individual drink for on-premises consumption has been authorized. A
23 separate license shall be required for each place of business.

24

1 Z. A complimentary beverage license shall authorize the holder
2 thereof: to purchase alcoholic beverages from a retail package store
3 and offer one free alcoholic beverage to their guests or patrons for
4 consumption on the premises of the license holder. A complimentary
5 beverage license shall not be issued to the holder of a retail
6 package store license or the holder of a low-point beer for on-
7 premise consumption license. In the event any portion of this
8 section is declared invalid for any reason, the invalid portion
9 shall be severed and the rest and remainder of the section shall be
10 saved and given full force and application.AA. Except as provided
11 in Sections 554.1 and 554.2 of this title with respect to cities,
12 towns and counties, and except as may be provided under Title 68 of
13 the Oklahoma Statutes with respect to the Oklahoma Tax Commission,
14 no license or permit other than licenses as provided under the
15 Oklahoma Alcoholic Beverage Control Act shall be required of any
16 licensee by any agency, instrumentality or political subdivision of
17 this state to engage in any activity covered by the Oklahoma
18 Alcoholic Beverage Control Act anywhere within the State of Oklahoma
19 and no agency, instrumentality or political subdivision of this
20 state shall interfere with the ABLE Commission's regulation of, or a
21 wholesaler's performance of, the sale, distribution, possession,
22 handling or marketing of alcoholic beverages on any premises of any
23 licensee as defined in Section 506 of this title.

24

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

3 Section 527.1. The Alcoholic Beverage Laws Enforcement
4 Commission shall refuse to issue a mixed beverage, beer and wine,
5 bottle club, public event, complimentary or caterer license, either
6 on an original application or a renewal application, if it has
7 reasonable grounds to believe and finds any of the following to be
8 true:

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

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

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

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

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

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

24

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

4 8. That the applicant has made false statements to the ABLE
5 Commission;

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

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

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

22 12. That the applicant is a person who appoints or is a law
23 enforcement official or is an employee of the ABLE Commission or of
24 the Director; or

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

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

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

1 ABLE Commission. In any proceeding initiated pursuant to this
2 section, the municipality or county shall be deemed an interested
3 party, shall have the right to be heard and to present evidence at
4 the hearing on the complaint, and shall be entitled to appeal from
5 any final order entered by the ABLE Commission in the manner
6 otherwise provided in the Oklahoma Alcoholic Beverage Control Act.
7 Such municipality or county shall not be required to give bond on
8 appeal.

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

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

20 If the mixed beverage, caterer, complimentary beverage, public
21 event or bottle club license for a licensed premises is suspended or
22 revoked by the ABLE Commission, all other licenses issued by the
23 ABLE Commission for such premises shall cease to be valid. If a
24 mixed beverage, caterer, complimentary beverage, public event or

1 bottle club license is suspended or revoked for any licensed
2 premises, this shall not invalidate licenses held by the licensee
3 for other licensed premises.

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

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

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

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

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

22 4. Require any wholesaler, Class B wholesaler, retailer, mixed
23 beverage, beer and wine licensee or caterer to purchase and dispose
24 of any quota of alcoholic beverages, or to require any retailer to

1 purchase any kind, type, size container, or brand of alcoholic
2 beverages in order to obtain any other kind, type, size container,
3 or brand of alcoholic beverages;

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

16 6. Extend credit to any retailer, other than holders of Federal
17 Liquor Stamps on United States government reservations and
18 installations, mixed beverage, public event or beer and wine
19 licensee or caterer other than a state lodge located in a county
20 which has approved the retail sale of alcoholic beverages by the
21 individual drink for on-premises consumption. The acceptance of a
22 postdated check or draft or the failure to deposit for collection a
23 current check or draft by the second banking day after receipt shall
24

1 be deemed an extension of credit. Violation of this subsection
2 shall be grounds for suspension of the license.

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

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

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

21 Section 535.2. No manufacturer, wholesaler, partner in any type
22 of partnership, manager or member of a limited liability company, or
23 officer, director or stockholder of any nonresident seller or
24 manufacturer licensee, owning more than fifteen percent (15%) of the

1 stock shall have any right, title, claim or interest, financial or
2 otherwise in, upon or to the premises, equipment, business or
3 merchandise of any mixed beverage, beer and wine, caterer, public
4 event or bottle club licensee.

