

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 HOUSE BILL 1212

By: Griffith

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5
6 AS INTRODUCED

7 An Act relating to alcoholic beverages; amending 37
8 O.S. 2011, Section 521, as last amended by Section 1,
9 Chapter 367, O.S.L. 2016 (37 O.S. Supp. 2016, Section
10 521), which relates to acts authorized by various
11 alcohol licenses; allowing sales at any temperature
12 for certain licensees; allowing the production of
13 certain seminars and tastings; providing limitations;
14 allowing certain purchases from certain licensee;
15 amending 37 O.S. 2011, Section 521.1, which relates
16 to beer keg identification seals; eliminating
17 recording requirements and procedures; eliminating
18 associated penalties; amending 37 O.S. 2011, Section
19 537, as amended by Section 12, Chapter 298, O.S.L.
20 2014 (37 O.S. Supp. 2016, Section 537), which relates
21 to prohibited acts related to alcohol; permitting
22 certain entry to certain type of location with
23 certain accompaniment; amending 37 O.S. 2011, Section
24 563, which relates to distribution of certain tax
revenue; eliminating certain allocation to certain
fund; amending Section 4, Chapter 366, O.S.L. 2016
(37A O.S. Supp. 2016, Section 1-104), which relates
to certain interim licenses; removing certain
prohibitions concerning refrigeration of products;
amending Section 21, Chapter 366, O.S.L. 2016 (37A
O.S. Supp. 2016, Section 2-109), which relates to
retail spirits licenses; authorizing licensees to
make certain purchases; authorizing licensees to make
certain types of sales; allowing certain on-premises
tastings, with limitations; allowing certain off-
premises seminars and tastings, with limitations;
amending Section 22, Chapter 366, O.S.L. 2016 (37A
O.S. Supp. 2016, Section 2-110), which relates to
mixed beverage licenses; authorizing certain
purchases by licensees; amending Section 68, Chapter
366, O.S.L. 2016 (37A O.S. Supp. 2016, Section 2-

1 156), which relates to restrictions on retail spirits
2 licensing; authorizing spouse of licensees to also
3 hold such license; amending Section 74, Chapter 366,
4 O.S.L. 2016 (37A O.S. Supp. 2016, Section 3-104),
5 which relates to beer keg identification seals;
6 eliminating recording requirements and procedures;
7 eliminating associated penalties; amending Section
8 107, Chapter 366, O.S.L. 2016 (37A O.S. Supp. 2016,
9 Section 5-104), which relates to distribution of
10 certain tax revenue; eliminating certain allocation
11 to certain fund; amending Section 143, Chapter 366,
12 O.S.L. 2016 (37A O.S. Supp. 2016, Section 6-103),
13 which relates to prohibited acts for retail spirits
14 licensees; limiting prohibition on on-premises
15 opening of containers; modifying restriction on
allowable hours of sales; eliminating restriction on
allowable days of sale; permitting certain entry to
certain type of location with certain accompaniment;
repealing 37 O.S. 2011, Section 563.1, as last
amended by Section 1, Chapter 283, O.S.L. 2015 (37
O.S. Supp. 2016, Section 563.1), and Section 132,
Chapter 366, O.S.L. 2016 (37A O.S. Supp. 2016,
Section 5-129), which relate to the Oklahoma
Viticulture and Enology Center Development Revolving
Fund; repealing Section 144, Chapter 366, O.S.L. 2016
(37A O.S. Supp. 2016, Section 6-104), which relates
to prohibited dates of sale for wholesaler licensees;
providing effective dates; and declaring an
emergency.

16
17 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

18 SECTION 1. AMENDATORY 37 O.S. 2011, Section 521, as last
19 amended by Section 1, Chapter 367, O.S.L. 2016 (37 O.S. Supp. 2016,
20 Section 521), is amended to read as follows:

21 Section 521. A. A brewer license shall authorize the holder
22 thereof: To manufacture, bottle, package, and store beer on
23 licensed premises; to sell beer in this state to holders of Class B
24 wholesaler licenses and retail licenses and to sell beer out of this

1 state to qualified persons; to sell beer produced by the licensee to
2 consumers twenty-one (21) years of age or older on the premises of
3 the brewery; and to serve free samples of beer produced by the
4 licensee to visitors twenty-one (21) years of age or older. For
5 purposes of this section, no visitor may sample more than a total of
6 twelve (12) fluid ounces of beer per day. The brewer must restrict
7 the distribution and consumption of beer samples to an area within
8 the licensed premises designated by the brewer. A current floor
9 plan that includes the designated sampling area must be on file with
10 the Oklahoma Alcoholic Beverage Laws Enforcement (ABLE) Commission.
11 No visitor under twenty-one (21) years of age shall be permitted to
12 enter this designated sampling area when samples are being
13 distributed or consumed. Samples and sales may only be distributed
14 or consumed between 10:00 a.m. and 9:00 p.m. Samples and sales of
15 beer made or served by a brewery under this section shall not be
16 considered a "sale" of beer within the meaning of Article XXVIII of
17 the Oklahoma Constitution or Section 506 of this title; however,
18 such samples and sales of beer shall be considered beer removed or
19 withdrawn from the brewery for "use or consumption" within the
20 meaning of Section 542 of this title for excise tax determination
21 and reporting requirements.

22 B. A distiller license shall authorize the holder thereof: To
23 manufacture, bottle, package, and store spirits on licensed
24 premises; to sell spirits in this state to licensed wholesalers and

1 manufacturers only; to sell spirits out of this state to qualified
2 persons; to purchase from licensed distillers and rectifiers in this
3 state, and import spirits from without this state for manufacturing
4 purposes in accordance with federal laws and regulations.

