

STATE OF OKLAHOMA

2nd Session of the 58th Legislature (2022)

COMMITTEE SUBSTITUTE  
FOR ENGROSSED  
HOUSE BILL NO. 3641

By: Dempsey, Humphrey, and  
Strom of the House

and

Coleman of the Senate

COMMITTEE SUBSTITUTE

An Act relating to alcoholic beverages; amending 37A O.S. 2021, Section 1-103, which relates to definitions; providing definition for small distiller; modifying definition; amending 37A O.S. 2021, Section 2-103, which relates to distiller licenses; allowing holders of a distiller license to open satellite locations; providing allowed activities and sales that may occur at satellite locations; amending 37A O.S. 2021, Section 2-160, which relates to satellite tasting room license; allowing a holder of a distiller license to operate satellite tasting sites; providing method by which spirits are sold; requiring payment of manufacturing taxes; prohibiting certain ownership; specifying amount of spirits allowed to be served; and providing an effective date.

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

SECTION 1. AMENDATORY 37A O.S. 2021, Section 1-103, is amended to read as follows:

Section 1-103. As used in the Oklahoma Alcoholic Beverage Control Act:

1        1. "ABLE Commission" or "Commission" means the Alcoholic  
2 Beverage Laws Enforcement Commission;

3        2. "Alcohol" means and includes hydrated oxide of ethyl, ethyl  
4 alcohol, ethanol or spirits of wine, from whatever source or by  
5 whatever process produced. It does not include wood alcohol or  
6 alcohol which has been denatured or produced as denatured in  
7 accordance with Acts of Congress and regulations promulgated  
8 thereunder;

9        3. "Alcoholic beverage" means alcohol, spirits, beer and wine  
10 as those terms are defined herein and also includes every liquid or  
11 solid, patented or not, containing alcohol, spirits, wine or beer  
12 and capable of being consumed as a beverage by human beings;

13       4. "Applicant" means any individual, legal or commercial  
14 business entity, or any individual involved in any legal or  
15 commercial business entity allowed to hold any license issued in  
16 accordance with the Oklahoma Alcoholic Beverage Control Act;

17       5. "Beer" means any beverage of alcohol by volume and obtained  
18 by the alcoholic fermentation of an infusion or decoction of barley,  
19 or other grain, malt or similar products. ~~"Beer"~~ Beer may or may  
20 not contain hops or other vegetable products. ~~"Beer"~~ Beer includes,  
21 among other things, beer, ale, stout, lager beer, porter and other  
22 malt or brewed liquors, but does not include sake, known as Japanese  
23 rice wine;

1       6. "Beer keg" means any brewer-sealed, single container that  
2 contains not less than four (4) gallons of beer;

3       7. "Beer distributor" means and includes any person licensed to  
4 distribute beer for retail sale in the state, but does not include a  
5 holder of a small brewer self-distribution license or brewpub self-  
6 distribution license. The term "distributor", as used in the  
7 Oklahoma Alcoholic Beverage Control Act, shall be construed to refer  
8 to a beer distributor;

9       8. "Bottle club" means any establishment in a county which has  
10 not authorized the retail sale of alcoholic beverages by the  
11 individual drink, which is required to be licensed to keep, mix and  
12 serve alcoholic beverages belonging to club members on club  
13 premises;

14       9. "Bottle service" means the sale and provision of spirits in  
15 their original packages by a mixed beverage licensee to be consumed  
16 in that mixed beverage licensee's club suite;

17       10. "Brand" means any word, name, group of letters, symbol or  
18 combination thereof, that is adopted and used by a licensed brewer  
19 to identify a specific beer, wine or spirit and to distinguish that  
20 product from another beer, wine or spirit;

21       11. "Brand extension" means:

- 22           a. after October 1, 2018, any brand of beer or cider  
23 introduced by a manufacturer in this state which  
24 either:

1 (1) incorporates all or a substantial part of the  
2 unique features of a preexisting brand of the  
3 same licensed brewer, or

4 (2) relies to a significant extent on the goodwill  
5 associated with the preexisting brand, or

6 b. any brand of beer that a brewer, the majority of whose  
7 total volume of all brands of beer distributed in this  
8 state by such brewer on January 1, 2016, was  
9 distributed as low-point beer, desires to sell,  
10 introduces, begins selling or theretofore has sold and  
11 desires to continue selling a strong beer in this  
12 state which either:

13 (1) incorporates or incorporated all or a substantial  
14 part of the unique features of a preexisting low-  
15 point beer brand of the same licensed brewer, or

16 (2) relies or relied to a significant extent on the  
17 goodwill associated with a preexisting low-point  
18 beer brand;