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

7 Section 537. A. No person shall:

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

10 2. Sell, deliver or knowingly furnish alcoholic beverages to an
11 intoxicated person or to any person who has been adjudged insane or
12 mentally deficient;

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

15 4. Import into this state, except as provided for in the
16 Oklahoma Alcoholic Beverage Control Act, any alcoholic beverages;
17 provided, that nothing herein shall prohibit the importation or
18 possession for personal use of not more than one (1) liter of
19 alcoholic beverages upon which the Oklahoma excise tax is
20 delinquent;

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

23 6. Transport into, within, or through this state more than one
24 (1) liter of alcoholic beverages upon which the Oklahoma excise tax

1 has not been paid unless the person accompanying or in charge of the
2 vehicle transporting same shall possess a true copy of a bill of
3 lading, invoice, manifest or other document particularly identifying
4 the alcoholic beverages being transported and showing the name and
5 address of the consignor and consignee; provided, this prohibition
6 shall not apply to the first one hundred eighty (180) liters of
7 alcoholic beverages classified as household goods by military
8 personnel, age twenty-one (21) or older when entering Oklahoma from
9 temporary active assignment outside the contiguous United States;

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

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

24

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

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

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

14 12. Knowingly possess any bottle club membership card required
15 to be issued by the ABLE Commission, which has been manufactured,
16 counterfeited, imitated or in any way duplicated without the
17 permission of the Commission.

18 B. No licensee of the ABLE Commission shall:

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

22 2. Employ any person under the age of twenty-one (21) in the
23 selling or handling of alcoholic beverages. Provided, that a mixed
24 beverage, beer and wine, caterer, public event, special event or

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

12 3. Give any alcoholic beverage as a prize, premium or
13 consideration for any lottery, game of chance or skill or any type
14 of competition;

15 4. Advertise or offer "happy hours" or any other means or
16 inducements to stimulate the consumption of alcoholic beverages
17 including:

- 18 a. deliver more than two drinks to one person at one
19 time,
- 20 b. sell or offer to sell to any person or group of
21 persons any drinks at a price less than the price
22 regularly charged for such drinks during the same
23 calendar week, except at private functions not open to
24 the public,

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

19 Provided that the provisions of this paragraph shall not prohibit
20 the advertising or offering of food or entertainment in licensed
21 establishments;

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

24 Provided, that this prohibition shall not be applicable to closed

1 original containers of alcoholic beverages which are carried from
2 the licensed premises of a bottle club by a patron, closed original
3 wine containers removed from the premises of restaurants, hotels,
4 and motels, or to closed original containers of alcoholic beverages
5 transported to and from the place of business of a licensed caterer
6 by the caterer or an employee of the caterer; ~~or~~

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

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

11 C. No package store licensee shall:

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

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

17 3. Sell, or keep package store premises open for the purpose of
18 selling, any alcoholic beverages at any hour other than between the
19 hours of 10:00 a.m. and 9:00 p.m. Monday through Saturday; provided,
20 that no such sales shall be made, or package store premises be
21 allowed to remain open for the purpose of making such sales, on New
22 Year's Day, Memorial Day, the Fourth of July, Labor Day,
23 Thanksgiving Day or Christmas Day. Package store licensees shall be
24 permitted to sell, or keep package store premises open for the

1 purpose of selling, alcoholic beverages on the day of any General,
2 Primary, Runoff Primary or Special Election whether on a national,
3 state, county or city election, provided that the election day does
4 not occur on any day on which such sales are otherwise prohibited by
5 law;

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

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

14 a. "cash or debit card" means any instrument or device
15 whether known as a debit card or by any other name,
16 issued with or without fee by an issuer for the use of
17 the cardholder in depositing, obtaining or
18 transferring funds from a consumer banking electronic
19 facility, and

20 b. "nationally recognized credit card" means any
21 instrument or device, whether known as a credit card,
22 credit plate, charge plate or by any other name,
23 issued with or without fee by an issuer for the use of
24 the cardholder in obtaining money, goods, services or

1 anything else of value on credit which is accepted by
2 over one hundred merchants;

3 6. Offer or furnish any prize, premium, gift or similar
4 inducement to a consumer in connection with the sale of alcoholic
5 beverage, except that goods or merchandise included by the
6 manufacturer in packaging with alcoholic beverages or for packaging
7 with alcoholic beverages shall not be included in this prohibition,
8 but no wholesaler or package store shall sell any alcoholic beverage
9 prepackaged with other goods or merchandise at a price which is
10 greater than the price at which the alcoholic beverage alone is
11 sold;

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

14 8. Pay for alcoholic beverages by a check or draft which is
15 dishonored by the drawee when presented to such drawee for payment;
16 and the ABLE Commission may cancel or suspend the license of any
17 retailer who has given a check or draft, as maker or endorser, which
18 is so dishonored upon presentation.