5 C. A winemaker license shall authorize the holder thereof: To
6 manufacture (including such mixing, blending and cellar treatment as
7 authorized by federal law), bottle, package, and store on licensed
8 premises wine containing not more than twenty-four percent (24%)
9 alcohol by volume, provided the bottle or package sizes authorized
10 shall be limited to the capacities approved by the United States
11 Alcohol and Tobacco Tax and Trade Bureau; to sell wine in this state
12 to licensed wholesalers and manufacturers; to sell bottles of wine
13 produced at the winery from grapes and other fruits and berries
14 grown in this state, if available, to consumers on the premises of
15 the winery; to serve visitors on the licensed premises samples of
16 wine produced on the premises; to serve samples of wine produced at
17 the winery at festivals and trade shows; to sell wine produced at
18 the winery, in original sealed containers, at festivals and trade
19 shows; to sell wine out of this state to qualified persons; to
20 purchase from licensed winemakers, distillers and rectifiers in this
21 state, and to import into this state wine, brandy and fruit spirits
22 for use in manufacturing in accordance with federal laws and
23 regulations; provided, a winemaker either within or without this
24 state that annually produces no more than ten thousand (10,000)

1 gallons of wine may elect to sell and self-distribute the wine
2 produced by such winemaker directly to licensed retail package
3 stores and restaurants in this state; and provided further that:

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

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

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

20 D. A winemaker self-distribution license shall authorize a
21 licensed winemaker within or without this state which is permitted
22 by Section 3 of Article XXVIII of the Oklahoma Constitution and
23 subsection C of this section, to distribute its wine directly to
24 retail package stores and restaurants in this state and that elects

1 to do so, to sell and deliver its wines directly to licensed retail
2 package stores and restaurants in this state in full case lots only,
3 and in accordance with the provisions of the Oklahoma Alcoholic
4 Beverage Control Act and such rules as the ABLE Commission shall
5 adopt.

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

14 F. 1. A wholesaler license shall authorize the holder thereof:
15 To purchase and import into this state spirits and wines from
16 persons authorized to sell same who are the holders of a nonresident
17 seller license, and their agents who are the holders of
18 manufacturers agent licenses; to purchase spirits and wines from
19 licensed distillers, rectifiers and winemakers in this state; to
20 purchase spirits and wines from licensed wholesalers, to the extent
21 set forth in paragraphs 2 and 3 of this subsection; to sell in
22 retail containers in this state to retailers, mixed beverage,
23 caterer, special event, public event, hotel beverage or
24 airline/railroad beverage licensees, spirits and wines which have

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

13 | 2. Wholesalers are prohibited from purchasing annually in
14 | excess of fifteen percent (15%) of their total spirits inventory and
15 | fifteen percent (15%) of their total wine inventory from one or more
16 | wholesalers. Wholesalers are also prohibited from purchasing
17 | annually in excess of fifteen percent (15%) of their inventory of
18 | any individual brand of spirits or wine from one or more
19 | wholesalers. The volume of spirits and wine and of each brand that
20 | each wholesaler is permitted to purchase annually from other
21 | wholesalers shall be calculated by the ABLE Commission by
22 | multiplying fifteen percent (15%) by:

23 | a. the total volume of spirits sales of the wholesaler,
24 | by liter, from the previous calendar year, and

- 1 b. the total volume of wine sales of the wholesaler, by
2 liter, from the previous calendar year, and
3 c. the volume of sales of each brand of spirits or wine
4 of the wholesaler, by liter, from the previous
5 calendar year.

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

18 3. A wholesaler may sell spirits and wine to other wholesalers
19 or purchase spirits and wines from other wholesalers without
20 complying with paragraph 2 of this subsection in the case of the
21 sale, purchase, or other transfer or acquisition of the entire
22 business of a wholesaler, including the inventory of spirits and
23 wine.

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

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

18 In order to allow the ABLE Commission to determine the top
19 eighteen brands, wholesalers must submit to the ABLE Commission
20 every sixty (60) days a sworn affidavit listing their top twenty-
21 five brands in sales for the previous sixty (60) days, excluding
22 sales to wholesalers. Such affidavits shall be submitted in
23 conjunction with the original price postings of wholesalers.
24

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

16 G. A Class B wholesaler license shall authorize the holder
17 thereof: To purchase and import into this state beer from persons
18 authorized to sell same who are the holders of nonresident seller
19 licenses, and their agents who are the holders of manufacturers
20 agent licenses; to purchase beer from licensed brewers and Class B
21 wholesalers in this state; to sell in retail containers to
22 retailers, mixed beverage, caterer, special event, public event,
23 hotel beverage, and airline/railroad beverage licensees in this
24 state, beer which has been unloaded and stored at the holder's self-

1 owned or leased and self-operated warehouse facilities for a period
2 of at least twenty-four (24) hours before such sale; and to sell
3 beer in this state to Class B wholesalers and out of this state to
4 qualified persons, including federal instrumentalities and voluntary
5 associations of military personnel on federal enclaves in this state
6 over which this state has ceded jurisdiction.

7 H. A package store license shall authorize the holder thereof:

8 1. To purchase alcohol, spirits, beer, and wine in retail
9 containers from the holder of a brewer, wholesaler or Class B
10 wholesaler license ~~and to;~~

11 2. To purchase wine from a winemaker who is permitted and has
12 elected to self-distribute as provided in Section 3 of Article
13 XXVIII of the Oklahoma Constitution ~~and to;~~

14 3. To sell same, at any temperature, on the licensed premises
15 in such containers to consumers for off-premises consumption only
16 and not for resale; provided, wine, beer, and spirits may be sold to
17 charitable organizations that are holders of charitable alcoholic
18 beverage auction or charitable alcoholic beverage event licenses, or
19 to mixed beverage licensees; and

20 4. To conduct and charge a fee for educational and promotional
21 seminars and tastings off the licensed premises of the licensee, for
22 spirits, wine and beer otherwise offered for sale by the licensee;
23 provided no spirits, wine or beer shall be sold at a seminar or
24 tasting for on-premises or off-premises consumption. All alcoholic

1 ~~beverages that are sold by a package store are to be sold at~~
2 ~~ordinary room temperature.~~

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

13 Sales and service of mixed beverages by holders of mixed
14 beverage licenses shall be limited to the licensed premises of the
15 licensee unless the holder of the mixed beverage license also
16 obtains a caterer license or a mixed beverage/caterer combination
17 license. A mixed beverage license shall only be issued in counties
18 of this state where the sale of alcoholic beverages by the
19 individual drink for on-premises consumption has been authorized. A
20 separate license shall be required for each place of business. No
21 mixed beverage license shall be issued for any place of business
22 functioning as a motion picture theater, as defined by Section 506
23 of this title. A mixed beverage licensee whose main purpose is
24 hosting live performance art presentations may utilize the services

1 of a licensed caterer for its alcoholic beverage service as long as
2 it is not open to the public more than one hundred twenty (120) days
3 per year.

