HB2213 FULLPCS2 Kevin McDugle-JL 2/24/2021 1:59:12 pm

COMMITTEE AMENDMENT HOUSE OF REPRESENTATIVES State of Oklahoma

SPEAKER:

CHAIR:

I move to amend <u>HB2213</u> 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: Kevin McDugle

Adopted:

Reading Clerk

1	STATE OF OKLAHOMA
2	1st Session of the 58th Legislature (2021)
З	PROPOSED COMMITTEE SUBSTITUTE
4	FOR HOUSE BILL NO. 2213 By: McDugle
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7	PROPOSED COMMITTEE SUBSTITUTE
8	An Act relating to alcoholic beverages; amending Section 15, Chapter 366, O.S.L. 2016 (37A O.S. Supp.
9	2020, Section 2-103), which relates to distiller licenses; modifying authority of holders of distiller
10	licenses; amending Section 19, Chapter 366, O.S.L. 2016, as amended by Section 11, Chapter 364, O.S.L.
11	2017 (37A O.S. Supp. 2020, Section 2-107), which relates to wine and spirits; modifying authorized
12	acts of certain wholesalers; and declaring an emergency.
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15	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
16	SECTION 1. AMENDATORY Section 15, Chapter 366, O.S.L.
17	2016 (37A O.S. Supp. 2020, Section 2-103), is amended to read as
18	follows:
19	Section 2-103. <u>A.</u> A distiller license shall authorize the
20	holder thereof:
21	1. To manufacture, bottle, package and store spirits on
22	licensed premises;
23	2. To sell spirits in this state to licensed wholesalers and
24	manufacturers only;

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

5 4. To serve free samples of spirits produced only by the licensee to visitors twenty-one (21) years of age and older. For 6 7 purposes of this section, no visitor may sample more than a total of three (3) fluid ounces of spirits per day. The distiller shall 8 9 restrict the distribution and consumption of spirits samples to an 10 area within the licensed premises designated by the distiller. A 11 current floor plan that includes the designated sampling area shall 12 be on file with the ABLE Commission. No visitor under twenty-one 13 (21) years of age shall be permitted to enter the designated 14 sampling area when samples are being distributed and consumed. 15 Samples of spirits served by a distiller under this section shall 16 not be considered a sale of spirits within the meaning of Article 17 XXVIIIA XXVIII-A of the Oklahoma Constitution or Section 3 1-103 of 18 this act title; provided, such samples of spirits shall be 19 considered removed or withdrawn from the distillery for use or 20 consumption within the meaning of Section 113 5-110 of this act 21 title for excise tax determination and reporting requirements; 22 5. To sell spirits produced by the licensee for either on-23 premises or off-premises consumption to consumers on the licensed 24 distillery premises or in an area controlled by the licensee located

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1 contiguous to the licensed distillery premises. Product offered for sale by the Oklahoma licensed distiller will have been sold to and 2 shipped to an Oklahoma licensed wine and spirits wholesaler and then 3 4 made available for purchase by the Oklahoma licensed distiller for 5 sale; and 6 6. To sell spirits at public events such as trade shows or 7 festivals. Products offered for sale by the Oklahoma licensed distiller will have been sold to and shipped to an Oklahoma licensed 8 9 wine and spirits wholesaler and then made available for purchase by 10 the Oklahoma licensed distiller. 11 B. Spirits sold pursuant to paragraphs 5 and 6 of subsection A 12 of this section shall not exceed fifteen thousand (15,000) US 13 gallons per calendar year in combination. 14 SECTION 2. Section 19, Chapter 366, O.S.L. AMENDATORY 15 2016, as amended by Section 11, Chapter 364, O.S.L. 2017 (37A O.S. 16 Supp. 2020, Section 2-107), is amended to read as follows: 17 Section 2-107. A. A wine and spirits wholesaler license shall 18 authorize the holder thereof: 19 1. To purchase and import into this state spirits and wines 20 from persons authorized to sell same who are the holders of a 21 manufacturer or nonresident seller license, and their agents who are 22 the holders of manufacturer's agent licenses; 23 2. To purchase spirits and wines from licensed distillers, 24 rectifiers and winemakers in this state;

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To purchase spirits and wines from licensed wholesalers, to
 the extent set forth in subsections B and C of this section;

4. To sell in retail containers in this state to retailers,
mixed beverage, caterer, special event, public event, hotel beverage
or airline/railroad beverage licensees, spirits and wines which have
been received and unloaded at the bonded warehouse facilities of the
wholesaler before such sale;

5. To sell to licensed wholesalers, to the extent set forth in
9 subsections B and C of this section, spirits and wines which have
10 been received and unloaded at the bonded warehouse facilities of the
11 wholesaler before such sale; and

12 6. To sell spirits and wines out of this state to qualified13 persons; and

14 <u>7. To sell to licensed distillers spirits that were</u> 15 <u>manufactured by that distiller and which have been received and</u> 16 <u>unloaded at a bonded warehouse facility of a wholesaler before such</u> 17 <u>sale</u>.

Provided, however, sales of spirits and wine in containers with a capacity of less than one-twentieth (1/20) gallon by a holder of a wholesaler license shall be in full case lots and in the original unbroken case. Wholesalers shall be authorized to place such signs outside their place of business as are required by Acts of Congress and by such laws and regulations promulgated under such Acts.

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B. A wholesaler may sell spirits and wine to other wholesalers
or purchase spirits and wines from other wholesalers without
complying with subsection A of this section in the case of the sale,
purchase or other transfer or acquisition of the entire business of
a wholesaler, including the inventory of spirits and wine.

C. A wholesaler license shall authorize the holder thereof to:
Maintain not more than three (3) self-owned or leased and
self-operated bonded warehouses within this state. All invoices
shall be stored at the principal place of business for which the
wholesaler license was granted; and

11 2. Accept as payment cash, personal check, cashier's check, 12 money order or electronic fund transfer from persons licensed to 13 purchase alcoholic beverages; provided, a wholesaler shall not be 14 permitted to accept payment by credit card.

SECTION 3. It being immediately necessary for the preservation of the public peace, health or safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

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