19 D. No wholesaler licensee shall:

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

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

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

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

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

13 3. Use or allow the use of any mark or label on a container of
14 alcoholic beverage which is kept for sale which does not clearly and
15 precisely indicate the nature of the contents or which might deceive
16 or conceal the nature, composition, quantity, age or quality of such
17 beverage;

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

21 5. Allow any person under twenty-one (21) years of age to enter
22 into, remain within or loiter about the designated bar area of the
23 licensed premises, except for persons who incidentally pass through
24 the designated 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 F. No bottle club licensee shall:

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

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

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

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

4 5. Sell any alcoholic beverage;

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

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

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

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

16 The prohibition in this subsection against persons under twenty-
17 one (21) years of age entering or remaining within the designated
18 bar area of the licensed premises shall not apply, if the licensed
19 premises are closed to the public during a time the premises are
20 legally permitted to be open for business and the premises are used
21 for a private party at which alcoholic beverages may be served to
22 persons twenty-one (21) years of age or older. Any alcoholic
23 beverages served at a private party on the licensed premises may be
24 purchased from the licensee at a negotiated price or purchased

1 privately and served at the private party on the licensed premises.
2 Any licensee who desires to conduct such a private party shall
3 notify the ABLE Commission, in writing, at least ten (10) calendar
4 days prior to the private party. The notification shall include the
5 date, time, and purpose of the private party and any other
6 information the ABLE Commission may deem necessary.

7 G. No special event or caterer licensee shall:

8 1. Purchase or receive any alcoholic beverage other than from a
9 person holding a wholesaler or Class B wholesaler license issued
10 pursuant to the provisions of the Oklahoma Alcoholic Beverage
11 Control Act; provided, a special event or caterer licensee may
12 purchase wine produced at wineries in this state directly from an
13 Oklahoma winemaker as provided in Section 3 of Article XXVIII of the
14 Oklahoma Constitution; or

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

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

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

23

24

1 Section 537.1. No mixed beverage, beer and wine, bottle club,
2 caterer, public event, complimentary beverage or special event
3 licensee or any employee, manager, operator or agent thereof shall:

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

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

15 3. Permit empty or discarded alcoholic beverage containers to
16 be in public view outside the licensed premises. All empty or
17 discarded containers shall be disposed of in accordance with ABLE
18 Commission rules and regulations;

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

22 5. Refuse or fail to promptly open a door to the licensed
23 premises upon request of an agent or inspector of the Alcoholic
24 Beverage Laws Enforcement Commission or any other peace officer to

1 enter the premises, when the licensee or employee knows or should
2 know that such request is made by an agent or inspector of the ABLE
3 Commission or any other peace officer. This provision shall not be
4 construed to deny agents of the ABLE Commission or any other peace
5 officer access at any time to any licensed premises;

6 6. Permit a sealed or unsealed container of alcoholic beverage
7 to be removed from the licensed premises. Provided that
8 restaurants, hotels and motels may permit the removal of closed
9 original wine containers the contents of which have been partially
10 consumed and bottle clubs may permit the removal by a club member of
11 closed original containers of alcoholic beverages belonging to said
12 members. The provisions of this paragraph shall not be construed to
13 prohibit or restrict:

14 ~~(a)~~

15 a. hotels or motels who are holders of mixed beverage or
16 beer and wine licenses from allowing alcoholic
17 beverages to be served away from the bar area anywhere
18 on the licensed premises, or

19 ~~(b)~~

20 b. licensees, who are lawfully operating at an event held
21 in a facility owned or operated by any agency,
22 political subdivision or public trust of this state,
23 from allowing persons to transport alcoholic beverages
24 from one licensed premises to another within the same

1 building, provided that the building or a part thereof
2 is defined as a common drinking area for consumption
3 of alcohol by resolution of the governing body of the
4 agency, political subdivision or public trust of this
5 state; or

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

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

12 Section 538. A. Any person who shall operate a whiskey still
13 with intent to produce alcoholic beverages or any person who shall
14 carry on the business of a distiller without having in his
15 possession a valid and existing distiller's license issued pursuant
16 to the provisions of the Oklahoma Alcoholic Beverage Control Act
17 shall be guilty of a felony and upon conviction be fined not less
18 than Two Thousand Five Hundred Dollars (\$2,500.00) nor more than
19 Five Thousand Dollars (\$5,000.00), or imprisoned in the State
20 Penitentiary for not more than three (3) years, or both such fine
21 and imprisonment.