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

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

21 A licensed caterer shall be authorized to sell mixed beverages
22 for on-premises consumption incidental to the distribution of food
23 at temporary private functions, at temporary public events that are
24 licensed and approved by the ABLE Commission, and on the premises of

1 a mixed beverage licensee whose main purpose is the hosting of live
2 performing art presentations and is not open to the public more than
3 one hundred twenty (120) days per year.

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

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

1 shall provide written notice to the ABLE Commission of each special
2 event not less than ten (10) days before the event is held.

3 3. An annual public event license shall authorize the holder
4 thereof: to sell and distribute mixed beverages for consumption on
5 the premises for which the license has been issued for up to six
6 events to be held over a period not to exceed one (1) year. The
7 applicant for an annual public event license, who does not already
8 hold a license issued by the ABLE Commission, shall make application
9 not less than sixty (60) days before its first event. The ABLE
10 Commission shall have the authority to waive the sixty-day
11 requirement at its discretion. For purposes of this paragraph, an
12 event shall not exceed a period of three (3) consecutive days. An
13 annual public event license shall only be issued in counties of this
14 state where the sale of alcoholic beverages by the individual drink
15 for on-premises consumption has been authorized. The holder of an
16 annual public event license shall provide written notice to the ABLE
17 Commission of each subsequent public event not less than ten (10)
18 days before the event is held. A public event license shall not be
19 used in lieu of a mixed beverage license. The holder of an annual
20 public event license may choose to utilize the services of a
21 licensed caterer to provide and distribute the alcoholic beverages
22 at their events. When the applicant chooses to utilize the services
23 of a licensed caterer, the applicant shall declare upon application
24 which licensed caterer will be used. The licensed caterer shall be

1 responsible for payment of all applicable mixed beverage taxes
2 through the existing Mixed Beverage Tax Permit issued to his or her
3 business by the Oklahoma Tax Commission.

4 4. A one-time public event license shall authorize the holder
5 thereof: to sell and distribute mixed beverages for consumption on
6 the premises for which the license has been issued. The applicant
7 for a one-time public event license, who does not already hold a
8 license issued by the ABLE Commission, shall make application not
9 less than sixty (60) days before the event. The ABLE Commission
10 shall have the authority to waive the sixty-day requirement at its
11 discretion. For purposes of this paragraph, an event shall not
12 exceed a period of three (3) consecutive days. A public event
13 license shall only be issued in counties of this state where the
14 sale of alcoholic beverages by the individual drink for on-premises
15 consumption has been authorized. A public event license shall not
16 be used in lieu of a mixed beverage license. The holder of a one-
17 time public event license may choose to utilize the services of a
18 licensed caterer to provide and distribute the alcoholic beverages
19 at his or her event. When the applicant chooses to utilize the
20 services of a licensed caterer, the applicant shall declare upon
21 application which licensed caterer will be used. The licensed
22 caterer shall be responsible for payment of all applicable mixed
23 beverage taxes through the existing Mixed Beverage Tax Permit issued
24 to his or her business by the Oklahoma Tax Commission.

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

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

1 wholesaler license shall be presumed to be purchased for consumption
2 outside the State of Oklahoma or in interstate commerce, and shall
3 be exempt from the excise tax provided for in Section 553 of this
4 title.

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

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

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

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

15 1. Manufacture of patent, proprietary, medicinal,
16 pharmaceutical, antiseptic, and toilet preparations;

17 2. Manufacture of extracts, syrups, condiments, and food
18 products; and

19 3. For use in scientific, chemical, mechanical, industrial, and
20 medicinal products and purposes.

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

24

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

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

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

20 S. A private carrier license may be issued to any carrier other
21 than a common carrier described in subsection Q of this section.
22 Such license shall authorize the holder thereof to transport
23 alcoholic beverages other than wine sold directly by a winemaker or
24 winery to a retail package store or restaurant into, within, or out

1 of this state under such terms, conditions, limitations, and
2 restrictions as the ABLE Commission may prescribe by order issuing
3 such license and by regulations. No carrier license or private
4 carrier license shall be required of licensed brewers, distillers,
5 winemakers, rectifiers, wholesalers, or Class B wholesalers, to
6 transport alcoholic beverages from the place of purchase or
7 acquisition to the licensed premises of such licensees and from such
8 licensed premises to the licensed premises of the purchaser in
9 vehicles owned or leased by such licensee when such transportation
10 is for a lawful purpose and not for hire.

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

21 T. A bonded warehouse license shall authorize the holder
22 thereof: To receive and store alcoholic beverages for the holders of
23 storage licenses on the licensed premises of the bonded warehouse
24 licensee. No goods, wares or merchandise other than alcoholic

1 beverages may be stored in the same bonded warehouse with alcoholic
2 beverages. The holder of a bonded warehouse license shall furnish
3 and file with the ABLE Commission a bond running to all bailers of
4 alcoholic beverages under proper storage licenses and their
5 assignees (including mortgagees or other bona fide lienholders)
6 conditioned upon faithful performance of the terms and conditions of
7 such bailments.

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

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

21 2. Any licensee who is the holder of a mixed beverage/caterer
22 combination license or the holder of a mixed beverage license and a
23 hotel beverage license who is issued a storage license shall store
24

1 all inventories of alcoholic beverages either on the premises of the
2 mixed beverage establishment or in the warehouse;

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

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

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

21 V. A sacramental wine supplier license shall authorize the
22 holder thereof: To sell, ship or deliver sacramental wine to any
23 religious corporation or society of this state holding a valid
24 exemption from taxation issued pursuant to Section 501(a) of the

1 Internal Revenue Code, 1986, and listed as an exempt organization in
2 Section 501(c)(3) of the Internal Revenue Code, 1986, of the United
3 States, as amended.

