

BILL SUMMARY
2nd Session of the 56th Legislature

Bill No.:	SB 1173
Version:	CS
Request Number:	10361
Author:	Rep. Hall
Date:	4/25/2018
Impact:	Creates a designating manufacturer license and associated fees

Research Analysis

The committee substitute to SB 1173 modifies the authorizations for wholesale license holders by removing language which prohibits wholesalers from purchasing in excess of 15% of inventory from one or more wholesalers. The measure allows a nonresident seller to transfer brand registration. The measure states legislative intent regarding the Twenty-first Amendment to the Constitution of the United States. The measure allows wine and spirits wholesalers to make certain designations regarding exclusive distributors. The measure modifies the duties of the director of ABLE by removing the ability of the director to refer evidence of violations of the Oklahoma Alcoholic Beverage Control Act to law enforcement. The measure establishes a “Designating Manufacturer License”. The measure allows a wholesaler to transport wine, spirits and beer in vehicles owned, leased or operated by the wholesaler. The measure provides that a manufacturer may designate different brands within its portfolio to a different wine and spirits wholesaler. The measure prohibits municipalities from enacting ordinances criminalizing conduct that may be prosecuted administratively by the ABLE Commission.

The measure repeals Title 37, Section 521 relating to Acts Authorized by the Various Licenses

The measure repeals Title 37, Section 573 relating to Registration of Labels - Fees

Prepared By: Brad Wolgamott

Fiscal Analysis

SB 1173 creates a designating manufacturer license and the following fee amounts:

50 cases or less sold in Oklahoma last calendar year	\$50
51 to 500 cases sold in Oklahoma in last calendar year	\$75
501 cases or more sold in Oklahoma in last calendar year	\$100

The surcharge shall be paid concurrent with the licensee's annual licensing fee and, in addition to Five Dollars (\$5.00) of the employee license fee, will be deposited in the Alcoholic Beverage Governance Revolving Fund.

Prepared By: Kristina King

Other Considerations

None.

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