22 B. Any person who shall file a false or fraudulent return in
23 connection with any tax imposed by the Oklahoma Alcoholic Beverage
24 Control Act, or willfully evade, or attempt to evade, any tax herein

1 levied shall be guilty of a felony and upon conviction be fined not
2 less than Two Thousand Five Hundred Dollars (\$2,500.00) nor more
3 than 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 C. Any person who shall knowingly engage in any activity or
7 perform any transaction or act for which a license is required under
8 the Oklahoma Alcoholic Beverage Control Act, not having such
9 license, shall be guilty of a misdemeanor and for the first offense
10 be fined not more than Two Thousand Five Hundred Dollars (\$2,500.00)
11 and imprisoned for not less than thirty (30) days nor more than six
12 (6) months, and for a second or subsequent offense shall be guilty
13 of a felony and be fined not more than Two Thousand Five Hundred
14 Dollars (\$2,500.00), or imprisoned in the State Penitentiary for not
15 more than one (1) year, or both such fine and imprisonment.

16 D. Any person holding a license issued pursuant to the Oklahoma
17 Alcoholic Beverage Control Act who shall sell or deliver alcoholic
18 beverage to any person not entitled to purchase or receive same,
19 except as provided in subsection F of this section, or who shall
20 possess for sale any alcoholic beverage which he is not entitled to
21 sell under his license, or any person who buys any alcoholic
22 beverage, either retail or wholesale, from any person other than a
23 licensed dealer under the terms of the Oklahoma Alcoholic Beverage
24 Control Act, shall be guilty of a misdemeanor and upon conviction be

1 fined not more than One Thousand Five Hundred Dollars (\$1,500.00),
2 or imprisoned in the county jail for not more than six (6) months,
3 or both such fine and imprisonment.

4 E. Any person under twenty-one (21) years of age who shall
5 misrepresent his age in writing or by presenting false documentation
6 of age for the purpose of inducing any person to sell or serve him
7 alcoholic beverage or issue him a bottle club membership card, or
8 who enters or attempts to enter a package store or a separate or
9 enclosed bar area as designated by the ABLE Commission, shall be
10 guilty of a misdemeanor and fined not more than Fifty Dollars
11 (\$50.00). In addition, if a person is convicted or pleads guilty to
12 a violation of the provisions of this subsection in any court having
13 jurisdiction over said offense, the court may order the Department
14 of Public Safety to cancel or deny the offender's privilege to
15 operate a motor vehicle and, upon such order, shall require that the
16 operator's or chauffeur's license, if any, be surrendered to the
17 Department pursuant to Section 6-209 of Title 47 of the Oklahoma
18 Statutes. The cancellation or denial period shall be for one (1)
19 year, or until the person reaches twenty-one (21) years of age,
20 whichever is longer.

21 Any person whose driving privileges are ordered cancelled or
22 denied pursuant to this section may petition the court of original
23 jurisdiction for review of the order. Upon notice and hearing, the
24

1 court may modify or withdraw the order as the court deems
2 appropriate except:

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

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

14 F. Any person who shall knowingly sell, furnish or give
15 alcoholic beverage to a person under twenty-one (21) years of age
16 shall be guilty of a felony, and shall be fined not less than Two
17 Thousand Five Hundred Dollars (\$2,500.00) nor more than Five
18 Thousand Dollars (\$5,000.00), or imprisoned in the State
19 Penitentiary for not more than five (5) years, or both such fine and
20 imprisonment. The ABLE Commission shall revoke the license of any
21 person convicted of a violation of this subsection.

22 G. Any person who shall knowingly sell, furnish or give
23 alcoholic beverage to an insane, mentally deficient, or intoxicated
24 person shall be guilty of a felony, and shall be fined not less than

1 Five Hundred Dollars (\$500.00) nor more than One Thousand Dollars
2 (\$1,000.00), or imprisoned in the State Penitentiary for not more
3 than one (1) year, or both such fine and imprisonment.

4 H. The payment of the special tax required of liquor dealers by
5 the United States by any person within this state without a
6 corresponding state license shall constitute prima facie evidence of
7 an intention to violate the provisions of the Oklahoma Alcoholic
8 Beverage Control Act.

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

15 J. Any person selling or keeping a package store open to sell
16 any alcoholic beverage during any day or hours not authorized by the
17 Oklahoma Alcoholic Beverage Control Act shall be guilty of a
18 misdemeanor.

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

21 Section 554.1. Cities and towns are hereby authorized to levy
22 an annual occupational tax for the privilege of operating as a
23 retailer, mixed beverage, beer and wine, caterer, public event or
24 special event licensee, bottle club, manufacturer, wholesaler or

1 Class B wholesaler, within their respective jurisdictions, not to
2 exceed the state license fee for such licensees; provided that the
3 aforementioned tax shall be levied only by the city or town in which
4 such licensee has his principal place of business. This section
5 shall not give any city or town any right to determine or regulate
6 the issuance of any license, except as specifically provided for in
7 this section, as the Alcoholic Beverage Laws Enforcement Commission
8 shall have exclusive authority as to issuance and regulations of
9 said licenses and no city or town may prescribe rules or regulations
10 in conflict with or in addition to the statutes of this state or the
11 rules of the ABLE Commission.