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

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

24

1 X. A charitable auction or charitable alcoholic beverage event
2 license may be issued to a charitable organization exempt from
3 taxation under Section 501(c)(3), (4), (5), (6), (7), (8), (9),
4 (10), or (19) of the United States Internal Revenue Code. The
5 charitable alcoholic beverage event license shall authorize the
6 holder thereof to conduct a wine, spirit and/or beer event which may
7 consist of one or more of a wine, spirit and/or beer tasting event,
8 a wine, spirit and/or beer dinner event or a wine, spirit and/or
9 beer auction, which may be either a live auction conducted by an
10 auctioneer or a silent auction for which:

11 1. Bid sheets are accepted from interested bidders at the
12 event;

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

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

17 A charitable alcoholic beverage event shall be conducted solely
18 to raise funds for charitable purposes. A charitable alcoholic
19 beverage license will allow the event attendees access to tastings,
20 samples, dinners, and alcoholic beverages as parts of their entrance
21 fee or ticket price. Wine, spirits and/or beer used in, served, or
22 consumed at a charitable alcoholic beverage event may be purchased
23 by the charitable organization or donated by any person or entity.
24 The charitable alcoholic beverage event license shall be issued for

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

20 Y. A mixed beverage/caterer combination license shall authorize
21 the holder thereof: To purchase or sell mixed beverages as
22 specifically provided by law for the holder of a mixed beverage
23 license or a caterer license. All provisions of the Oklahoma
24 Alcoholic Beverage Control Act applicable to mixed beverage licenses

1 or caterer licenses, or the holders thereof, shall also be
2 applicable to mixed beverage/caterer combination licenses or the
3 holders thereof, except where specifically otherwise provided. A
4 mixed beverage/caterer combination license shall only be issued in
5 counties of this state where the sale of alcoholic beverages by the
6 individual drink for on-premises consumption has been authorized. A
7 separate license shall be required for each place of business.

8 A licensed mixed beverage/caterer licensee shall be authorized
9 to sell mixed beverages for on-premises consumption incidental to
10 the distribution of food at temporary private functions, at
11 temporary public events that are licensed and approved by the ABLE
12 Commission, and on the premises of a mixed beverage licensee whose
13 main purpose is the hosting of live art presentations and is not
14 open to the public more than one hundred twenty (120) days per year.

15 Z. A small farm winery license shall authorize the holder
16 thereof: To manufacture and bottle wines produced by that small
17 farm winery. In addition, a small farm winery license authorizes
18 the holder of that permit to bottle and sell wines produced by
19 another small farm winery. In order for a small farm winery to
20 bottle and sell another small farm winery's products, both the
21 selling winery and the buying winery shall be small farm winery
22 permit holders. A small farm wine may display the trademarked
23 "Oklahoma Grown" sticker available from the Oklahoma Grape Industry
24 Council.

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

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

19 SECTION 2. AMENDATORY 37 O.S. 2011, Section 521.1, is
20 amended to read as follows:

21 Section 521.1 A. For purposes of this section:

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

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

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

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

8 B. No licensed retailer shall sell beer kegs unless that
9 retailer affixes an identification seal to each beer keg. An
10 identification seal shall consist of durable material as determined
11 by the Commission that is not easily removed or destroyed.

12 Identification seals used may contain a nonpermanent adhesive
13 material in order to apply the seal directly to an outside surface
14 of a beer keg at the time of sale. Identification seals shall be
15 attached to beer kegs at the time of sale as determined by the
16 Commission. The identification information contained on the seal
17 shall include the licensed retailer's name, address, beer license
18 number, and telephone number; a unique beer keg number assigned by
19 the licensed retailer; and a prominently visible warning that
20 intentional removal or defacement of the seal is a misdemeanor.

21 Upon return of a beer keg to the licensed retailer that sold the
22 beer keg and attached the identification seal, the licensed retailer
23 shall be responsible for the complete and thorough removal of the
24 entire identification seal, and any adhesive or attachment devices

1 of the seal. The seal beer keg identification number must be kept
2 on file with the retailer for not less than one (1) year from the
3 date of return.

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

7 ~~D. 1. A licensed retailer who sells a beer keg must at the~~
8 ~~time of the sale record:~~

- 9 a. ~~the purchaser's name and address and the number of the~~
10 ~~purchaser's driver license, identification card issued~~
11 ~~by the Department of Public Safety, military~~
12 ~~identification card, or valid United States or foreign~~
13 ~~passport,~~
- 14 b. ~~the date and time of the purchase,~~
- 15 c. ~~the beer keg identification seal number required by~~
16 ~~subsection B of this section, and~~
- 17 d. ~~the purchaser's signature.~~

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

20 ~~E. A licensed retailer required to retain records under~~
21 ~~subsection D of this section shall make the records available during~~
22 ~~regular business hours for inspection by a law enforcement officer~~
23 ~~or an agent of the Commission.~~

24

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

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

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

16 ~~4. Any licensed retailer who fails to report an individual~~
17 ~~provided for in paragraph 3 of this subsection to law enforcement~~
18 ~~shall be guilty of a misdemeanor and shall be subject to fines of~~
19 ~~not less than Five Hundred Dollars (\$500.00) for first and second~~
20 ~~offenses. A third violation by a licensed retailer of the~~
21 ~~provisions of this paragraph shall result in the revocation of the~~
22 ~~retailer's license for up to one (1) year.~~

23 ~~G. Any person who purchases a beer keg which is subsequently~~
24 ~~stolen from such person shall not be liable for any penalty imposed~~

1 ~~pursuant to the provisions of this section if such person properly~~
2 ~~reported the theft of the beer keg to law enforcement authorities~~
3 ~~within twenty-four (24) hours of the discovery of the theft.~~

4 ~~H.~~ The Commission shall promulgate rules for the implementation
5 and application of this section.

6 SECTION 3. AMENDATORY 37 O.S. 2011, Section 537, as
7 amended by Section 12, Chapter 298, O.S.L. 2014 (37 O.S. Supp. 2016,
8 Section 537), is amended to read as follows:

9 Section 537. A. No person shall:

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

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

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

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

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

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

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

21 8. Drink intoxicating liquor in public except on the premises
22 of a licensee of the Alcoholic Beverage Laws Enforcement Commission
23 who is authorized to sell or serve alcoholic beverages by the
24

1 individual drink or be intoxicated in a public place. This
2 provision shall be cumulative and in addition to existing law;

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

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

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

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

20 B. No licensee of the ABLE Commission shall:

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

24

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

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

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

22 a. deliver more than two drinks to one person at one
23 time,

24

- 1 b. sell or offer to sell to any person or group of
2 persons any drinks at a price less than the price
3 regularly charged for such drinks during the same
4 calendar week, except at private functions not open to
5 the public,
- 6 c. sell or offer to sell to any person an unlimited
7 number of drinks during any set period of time for a
8 fixed price, except at private functions not open to
9 the public,
- 10 d. sell or offer to sell drinks to any person or group of
11 persons on any one day at prices less than those
12 charged the general public on that day, except at
13 private functions not open to the public,
- 14 e. increase the volume of alcoholic beverages contained
15 in a drink without increasing proportionately the
16 price regularly charged for such drink during the same
17 calendar week, or
- 18 f. encourage or permit, on the licensed premises, any
19 game or contest which involves drinking or the
20 awarding of drinks as prizes.

