

BILL SUMMARY
2nd Session of the 55th Legislature

Bill No.:	SJR68
Version:	ENGR
Request Number:	
Author:	Rep. Mulready
Date:	3/30/2016
Impact:	Indeterminate.

Research Analysis

SJR 68 would refer to a vote of the people a Constitutional Amendment to add a new Article XXVIII A to the Oklahoma Constitution. Article XXVIII A, Section 1 provides that all beverages that contain alcohol, unless otherwise defined, are to be considered alcoholic beverages and are to be governed by this Article. Article XXVIII A, Section 2 directs the Legislature to enact laws providing for the regulation, control, licensing and taxation of the manufacture, sale, distribution, possession, transportation and consumption of alcoholic beverages; prohibits common ownership between the manufacturing, wholesaling and retailing tiers; prohibits a manufacturer, except a brewer, from selling beverages unless the sales occur through an Oklahoma wholesaler. allows winemakers to sell to any licensed wholesaler. Article XXVIII A, Section 3 allows the Legislature to establish licenses for the sale of alcoholic beverages to consumers for off-premises consumption. Article XXVIII A, Section 4 provides qualifications for licensure. Article XXVIII A, Section 5 prohibits a licensee from furnishing any alcoholic beverage to a minor, person who has been adjudged insane, or to any person who is intoxicated. Article XXVIII A, Section 6 directs the Legislature to establish days on which alcoholic beverages may be sold or served to consumers. Article XXVIII A, Section 7 provides that the retail sale of alcoholic beverages are subject to sales tax. Article XXVIII A, Section 8 prohibits the government or political subdivisions from engaging in any phase of the alcoholic beverage business. Article XXVIII A, Section 9 authorizes incorporated cities and towns to levy an occupation tax for the manufacture, distribution or sale of alcoholic beverages. Article XXVIII A, Section 10 establishes effective dates. The measure provides a ballot.

Prepared By: Brad Wolgamott

Fiscal Analysis

SJR68 would put a vote to the people on the November ballot to abolish the ABLE (Alcoholic Beverage Laws Enforcement) Commission. Should the resolution be placed on the November ballot and become law, the ABLE Commission would no longer exist as a state agency.

Prepared By: Joshua Maxey

Other Considerations

The fiscal impact that the probable “yes” vote could have on state revenue is indeterminate on account that SJR68 does not clearly state what entity will be in charge of properly enforcing and administering the Oklahoma Alcoholic Beverage Control Act, Oklahoma Charity Games Act, and Prevention of Youth Access to Tobacco Act, what entity will issue all licenses which are currently authorized to be issued by the Commission, what entity will conduct investigations and to make reports concerning violations of the Oklahoma Alcoholic Beverage Control Act, Youth

Access To Tobacco Act, and Charity Games Act and to make orders for its enforcement, what entity will make recommendations concerning the suspension or revocation of any licenses and the levying of fines against licensees for violations of the Acts or the Rules and Regulations of the Commission, what entity will regularly inspect all places of business of licensees, and what entity will aid the enforcement authorities of the state or any county or municipality in the prosecution of any violations of the Acts.

Presently, the ABLE Commission generates approximately \$6.3 million per year through the application of their mission. The ABLE Commission receives approximately \$2.8 million of the revenue generated for the state.