12 Cities or towns which levy an occupational tax under this
13 section shall make an annual report to the ABLE Commission, covering
14 the fiscal year, showing the number and class of licensees subject
15 to said tax, and the amount of money received therefrom, which
16 information is to be included in the annual report of the ABLE
17 Commission submitted to the Governor, and transmitted to the
18 Legislature.

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

21 Section 554.2. Counties are hereby authorized to levy an annual
22 occupational tax for the privilege of operating as a mixed beverage,
23 beer and wine, caterer, public event or special event licensee or as
24 a bottle club, within their respective jurisdictions and not located

1 in a city or town levying an occupation tax as provided by Section
2 554.1 of this title, not to exceed the state license fee for such
3 licensees; provided that the aforementioned tax shall be levied only
4 by the county in which such licensee has his principal place of
5 business. All revenues derived from any such annual occupational
6 tax shall be deposited in the general revenue fund of the county.
7 This section shall not give any county any right to determine or
8 regulate the issuance of any license, except as specifically
9 provided for in this section, as the Alcoholic Beverage Laws
10 Enforcement Commission shall have exclusive authority as to issuance
11 and regulations of said licenses and no county may prescribe rules
12 or regulations in conflict with or in addition to the statutes of
13 this state or the rules of the ABLE Commission.

14 Counties which levy an occupational tax under this section shall
15 make an annual report to the ABLE Commission, covering the fiscal
16 year, showing the number and class of licensees subject to said tax,
17 and the amount of money received therefrom, which information is to
18 be included in the annual report of the ABLE Commission submitted to
19 the Governor, and transmitted to the Legislature.

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

22 Section 561. Every manufacturer, wholesaler, Class B
23 wholesaler, nonresident seller, retailer, mixed beverage, caterer,
24 public event and special event licensee shall keep a record of all

1 alcoholic beverages imported, purchased, received, manufactured,
2 produced, sold, delivered, or otherwise disposed of, and the amount
3 of all alcoholic beverages on hand, as herein provided. Such
4 records must be kept for a period of at least three (3) years and
5 shall include the date, the number of the invoice, manifest, bill of
6 lading, or similar type document, and the total amount of alcoholic
7 beverages purchased, imported, received, manufactured, produced,
8 sold, delivered, or otherwise disposed of, by such licensee in each
9 transaction. Each such licensee shall keep and maintain such other
10 records in details as the Oklahoma Tax Commission may require.

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

14 Section 576. A. A tax at the rate of thirteen and one-half
15 percent (13.5%) is hereby levied and imposed on the total gross
16 receipts of a holder of a mixed beverage, caterer, public event or
17 special event license, issued by the ABLE Commission, from:

- 18 1. The sale, preparation or service of mixed beverages;
- 19 2. The total retail value of complimentary or discounted mixed
20 beverages;
- 21 3. Ice or nonalcoholic beverages that are sold, prepared or
22 served for the purpose of being mixed with alcoholic beverages and
23 consumed on the premises where the sale, preparation or service
24 occurs; and

1 4. Any charges for the privilege of admission to a mixed
2 beverage establishment which entitle a person to complimentary mixed
3 beverages or discounted prices for mixed beverages.

4 B. For purposes of this section:

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

7 2. "Total gross receipts" means the total amount of
8 consideration received as charges for admission to a mixed beverage
9 establishment as provided in paragraph 4 of subsection A of this
10 section and the total retail sale price received for the sale,
11 preparation or service of mixed beverages, ice, and nonalcoholic
12 beverages to be mixed with alcoholic beverages. The advertised
13 price of a mixed beverage may be the sum of the total retail sale
14 price and the gross receipts tax levied thereon; and

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

18 C. The gross receipts tax levied by this section shall be in
19 addition to the excise tax levied in Section 553 of this title, the
20 sales tax levied in the Oklahoma Sales Tax Code, Section 1350 et
21 seq. of Title 68 of the Oklahoma Statutes and to any municipal or
22 county sales taxes.

23 D. The gross receipts tax levied by this section is hereby
24 declared to be a direct tax upon the receipt of consideration for

1 any charges for admission to a mixed beverage establishment as
2 provided in paragraph 4 of subsection A of this section, for the
3 sale, preparation or service of mixed beverages, ice, and
4 nonalcoholic beverages to be mixed with alcoholic beverages, and the
5 total retail value of complimentary or discounted mixed beverages.