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

1 5. Permit or allow any patron or person to exit the licensed
2 premises with an open container of any alcoholic beverage.
3 Provided, that this prohibition shall not be applicable to closed
4 original containers of alcoholic beverages which are carried from
5 the licensed premises of a bottle club by a patron, closed original
6 wine containers removed from the premises of restaurants, hotels,
7 and motels, or to closed original containers of alcoholic beverages
8 transported to and from the place of business of a licensed caterer
9 by the caterer or an employee of the caterer;

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

12 7. Permit any person to be drunk or intoxicated on the
13 licensee's licensed premises.

14 C. No package store licensee shall:

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

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

20 3. Sell, or keep package store premises open for the purpose of
21 selling, any alcoholic beverages at any hour other than between the
22 hours of 10:00 a.m. and 9:00 p.m. Monday through Saturday; provided,
23 that no such sales shall be made, or package store premises be
24 allowed to remain open for the purpose of making such sales on New

1 Year's Day, Memorial Day, the Fourth of July, Labor Day,
2 Thanksgiving Day or Christmas Day. Package store licensees shall be
3 permitted to sell, or keep package store premises open for the
4 purpose of selling, alcoholic beverages on the day of any General,
5 Primary, Runoff Primary or Special Election whether on a national,
6 state, county or city election, provided that the election day does
7 not occur on any day on which such sales are otherwise prohibited by
8 law;

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

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

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

23 b. "nationally recognized credit card" means any
24 instrument or device, whether known as a credit card,

1 credit plate, charge plate or by any other name,
2 issued with or without fee by an issuer for the use of
3 the cardholder in obtaining money, goods, services or
4 anything else of value on credit which is accepted by
5 over one hundred merchants;

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

15 7. Permit any person under twenty-one (21) years of age to
16 enter into, remain within or loiter about the licensed premises,
17 unless accompanied by a parent or legal guardian twenty-one (21)
18 years of age or older; or

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

24 D. No wholesaler licensee shall:

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

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

6 E. No mixed beverage, public event, special event or beer and
7 wine 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 Oklahoma Alcoholic Beverage Control Act; provided, a
11 mixed beverage or beer and wine licensee whose premises are a
12 restaurant may purchase wine produced at wineries in this state
13 directly from an Oklahoma winemaker as provided in Section 3 of
14 Article XXVIII of the Oklahoma Constitution;

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

23
24

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

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

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

23 F. No bottle club licensee shall:
24

- 1 1. Use or allow the use of any mark or label on a container of
2 alcoholic beverage which does not clearly and precisely indicate the
3 nature of the contents or which might deceive or conceal the nature,
4 composition, quantity, age or quality of any such beverage;
- 5 2. Act as an agent for any bottle club member and purchase any
6 alcoholic beverage for the member;
- 7 3. Use or allow the use of any pool system of storage or
8 purchase of alcoholic beverages;
- 9 4. Allow any person to enter or remain in the designated bar or
10 lounge area of the club unless that person possesses a valid
11 membership card for that club issued by the club;
- 12 5. Sell any alcoholic beverage;
- 13 6. Deliver or furnish to any club member any alcoholic beverage
14 that does not belong to the member;
- 15 7. Serve alcoholic beverages to any person who does not possess
16 a valid membership card for that club issued by the club;
- 17 8. Issue a membership card for the club to a person under
18 twenty-one (21) years of age; or
- 19 9. Allow any person under twenty-one (21) years of age to enter
20 into, remain within or loiter about the designated bar area of the
21 licensed premises, except for members of a musical band employed or
22 hired as provided in paragraph 2 of subsection B of this section
23 when the band is to perform within such area.

24

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

16 G. No special event or caterer licensee shall:

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

24

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

4 SECTION 4. AMENDATORY 37 O.S. 2011, Section 563, is
5 amended to read as follows:

6 Section 563. All revenue accruing from the excise tax levied by
7 Section 553 of this title shall be collected by the Oklahoma Tax
8 Commission and distributed as follows:

9 1. Two-thirds of ninety-seven percent (2/3 of 97%) of such tax
10 revenue shall be paid to the State Treasurer and placed to the
11 credit of the General Revenue Fund of the state; ~~provided, beginning~~
12 ~~July 1, 2010, any amounts derived from the tax levied pursuant to~~
13 ~~paragraphs 2 and 3 of subsection A of Section 553 of this title that~~
14 ~~exceed an amount equal to the total amount collected from such tax~~
15 ~~levy for the fiscal year ending on June 30, 2010, shall be~~
16 ~~distributed to the Oklahoma Viticulture and Enology Center~~
17 ~~Development Revolving Fund created pursuant to Section 16 of this~~
18 ~~act, but in no event shall the distribution to the Oklahoma~~
19 ~~Viticulture and Enology Center Development Revolving Fund in any~~
20 ~~fiscal year exceed Three Hundred Fifty Thousand Dollars~~
21 ~~(\$350,000.00);~~

22 2. One-third of ninety-seven percent (1/3 of 97%) of such
23 revenue is hereby allocated to the counties of this state and shall
24 be paid to the county treasurers on the basis of area and population