19 12. "Brewer" means and includes any person who manufactures for  
20 human consumption by the use of raw materials or other ingredients  
21 any beer or cider upon which a license fee and a tax are imposed by  
22 any law of this state;

23 13. "Brewpub" means a licensed establishment operated on the  
24 premises of, or on premises located contiguous to, a small brewer,

1 that prepares and serves food and beverages, including alcoholic  
2 beverages, for on-premises consumption;

3 14. "Cider" means any alcoholic beverage obtained by the  
4 alcoholic fermentation of fruit juice, including but not limited to  
5 flavored, sparkling or carbonated cider. For the purposes of the  
6 manufacture of this product, cider may be manufactured by either  
7 manufacturers or brewers. For the purposes of the distribution of  
8 this product, cider may be distributed by either wine and spirits  
9 wholesalers or beer distributors;

10 15. "Club suite" means a designated area within the premises of  
11 a mixed beverage licensee designed to provide an exclusive space  
12 which is limited to a patron or patrons specifically granted access  
13 by a mixed beverage licensee and is not accessible to other patrons  
14 of the mixed beverage licensee or the public. A club suite must  
15 have a clearly designated point of access for a patron or patrons  
16 specifically granted access by the mixed beverage licensee to ensure  
17 that persons present in the suite are limited to patrons  
18 specifically granted access by the mixed beverage licensee and  
19 employees providing services to the club suite;

20 16. "Convenience store" means any person primarily engaged in  
21 retailing a limited range of general household items and groceries,  
22 with extended hours of operation, whether or not engaged in retail  
23 sales of automotive fuels in combination with such sales;

1        17. "Convicted" and "conviction" mean and include a finding of  
2 guilt resulting from a plea of guilty or nolo contendere, the  
3 decision of a court or magistrate or the verdict of a jury,  
4 irrespective of the pronouncement of judgment or the suspension  
5 thereof;

6        18. "Designated products" means the brands of wine or spirits  
7 offered for sale by a manufacturer that the manufacturer has  
8 assigned to a designated wholesaler for exclusive distribution;

9        19. "Designated wholesaler" means a wine and spirits wholesaler  
10 who has been selected by a manufacturer as a wholesaler appointed to  
11 distribute designated products;

12       20. "Director" means the Director of the ABLE Commission;

13       21. "Distiller" means any person who produces spirits from any  
14 source or substance, or any person who brews or makes mash, wort or  
15 wash, fit for distillation or for the production of spirits (except  
16 a person making or using such material in the authorized production  
17 of wine or beer, or the production of vinegar by fermentation), or  
18 any person who by any process separates alcoholic spirits from any  
19 fermented substance, or any person who, making or keeping mash, wort  
20 or wash, has also in his or her possession or use a still;

21       22. "Distributor agreement" means the written agreement between  
22 the distributor and brewer as set forth in Section 3-108 of this  
23 title;

1       23. "Drug store" means a person primarily engaged in retailing  
2 prescription and nonprescription drugs and medicines;

3       24. "Dual-strength beer" means a brand of beer that,  
4 immediately prior to April 15, 2017, was being sold and distributed  
5 in this state:

6           a. as a low-point beer pursuant to the Low-Point Beer  
7 Distribution Act in effect immediately prior to  
8 October 1, 2018, and

9           b. as strong beer pursuant to the Alcoholic Beverage  
10 Control Act in effect immediately prior to October 1,  
11 2018,

12 and continues to be sold and distributed as such on October 1, 2018.  
13 Dual-strength beer does not include a brand of beer that arose as a  
14 result of a brand extension as defined in this section;

15       25. "Fair market value" means the value in the subject  
16 territory covered by the written agreement with the distributor or  
17 wholesaler that would be determined in an arm's length transaction  
18 entered into without duress or threat of termination of the  
19 distributor's or wholesaler's rights and shall include all elements  
20 of value, including goodwill and going-concern value;

21       26. "Good cause" means:

22           a. failure by the distributor to comply with the material  
23 and reasonable provisions of a written agreement or  
24 understanding with the brewer, or

1           b.     failure by the distributor to comply with the duty of  
2                 good faith;

3         27.    "Good faith" means the duty of each party to any  
4 distributor agreement and all officers, employees or agents thereof  
5 to act with honesty in fact and within reasonable standards of fair  
6 dealing in the trade;

7         28.    "Grocery store" means a person primarily engaged in  
8 retailing a general line of food, such as canned or frozen foods,  
9 fresh fruits and vegetables, and fresh and prepared meats, fish and  
10 poultry;