6 E. The total of the retail sale price received for the sale,
7 preparation or service of mixed beverages, ice, and nonalcoholic
8 beverages to be mixed with alcoholic beverages shall be the total
9 gross receipts for purposes of calculating the sales tax levied in
10 the Oklahoma Sales Tax Code, Section 1350 et seq. of Title 68 of the
11 Oklahoma Statutes.

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

14 Section 577. A. Every holder of a mixed beverage, beer and
15 wine, caterer, hotel beverage, public event or special event
16 license, issued by the Alcoholic Beverage Laws Enforcement
17 Commission, shall obtain a mixed beverage tax permit from the
18 Oklahoma Tax Commission prior to engaging, within this state, in the
19 sale, preparation or service of mixed beverages, ice, or
20 nonalcoholic beverages that are sold, prepared or served to be mixed
21 with alcoholic beverages. Each licensee shall file a verified
22 application for a mixed beverage tax permit with the Tax Commission,
23 setting forth information as may be required by the Tax Commission.

24

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

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

8 2. The applicant has posted a surety bond or other negotiable
9 collateral to protect the proper payment of the gross receipts
10 taxes;

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

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

15 A mixed beverage tax permit shall expire three (3) years after
16 issuance; provided, if the holder thereof is also the holder of a
17 sales tax permit, a mixed beverage tax permit shall be valid for
18 three (3) years or until expiration of the sales tax permit,
19 whichever is earlier, after which a renewal permit shall be valid
20 for three (3) years.

21 B. A separate mixed beverage tax permit for each place of
22 business to be operated must be obtained and no charge therefor
23 shall be made by the Tax Commission. The Tax Commission shall grant
24 and issue to each applicant a separate permit for each place of

1 business in this state, upon proper application therefor and
2 verification thereof by the Tax Commission.

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

6 D. It shall be unlawful for any person to engage in a business
7 subject to the provisions of this section prior to the issuance of a
8 mixed beverage tax permit. Any person who engages in a business
9 subject to the provisions of this section without a mixed beverage
10 tax permit or permits, or after a permit has been suspended, shall
11 be guilty of a misdemeanor, and upon conviction thereof, shall be
12 fined not more than One Thousand Dollars (\$1,000.00) or incarcerated
13 for not more than sixty (60) days, or by both such fine and
14 imprisonment.

15 E. Any person operating under a mixed beverage tax permit as
16 provided in this section shall, upon discontinuance of business by
17 sale or otherwise, return such permit to the Tax Commission for
18 cancellation, together with payment of any unpaid or accrued taxes.
19 Failure to surrender a mixed beverage tax permit and pay any and all
20 accrued taxes will be sufficient cause for the Tax Commission to
21 refuse to issue a mixed beverage tax permit subsequently to such
22 person to engage in or transact any business in this state subject
23 to the provisions of this section. Notwithstanding the provisions
24 of subsection H of Section 1364 of Title 68 of the Oklahoma

1 Statutes, the Tax Commission shall not deny a purchaser of a
2 business subject to the provisions of this section a mixed beverage
3 or sales tax permit because of outstanding tax liabilities of the
4 seller, provided the seller pays to the Tax Commission the estimated
5 sales tax owed by the seller. Provided further, upon completion of
6 an audit by the Tax Commission and determination of actual sales tax
7 owed, the difference between the estimated sales tax paid and the
8 actual sales tax owed shall be paid by the seller to the Tax
9 Commission if taxes were underpaid or returned to the seller by the
10 Tax Commission if taxes were overpaid.

11 F. Whenever a holder of a mixed beverage tax permit fails to
12 comply with any provisions of any state alcoholic beverage laws or
13 tax laws, the Tax Commission, after giving ten (10) days' notice in
14 writing of the time and place of hearing to show cause why this
15 permit should not be revoked, may revoke or suspend the permit. A
16 mixed beverage tax permit shall be renewed upon removal of cause or
17 causes of revocation or suspension. Mixed beverage tax permits are
18 conditioned upon the proper and timely payment of all taxes due and
19 in the event a holder of a mixed beverage tax permit becomes
20 delinquent in reporting or paying any tax due under the provisions
21 of state tax law, any duly authorized agent of the Tax Commission
22 may cancel the permit and it shall be renewed only upon the filing
23 of proper reports and payment of all taxes due and application for
24 renewal in accordance with subsection A of this section.

