

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB1920 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by
inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Ryan Martinez

Adopted: _____

Reading Clerk

STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

PROPOSED COMMITTEE
SUBSTITUTE
FOR
HOUSE BILL NO. 1920

By: Martinez

PROPOSED COMMITTEE SUBSTITUTE

An Act relating to beer industry requirements;
amending Section 77, Chapter 366, O.S.L. 2016, as
amended by Section 13, Chapter 322, O.S.L. 2019 (37A
O.S. Supp. 2020, Section 3-107), which relates to
regulation of beer distribution agreements;
prohibiting certain requirement on nonmanufactured
products; prohibiting controlling hiring decisions;
prohibiting mandating advertising payments;
prohibiting mandating certain point-of-sale
advertising and payments; prohibiting initiation of
electronic funds for products exceeding the order;
prohibiting loss for product not in possession;
prohibiting certain payments or mandates for
software; providing a certain exception; and
providing an effective date.

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

SECTION 1. AMENDATORY Section 77, Chapter 366, O.S.L.
2016, as amended by Section 13, Chapter 322, O.S.L. 2019 (37A O.S.
Supp. 2020, Section 3-107), is amended to read as follows:

Section 3-107. A. In order to provide for regulation of the
sales and distribution of beer in this state by the ABLE Commission,

1 this Legislature hereby declares it is necessary to implement the
2 section.

3 B. Statutory regulation of the sales and distribution of
4 designated brands in designated territories by distributors shall
5 include but not be limited to:

6 1. A requirement for written distributor agreements between a
7 brewer and distributor designating a specific territory within which
8 the distributor may sell the designated brands of the brewer;

9 2. Provisions for prohibited acts applicable to the distributor
10 and brewer; and

11 3. Provisions for penalties for violations.

12 C. Except for a brewer that has met the provisions of
13 subsection E of Section 3-108 of Title 37A of the Oklahoma Statutes
14 and notwithstanding any existing beer distribution agreement to the
15 contrary, a brewer or importer of beer shall not:

16 1. Coerce or require a distributor to gather or submit sales
17 records, retail placement, price, discount, rebate or other details
18 for beer brands not brewed or imported by the brewer or importer;

19 2. Mandate distributor employee hiring decisions or payment
20 rates including incentives;

21 3. Require a distributor to pay or contribute marketing,
22 advertising or other funds for control or expenditure by the brewer
23 or importer, except a distributor may agree, in writing and advance,
24

1 to spend or contribute distributor funds for a specified marketing
2 or advertising plan or opportunity;

3 4. Ship, invoice or initiate electronic funds transfer payment
4 for any quantity of beer exceeding an order, forecast or inventory
5 level specified by a distributor or include in a beer sales invoice
6 charges for any items other than beer, freight, fuel, cooperage,
7 dunnage, pallets and related deposits;

8 5. Invoice or initiate electronic funds transfer payment for
9 point-of-sale advertising specialties or other items, except a
10 brewer or importer may itself place an order and invoice or initiate
11 electronic funds transfer payment for point-of-sale advertising
12 specialties or other items pursuant to a specific and advance
13 written agreement to do so between the distributor and the brewer or
14 importer;

15 6. Attribute risk of loss, ownership or other financial
16 interest to a distributor for beer not in the distributor's
17 possession; or

18 7. Require a distributor to use or pay for development,
19 installation, or use of any software owned or mandated by the brewer
20 or importer, except a distributor may be required to maintain data
21 in a format compatible with data format standards adopted or with
22 electronic information systems utilized by a brewer or importer.

SECTION 2. This act shall become effective November 1, 2021.

58-1-7595 JL 02/18/21