

STATE OF OKLAHOMA

2nd Session of the 57th Legislature (2020)

HOUSE BILL 3429

By: McEntire

AS INTRODUCED

An Act relating to alcoholic beverages; amending Section 14, Chapter 366, O.S.L. 2016, as last amended by Section 3, Chapter 322, O.S.L. 2019 (37A O.S. Supp. 2019, Section 2-102), which relates to brewer and small brewer licenses; authorizing holders of multiple small brewer licenses to sell beer at multiple locations; and providing an effective date.

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

SECTION 1. AMENDATORY Section 14, Chapter 366, O.S.L. 2016, as last amended by Section 3, Chapter 322, O.S.L. 2019 (37A O.S. Supp. 2019, Section 2-102), is amended to read as follows:

Section 2-102. A. A brewer license shall authorize the holder thereof:

1. To manufacture, bottle, package and store beer and cider on the licensed premises; and

2. To sell beer and cider in this state to holders of beer distributor licenses and to sell beer and cider out of this state to qualified persons.

B. A small brewer license shall authorize the holder thereof:

1        1. To manufacture, bottle, package and store beer produced by  
2 the licensee on licensed premises;

3        2. To sell beer in this state to holders of beer distributor  
4 licenses and retail licenses or to sell beer out of this state to  
5 qualified persons;

6        3. To serve free samples of beer produced by the licensee to  
7 visitors twenty-one (21) years of age or older;

8        4. To sell beer produced by the licensee for either on-premises  
9 or off-premises consumption to consumers on the brewery premises, or  
10 on premises located contiguous thereto;

11       5. To sell beer at public events such as trade shows or  
12 festivals;

13       6. To purchase wine in retail containers from the holder of a  
14 wholesaler license or as specifically provided by law; and

15       7. To sell, offer for sale and possess wine for on-premises  
16 consumption.

17       C. The holder of multiple small brewer licenses may sell beer  
18 produced at any brewery for which the licensee has a license at any  
19 other brewery for which the licensee has a license, or on premises  
20 located contiguous thereto.

21       D. Nothing in ~~this act~~ the Alcoholic Beverage Control Act shall  
22 prohibit the holder of a small brewer license from also holding or  
23 owning an interest in the holder of a brewpub license.

1       ~~D.~~ E. For purposes of this section, no visitor may sample more  
2 than a total of twelve (12) fluid ounces of beer per day. The  
3 brewer must restrict the distribution and consumption of beer  
4 samples to an area within the licensed premises designated by the  
5 brewer. A current floor plan that includes the designated sampling  
6 area must be on file with the ABLE Commission. No visitor under  
7 twenty-one (21) years of age shall be permitted to enter this  
8 designated sampling area when samples are being distributed or  
9 consumed. Samples of beer served by a brewery under this section  
10 shall not be considered a sale of beer within the meaning of Article  
11 XXVIII-A of the Oklahoma Constitution or Section 1-103 of this  
12 title; however, such samples of beer shall be considered beer  
13 removed or withdrawn from the brewery for use or consumption within  
14 the meaning of Section 5-110 of this title for excise tax  
15 determination and reporting requirements. Sales and sampling may  
16 only occur between the hours of 10:00 a.m. and 2:00 a.m.

17       ~~E.~~ F. A small brewer self-distribution license shall authorize  
18 holders of a small brewer license to distribute beer produced only  
19 by such licensee to a holder of a retail beer license, retail  
20 spirits license, mixed beverage license, beer and wine license,  
21 caterer's license, special event license, public event license,  
22 charitable auction license or brewpub license. A small brewer shall  
23 elect whether it will distribute through a distributor or self-  
24 distribute in a subject territory; however, a small brewer may not

1 elect to do both simultaneously in a subject territory. The  
2 election shall be made through notice to the ABLE Commission. Any  
3 changes to the election shall require immediate notification to the  
4 ABLE Commission before the change in election will take effect. A  
5 small brewer that elects to self-distribute in multiple territories  
6 shall only be required to have one small brewer self-distribution  
7 license.

8 ~~F.~~ G. All manufacturer's licenses held by brewers during the  
9 first calendar year beginning October 1, 2018, shall automatically  
10 convert to brewer licenses and be deemed effective as of the date of  
11 the first issuance of the manufacturer's license. Upon the first  
12 renewal of said license, the brewer will need to obtain the  
13 appropriate brewer's license. If a brewer elects to market wine and  
14 spirits, the brewer will also be required to obtain a manufacturer's  
15 license and comply with the rules and regulations for both licenses.

16 SECTION 2. This act shall become effective November 1, 2020.  
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