1 G. Upon revocation or suspension of the mixed beverage, beer
2 and wine, caterer, hotel beverage or special event license by the
3 ABLE Commission, the Tax Commission, or its duly authorized agent,
4 shall temporarily suspend the mixed beverage tax permit issued to
5 the licensee in accordance with Section 212 of Title 68 of the
6 Oklahoma Statutes.

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

9 Section 578. A. Every holder of a mixed beverage, beer and
10 wine, caterer, public event or special event license issued by the
11 Alcoholic Beverage Laws Enforcement Commission, as a condition
12 precedent to the issuance of a mixed beverage tax permit, shall
13 furnish to the Oklahoma Tax Commission a bond from a surety company
14 chartered or authorized to do business in this state, cash bond,
15 certificates of deposits, certificates of savings or U.S. Treasury
16 bond, or an assignment of negotiable stocks or bonds, as the Tax
17 Commission may deem necessary to secure payment of the gross
18 receipts tax levied upon gross receipts of the licensees.

19 B. Any surety bond furnished under this section shall be a
20 continuing instrument and shall constitute a new and separate
21 obligation in the sum stated therein for each calendar year or a
22 portion thereof while such bond is in force. Such bond shall remain
23 in effect until the surety or sureties are released and discharged
24 by the Tax Commission.

1 C. The Tax Commission, or its duly authorized agent, shall fix
2 the amount of such bond or other security for each licensee for each
3 place of business after considering the estimated gross receipts tax
4 liability of such licensee. Such bond shall be no less than an
5 amount equal to the average estimated quarterly gross receipts tax
6 liability and no greater than an amount equal to three times the
7 amount of the average estimated quarterly gross receipts tax
8 liability. Effective July 1, 2001, the minimum bond required for a
9 new permit holder shall be not less than One Thousand Five Hundred
10 Dollars (\$1,500.00).

11 D. Notwithstanding the provisions of subsection C of this
12 section, if the permit holder has held the permit for at least four
13 (4) years and is not delinquent in the payment of mixed beverage
14 taxes, the Tax Commission shall not require any increase in the bond
15 so long as the permit holder remains current in the payment of such
16 taxes.

17 E. Any bond or other security shall be such as will protect
18 this state against failure of the taxpayer or licensee to pay the
19 tax levied by Section 576 of this title. The forfeiture or
20 cancellation of such bond or security, for any reason whatsoever,
21 shall automatically revoke the mixed beverage tax permit issued
22 pursuant to the provisions of the Oklahoma Alcoholic Beverage
23 Control Act.

24

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

3 Section 579. A. Every mixed beverage tax permit holder, or any
4 person transacting business subject to the gross receipts tax levied
5 by Section 576 of this title, shall file with the Oklahoma Tax
6 Commission a monthly report for each place or location of business,
7 on or before the twentieth day of the month immediately following
8 the month of receipt. The reports shall be made under oath, on
9 forms prescribed by the Tax Commission, which shall include the
10 following information:

- 11 1. Name of mixed beverage tax permit holder;
- 12 2. Mixed beverage tax permit number;
- 13 3. Sales tax permit number;
- 14 4. Mixed beverage, caterer or special event license number;
- 15 5. Gross receipts for the month for the sale, preparation or
16 service of mixed beverages, ice and nonalcoholic beverages mixed
17 with alcoholic beverages;
- 18 6. Gross receipts for the month from charges for the privilege
19 of admission to a mixed beverage establishment which entitle a
20 person to complimentary mixed beverages or discounted prices for
21 mixed beverages;
- 22 7. Total retail value of complimentary or discounted alcoholic
23 beverages served for the month; and

24

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

3 B. The gross receipts tax levied by Section 576 of this title
4 shall be calculated by multiplying the tax rate, thirteen and one-
5 half percent (13.5%), and the total gross receipts for each month
6 from the sale, preparation or service of mixed beverages, ice and
7 nonalcoholic beverages mixed with alcoholic beverages, the total
8 gross receipts of charges received for admission to mixed beverage
9 establishments as provided in paragraph 6 of subsection A of this
10 section, and the total retail value of complimentary or discounted
11 mixed beverages. Gross receipts from the sale of food prepared with
12 alcoholic beverages shall not be included in the calculation of the
13 monthly tax liability. The tax due for the preceding month shall
14 accompany the report required in subsection A of this section. All
15 taxes, penalties and interest imposed by Section 501 et seq. of this
16 title may be paid in the form of electronic funds transfer or by a
17 personal or company check, cashier's check, certified check or
18 postal money order payable to the Tax Commission.

19 C. If the gross receipts tax levied pursuant to the provisions
20 of Section 576 of this title is not paid on or before the twentieth
21 day of each month, the tax shall be delinquent and interest and
22 penalty shall accrue on and from the twenty-first day of each month,
23 pursuant to the provisions of the Uniform Tax Procedure Code,
24 Section 201 et seq. of Title 68 of the Oklahoma Statutes.