1 (giving equal weight to area and population) wherein the sale of
2 alcoholic beverages is lawful, and all of said funds shall be
3 appropriated by the county commissioners of each county and
4 apportioned by the county treasurer to all incorporated cities and
5 towns in said county on the basis of population within each city and
6 town on a per capita basis based on the last preceding Federal
7 Decennial Census. For the purpose of appropriating and paying the
8 excise taxes collected under the Oklahoma Alcoholic Beverage Control
9 Act, or any act which is amendatory thereof or supplemental thereto,
10 to the incorporated cities and towns in any county, city or town,
11 the corporate limits of which include territory within more than one
12 county, shall be considered and treated as being a city or town in
13 only the county within which more than fifty percent (50%) of the
14 entire population of such city or town, as shown by the last
15 preceding Federal Decennial Census, reside, and, for such purpose,
16 shall not be considered or treated as being a city or town in any
17 other county; and, in the event that the last preceding Federal
18 Decennial Census fails to disclose information from which such fact
19 may be determined by the board of county commissioners which is
20 appropriating the tax money then involved to the cities and towns in
21 its county, said board of county commissioners shall make an
22 estimate, from the best information then available to it, as to the
23 percentage of the entire population of such city or town then
24 residing in said county. If such board of county commissioners

1 determines, either from information disclosed by the last preceding
2 Federal Decennial Census, or from the best information then
3 available to said board (when such information is not disclosed by
4 the last preceding Federal Decennial Census), that more than fifty
5 percent (50%) of the population of such a city or town resides in
6 that county, such city or town shall receive its pro rata share of
7 such tax money, on the basis of its entire population according to
8 the last preceding Federal Decennial Census; but if such board of
9 county commissioners so determines that more than fifty percent
10 (50%) of the population of such city or town does not reside in that
11 county, no part of such tax money shall be appropriated or paid to
12 such city or town; and

13 3. The remaining three percent (3%) of such excise tax revenue
14 shall be paid to the State Treasurer and placed to the credit of the
15 Oklahoma Tax Commission Fund to be paid out of said fund pursuant to
16 appropriations made by the State Legislature.

17 SECTION 5. AMENDATORY Section 4, Chapter 366, O.S.L.
18 2016 (37A O.S. Supp. 2016, Section 1-104), is amended to read as
19 follows:

20 Section 1-104. A. The Alcoholic Beverage Laws Enforcement
21 Commission created in Section 1 of Article XXVIII of the Oklahoma
22 Constitution is hereby recreated. The purpose of the Commission
23 shall be to enforce the alcoholic beverage laws of the State, and
24 the Commission shall have such power and authority to enforce such

1 laws, rules and regulations as shall be prescribed by the Oklahoma
2 Alcoholic Beverage Control Act.

3 B. The Commission shall consist of seven (7) members, to be
4 appointed by the Governor with the advice and consent of the State
5 Senate; provided, members serving on the effective date of this act
6 shall continue to serve until such time as their terms would have
7 expired pursuant to the provisions of Section 1 of Article XXVIII of
8 the Oklahoma Constitution. Five of the members shall be at-large
9 members representing the lay citizenry. The remaining two members
10 shall be persons with law enforcement experience in this state. Any
11 time there is a vacancy on the Commission, the Governor shall
12 appoint a replacement, with the advice and consent of the State
13 Senate, within ninety (90) days.

14 C. Members of the Commission shall be appointed for a term of
15 five (5) years.

16 D. No more than four members of the Commission shall be
17 appointed from the same political party. No more than two members
18 of the Commission shall be appointed from the same federal
19 congressional district.

20 E. No member of the Commission shall hold any license
21 authorized by the Oklahoma Alcoholic Beverage Control Act, or have
22 any interest in any capacity, in the manufacture, sale, distribution
23 or transportation of alcoholic beverages.

24

1 F. The members of the Commission shall be removable from office
2 for cause as other officers not subject to impeachment.

3 G. The Commission shall appoint a Director, whose duties shall
4 be defined as provided in Section 8 of this act.

5 H. The State of Oklahoma shall take all necessary steps to
6 ensure the timely implementation of Enrolled Senate Joint Resolution
7 No. 68 of the 2nd Session of the 55th Oklahoma Legislature, if
8 approved by the voters. Consistent with this objective, the ABLE
9 Commission shall have the power to issue interim licenses prior to
10 October 1, 2018, as follows:

11 1. Except for the sale of wine or beer to the public, an
12 interim license shall allow all qualified retail wine and retail
13 beer licensees to perform all activities permissible under a full
14 license including but not limited to purchasing, stocking and
15 storing the wine and/or full-strength beer prior to October 1, 2018.
16 In order to qualify for an interim license, the licensee must
17 satisfy all the requirements set forth in Article XXVIII A of the
18 Oklahoma Constitution and this act. The interim license shall
19 convert to a full license on October 1, 2018;

20 2. Package stores may install refrigerated coolers for the
21 storage of beer ~~and, wine prior to October 1, 2018, provided the~~
22 ~~refrigerated coolers shall not be used to cool product below room~~
23 ~~temperature until after October 1, 2018~~ and spirits; and
24

1 3. An interim license shall allow all qualified wine and
2 spirits wholesalers to perform all activities permissible under a
3 full license including but not limited to selling and delivering
4 wine and/or full-strength beer to all qualified retail wine and
5 retail beer licensees. In order to qualify for an interim license,
6 the wine and spirits wholesaler must comply with the provisions set
7 forth in Article XXVIII A of the Oklahoma Constitution and this act.
8 The interim license shall convert to a full license on October 1,
9 2018.

10 I. No retail wine or retail beer licensee may sell wine and/or
11 beer, other than low-point beer, ~~and no package store may sell~~
12 ~~refrigerated wine and/or beer, prior to October 1, 2018.~~ The sale
13 ~~or refrigeration~~ of wine and/or beer in violation of this subsection
14 shall result in the revocation of the interim license and a monetary
15 fine of Twenty-five Thousand dollars (\$25,000.00).

16 SECTION 6. AMENDATORY Section 21, Chapter 366, O.S.L.
17 2016 (37A O.S. Supp. 2016, Section 2-109), is amended to read as
18 follows:

19 Section 2-109. A. A retail spirits license shall authorize the
20 holder thereof:

21 1. To purchase wine or spirits from a wine and spirits
22 wholesaler;

23 2. To purchase beer from a beer distributor or from the holder
24 of a small brewer self-distribution license; ~~and~~

1 3. To purchase wine from a winemaker holding a winemaker self-
2 distribution license;

3 4. To sell same, at any temperature, on the licensed premises
4 in such containers to consumers for off-premises consumption only
5 and not for resale; provided, spirits, wine and beer may be sold to
6 charitable organizations that are holders of charitable alcoholic
7 beverage auction or charitable alcoholic beverage event licenses, or
8 to mixed beverage licensees;

9 5. To conduct on-premises tastings for spirits, wine and beer
10 otherwise offered for sale by the licensee for off-premises
11 consumption; provided no payment shall be accepted by the licensee
12 from a consumer at such tasting:

- 13 a. for the right to attend an on-premises tasting, or
14 b. for the spirits, wine or beer provided at an on-
15 premises tasting; and

16 6. To conduct and charge a fee for educational and promotional
17 seminars and tastings off the licensed premises of the licensee, for
18 spirits, wine and beer otherwise offered for sale by the licensee;
19 provided no spirits, wine or beer shall be sold at a seminar or
20 tasting for on-premises or off-premises consumption.