1 D. Every licensed wholesaler of alcoholic beverages in this
2 state shall file with the Tax Commission a monthly report, under
3 oath, on forms prescribed by the Tax Commission, which shall include
4 the name, location and mixed beverage tax permit number of each
5 mixed beverage, caterer, public event or special event licensee to
6 whom the licensed wholesaler sold alcoholic beverages during the
7 report month.

8 E. If the report required by subsection A of this section is
9 not filed with the Tax Commission on or before the twentieth day of
10 the month, the Tax Commission may assess an additional penalty of
11 Five Dollars (\$5.00) for each day thereafter that the report is not
12 filed pursuant to the provisions of this section. The Tax
13 Commission may waive the penalty assessed pursuant to the provisions
14 of the Uniform Tax Procedure Code; provided, however, the additional
15 penalty, if assessed, shall not exceed an amount equal to twice the
16 amount of tax due for the period for which such report was required
17 to be filed, or the sum of Three Hundred Dollars (\$300.00),
18 whichever is greater.

19 F. Taxes paid as provided by law represented by accounts
20 receivable which are found to be worthless or uncollectible may be
21 credited upon subsequent reports and remittances of such tax, in
22 accordance with rules promulgated by the Tax Commission. If such
23 accounts are thereafter collected, the same shall be reported and
24 the tax shall be paid upon the amount so collected.

1 G. In addition to any other authority granted by law, the Tax
2 Commission is hereby authorized to audit any mixed beverage, beer
3 and wine, caterer, public event or special event licensee to
4 determine if the correct amount of tax payable under Section 576 of
5 this title has been collected; provided, if such an audit reveals
6 that the amount collected is within the following percentages of the
7 amount of tax payable, the taxpayer shall be deemed to be in
8 compliance:

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

11 2. For wine, ninety percent (90%) to one hundred ten percent
12 (110%);

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

15 4. For beer sold in original packages, ninety-five percent
16 (95%) to one hundred five percent (105%).

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

19 Section 582. A. No mixed beverage, beer and wine, caterer,
20 public event or special event licensee nor any officer, agent or
21 employee of such licensee may possess or permit to be possessed on
22 the premises, for which such license was issued, any container of an
23 alcoholic beverage which is not listed on an invoice from the
24

1 wholesaler from whom the alcoholic beverage was purchased, unless
2 otherwise permitted by statute.

3 B. All containers of alcoholic beverages which are on the
4 premises of a mixed beverage, beer and wine, caterer, public event
5 or special event licensee and which are not listed on an invoice
6 from the wholesaler pursuant to the provisions of this section are
7 declared contraband. Any duly authorized officer or employee of the
8 ABLE Commission or the Oklahoma Tax Commission is authorized to
9 seize such containers or cases and such seized containers or cases
10 shall be subject to confiscation and forfeiture pursuant to the
11 provisions of the Oklahoma Alcoholic Beverage Control Act.

12 C. Any holder of a wholesaler, mixed beverage, beer and wine,
13 caterer, public event or special event license who violates the
14 provisions of this section shall, upon conviction, be guilty of a
15 misdemeanor and shall be subject to revocation or suspension of such
16 license issued by the ABLE Commission pursuant to the provisions of
17 the Oklahoma Alcoholic Beverage Control Act.

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

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

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

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

7 B. Counties that elect to authorize sales of alcoholic
8 beverages by the individual drink may designate any or all of the
9 following days as days or portions thereof on which the sales of
10 alcoholic beverages are not authorized:

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

14 C. Counties that elect to authorize sales of alcoholic
15 beverages by the individual drink shall not prohibit such sales on
16 the day of any national, state, county or city election, including
17 primary elections, provided that the election day does not occur on
18 any day on which such sales may otherwise be prohibited by any other
19 law.

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

22 Section 596. Each bottle club or mixed beverage, beer and wine,
23 caterer, public event, complimentary beverage or special event
24 licensee shall be held responsible for violation of any alcoholic

1 beverage law or administrative rule of the Alcoholic Beverage Laws
2 Enforcement Commission affecting his license privileges and for any
3 act or omission of his servant, agent, employee or representative in
4 violation of any law, municipal ordinance or administrative rule
5 affecting his license privileges.

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

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

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

14 SECTION 27. It being immediately necessary for the preservation
15 of the public peace, health and safety, an emergency is hereby
16 declared to exist, by reason whereof this act shall take effect and
17 be in full force from and after its passage and approval.

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