21 B. A retail wine license shall authorize the holder thereof:

22 1. To purchase wine from a wine and spirits wholesaler;

23

24

1 2. To purchase wine from a small farm winemaker who is
2 permitted and has elected to self-distribute as provided in Article
3 XXVIII A of the Oklahoma Constitution; and

4 3. To sell same on the licensed premises in such containers to
5 consumers for off-premises consumption only and not for resale;
6 provided, wine may be sold to charitable organizations that are
7 holders of charitable alcoholic beverage auction or charitable
8 alcoholic beverage event licenses.

9 Provided, no holder of a Retail Wine License may sell wine with
10 alcohol beverage volume in excess of fifteen percent (15%).

11 C. A retail beer license shall authorize the holder thereof:

12 1. To purchase beer from a beer distributor;

13 2. To purchase beer from the holder of a small brewer self-
14 distribution license; and

15 3. To sell same on the licensed premises in such containers to
16 consumers for off-premises consumption only and not for resale;
17 provided, beer may be sold to charitable organizations that are
18 holders of charitable alcoholic beverage auction or charitable
19 alcoholic beverage event licenses.

20 Provided, no holder of a Retail Beer License may sell a malt
21 beverage with alcohol beverage volume in excess of eight and ninety-
22 nine/one hundredths percent (8.99%).

1 SECTION 7. AMENDATORY Section 22, Chapter 366, O.S.L.
2 2016 (37A O.S. Supp. 2016, Section 2-110), is amended to read as
3 follows:

4 Section 2-110. A mixed beverage license shall authorize the
5 holder thereof:

6 1. To purchase alcohol, spirits, beer and/or wine in retail
7 containers from the holder of a wine and spirits wholesaler ~~and~~
8 license, beer distributor license and retail spirits license as
9 specifically provided by law; and

10 2. To sell, offer for sale and possess mixed beverages for on-
11 premises consumption only; provided, the holder of a mixed beverage
12 license issued for an establishment which is also a restaurant may
13 purchase wine directly from a winemaker and beer directly from a
14 small brewer who is permitted and has elected to self-distribute as
15 provided in Article XXVIII A of the Oklahoma Constitution.

16 Sales and service of mixed beverages by holders of mixed
17 beverage licenses shall be limited to the licensed premises of the
18 licensee unless the holder of the mixed beverage license also
19 obtains a caterer license or a mixed beverage/caterer combination
20 license. A mixed beverage license shall only be issued in counties
21 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 SECTION 8. AMENDATORY Section 68, Chapter 366, O.S.L.
2 2016 (37A O.S. Supp. 2016, Section 2-156), is amended to read as
3 follows:

4 Section 2-156. A. No retail spirits license shall be issued to
5 a corporation, limited liability company or similar business entity.
6 No person may own any interest in more than two package stores. For
7 the purpose only of establishing whether or not a person owns an
8 interest in more than one package store, any person having a
9 beneficial interest in any package store shall be deemed to be a
10 partner in the package store except that the spouse of any retail
11 spirits license holder or partner shall not be deemed to be a
12 partner or have a beneficial interest in a package store unless his
13 or her name appears on the license. A beneficial interest shall be
14 any interest that benefits from any sales or profits of the package
15 store.

16 B. For purposes of this section, any spouse of a retail spirits
17 license holder shall not hold another license provided for pursuant
18 to the Oklahoma Alcoholic Beverage Control Act, except a retail
19 spirits license, retail wine license, retail beer license, on-
20 premises beer and wine license, mixed beverage license or a
21 caterer's license.

22 C. Package stores licensed under the Oklahoma Alcoholic
23 Beverage Control Act may sell only alcoholic beverages in retail
24 containers as defined in Section 3 of this act, in the original

1 package for consumption off the premises. All retail sales shall be
2 made on the licensed premises and all deliveries off the premises,
3 at retail, of intoxicating liquor or beer are hereby prohibited.
4 Provided, a holder of a Retail Spirits License shall be permitted to
5 sell at retail any item that may be purchased at a grocery store or
6 convenience store, as defined by law, except for motor fuel, so long
7 as the sale of items other than alcoholic beverages do not comprise
8 more than twenty percent (20%) of the holder's monthly sales.

9 SECTION 9. AMENDATORY Section 74, Chapter 366, O.S.L.
10 2016 (37A O.S. Supp. 2016, Section 3-104), is amended to read as
11 follows:

12 Section 3-104. A. For purposes of this section:

13 1. "Beer keg" means any brewery-sealed, single container that
14 contains not less than four (4) gallons of beer;

15 2. "Licensed retailer" means a licensed package store; and

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

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

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

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

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

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

24

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

3 ~~b. the date and time of the purchase,~~

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

6 ~~d. the purchaser's signature.~~

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

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

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

20 ~~2. No person other than a licensed retailer, a licensed beer~~
21 ~~distributor, a law enforcement officer or an employee of the ABLE~~
22 ~~Commission may intentionally remove a seal placed on a beer keg in~~
23 ~~compliance with subsection C of this section. No person may~~
24

1 ~~intentionally deface or damage the seal on a beer keg to make it~~
2 ~~unreadable.~~

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

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

13 ~~G. Any person who purchases a beer keg which is subsequently~~
14 ~~stolen from such person shall not be liable for any penalty imposed~~
15 ~~pursuant to the provisions of this section if such person properly~~
16 ~~reported the theft of the beer keg to law enforcement authorities~~
17 ~~within twenty-four (24) hours of the discovery of the theft.~~

18 ~~H. The ABLE Commission shall promulgate rules for the~~
19 ~~implementation and application of this section.~~

20 SECTION 10. AMENDATORY Section 107, Chapter 366, O.S.L.
21 2016 (37A O.S. Supp. 2016, Section 5-104), is amended to read as
22 follows:
23
24

1 Section 5-104. All revenue accruing from the excise tax levied
2 by Section 104 of this act shall be collected by the Oklahoma Tax
3 Commission and distributed as follows:

4 1. Two-thirds of ninety-seven percent ($2/3$ of 97%) of such tax
5 revenue shall be paid to the State Treasurer and placed to the
6 credit of the General Revenue Fund of the state; ~~provided, any~~
7 ~~amounts derived from the tax levied pursuant to paragraphs 2 and 3~~
8 ~~of subsection A of Section 104 of this act that exceed an amount~~
9 ~~equal to the total amount collected from such tax levy for the~~
10 ~~fiscal year ending on June 30, 2010, shall be distributed to the~~
11 ~~Oklahoma Viticulture and Enology Center Development Revolving Fund~~
12 ~~created pursuant to Section 132 of this act, but in no event shall~~
13 ~~the distribution to the Oklahoma Viticulture and Enology Center~~
14 ~~Development Revolving Fund in any fiscal year exceed Three Hundred~~
15 ~~Fifty Thousand Dollars (\$350,000.00);~~

16 2. One-third of ninety-seven percent ($1/3$ of 97%) of such
17 revenue is hereby allocated to the counties of this state and shall
18 be paid to the county treasurers on the basis of area and population
19 (giving equal weight to area and population) wherein the sale of
20 alcoholic beverages is lawful, and all of such funds shall be
21 appropriated by the county commissioners of each county and
22 apportioned by the county treasurer to all incorporated cities and
23 towns in the county on the basis of population within each city and
24 town on a per capita basis based on the last preceding Federal

1 Decennial Census. For the purpose of appropriating and paying the
2 excise taxes collected under the Oklahoma Alcoholic Beverage Control
3 Act, or any act which is amendatory thereof or supplemental thereto,
4 to the incorporated cities and towns in any county, city or town,
5 the corporate limits of which include territory within more than one
6 county, shall be considered and treated as being a city or town in
7 only the county within which more than fifty percent (50%) of the
8 entire population of such city or town, as shown by the last
9 preceding Federal Decennial Census, reside, and, for such purpose,
10 shall not be considered or treated as being a city or town in any
11 other county. In the event that the last preceding Federal
12 Decennial Census fails to disclose information from which such fact
13 may be determined by the board of county commissioners which is
14 appropriating the tax money then involved to the cities and towns in
15 its county, the board of county commissioners shall make an
16 estimate, from the best information then available to it, as to the
17 percentage of the entire population of such city or town then
18 residing in the county. If such board of county commissioners
19 determines, either from information disclosed by the last preceding
20 Federal Decennial Census, or from the best information then
21 available to the ABLE Commission (when such information is not
22 disclosed by the last preceding Federal Decennial Census), that more
23 than fifty percent (50%) of the population of such a city or town
24 resides in that county, such city or town shall receive its pro rata

1 share of such tax money on the basis of its entire population
2 according to the last preceding Federal Decennial Census; but if
3 such board of county commissioners so determines that more than
4 fifty percent (50%) of the population of such city or town does not
5 reside in that county, no part of such tax money shall be
6 appropriated or paid to such city or town; and

7 3. The remaining three percent (3%) of such excise tax revenue
8 shall be paid to the State Treasurer and placed to the credit of the
9 Oklahoma Tax Commission Fund to be paid out of the fund pursuant to
10 appropriations made by the State Legislature.

11 SECTION 11. AMENDATORY Section 143, Chapter 366, O.S.L.
12 2016 (37A O.S. Supp. 2016, Section 6-103), is amended to read as
13 follows:

14 Section 6-103. A. No retail spirits licensee shall:

15 1. Purchase or receive any alcoholic beverage other than from a
16 wine and spirits wholesaler, beer distributor, winery or small
17 brewer self-distribution licensee who elects to self-distribute;

18 2. ~~Suffer~~ Except when associated with an on-premises tasting
19 authorized by paragraph 5 of subsection A of Section 2-109 of this
20 title, suffer or permit any retail container to be opened, or any
21 alcoholic beverage to be consumed on the licensed premises, ~~unless~~
22 ~~otherwise permitted by law;~~

23 3. Sell any alcoholic beverages at any hour other than between
24 the hours of 10:00 a.m. and ~~midnight Monday through Saturday, and~~

1 ~~shall not be permitted to be open on Thanksgiving Day or Christmas~~
2 ~~Day 10:00 p.m. Retail spirits licensees shall be permitted to sell~~
3 alcoholic beverages on the day of any General, Primary, Runoff
4 Primary or Special Election whether on a national, state, county or
5 city election, ~~provided that the election day does not occur on any~~
6 ~~day on which such sales are otherwise prohibited by law;~~

7 4. Sell spirits in a city or town, unless such city or town has
8 a population in excess of two hundred (200) according to the latest
9 Federal Decennial Census;

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

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

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

1 the cardholder in obtaining money, goods, services or
2 anything else of value on credit which is accepted
3 over one hundred retail locations;

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

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

18 B. No retail spirits licensee shall permit any person under
19 twenty-one (21) years of age to enter into or remain within or about
20 the licensed premises, unless accompanied by a parent or legal
21 guardian twenty-one (21) years of age or older.

22 SECTION 12. REPEALER 37 O.S. 2011, Section 563.1, as
23 last amended by Section 1, Chapter 283, O.S.L. 2015 (37 O.S. Supp.
24 2016, Section 563.1), is hereby repealed.

1 SECTION 13. REPEALER Section 132, Chapter 366, O.S.L.
2 2016 (37A O.S. Supp. 2016, Section 5-129), is hereby repealed.

3 SECTION 14. REPEALER Section 144, Chapter 366, O.S.L.
4 2016 (37A O.S. Supp. 2016, Section 6-104), is hereby repealed.

5 SECTION 15. Sections 1, 2, 3, 4 and 12 of this act shall become
6 effective July 1, 2017, Section 5 of this act shall become effective
7 October 1, 2017, and Sections 6, 7, 8, 9, 10, 11, 13 and 14 of this
8 act shall become effective October 1, 2018.

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

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