11        29.    "Hotel" or "motel" means an establishment which is licensed  
12 to sell alcoholic beverages by the individual drink and which  
13 contains guestroom accommodations with respect to which the  
14 predominant relationship existing between the occupants thereof and  
15 the owner or operator of the establishment is that of innkeeper and  
16 guest. For purposes of this section, the existence of other legal  
17 relationships as between some occupants and the owner or operator  
18 thereof shall be immaterial;

19        30.    "Legal newspaper" means a newspaper meeting the requisites  
20 of a newspaper for publication of legal notices as prescribed in  
21 Sections 101 through 114 of Title 25 of the Oklahoma Statutes;

22        31.    "Licensee" means any person holding a license under the  
23 Oklahoma Alcoholic Beverage Control Act, and any agent, servant or  
24 employee of such licensee while in the performance of any act or



1 duty in connection with the licensed business or on the licensed  
2 premises;

3 32. "Low-point beer" shall mean any beverages containing more  
4 than one-half of one percent (1/2 of 1%) alcohol by volume, and not  
5 more than three and two-tenths percent (3.2%) alcohol by weight,  
6 including but not limited to, beer or cereal malt beverages obtained  
7 by the alcoholic fermentation of an infusion by barley or other  
8 grain, malt or similar products;

9 33. "Manufacturer" means a distiller, winemaker, rectifier or  
10 bottler of any alcoholic beverage (other than beer) and its  
11 subsidiaries, affiliates and parent companies;

12 34. "Manufacturer's agent" means a salaried or commissioned  
13 salesperson who is the agent authorized to act on behalf of the  
14 manufacturer or nonresident seller in the state;

15 35. "Meals" means foods commonly ordered at lunch or dinner and  
16 at least part of which is cooked on the licensed premises and  
17 requires the use of dining implements for consumption. Provided,  
18 that the service of only food such as appetizers, sandwiches, salads  
19 or desserts shall not be considered ~~"meals"~~ meals ;

20 36. "Mini-bar" means a closed container, either refrigerated in  
21 whole or in part, or nonrefrigerated, and access to the interior of  
22 which is:

23 a. restricted by means of a locking device which requires  
24 the use of a key, magnetic card or similar device, or

b. controlled at all times by the licensee;

37. "Mixed beverage cooler" means any beverage, by whatever name designated, consisting of an alcoholic beverage and fruit or vegetable juice, fruit or vegetable flavorings, dairy products or carbonated water containing more than one-half of one percent (1/2 of 1%) of alcohol measured by volume but not more than seven percent (7%) alcohol by volume at sixty (60) degrees Fahrenheit and which is packaged in a container not larger than three hundred seventy-five (375) milliliters. Such term shall include but not be limited to the beverage popularly known as a "wine cooler";

38. "Mixed beverages" means one or more servings of a beverage composed in whole or part of an alcoholic beverage in a sealed or unsealed container of any legal size for consumption on the premises where served or sold by the holder of a mixed beverage, beer and wine, caterer, public event, charitable event or special event license;

39. "Motion picture theater" means an establishment which is licensed by Section 2-110 of this title to sell alcoholic beverages by the individual drink and where motion pictures are exhibited, and to which the general public is admitted;

40. "Nondesignated products" means the brands of wine or spirits offered for sale by a manufacturer that have not been assigned to a designated wholesaler;

1       41. "Nonresident seller" means any person licensed pursuant to  
2 Section 2-135 of this title;

3       42. "Retail salesperson" means a salesperson soliciting orders  
4 from and calling upon retail alcoholic beverage stores with regard  
5 to his or her product;

6       43. "Occupation" as used in connection with "occupation tax"  
7 means the sites occupied as the places of business of the  
8 manufacturers, brewers, wholesalers, beer distributors, retailers,  
9 mixed beverage licensees, on-premises beer and wine licensees,  
10 bottle clubs, caterers, public event and special event licensees;

11       44. "Original package" means any container of alcoholic  
12 beverage filled and stamped or sealed by the manufacturer or brewer;

13       45. "Package store" means any sole proprietor or partnership  
14 that qualifies to sell wine, beer and/or spirits for off-premises  
15 consumption and that is not a grocery store, convenience store or  
16 drug store, or other retail outlet that is not permitted to sell  
17 wine or beer for off-premises consumption;

18       46. "Patron" means any person, customer or visitor who is not  
19 employed by a licensee or who is not a licensee;

20       47. "Person" means an individual, any type of partnership,  
21 corporation, association, limited liability company or any  
22 individual involved in the legal structure of any such business  
23 entity;

24

1       48. "Premises" means the grounds and all buildings and  
2 appurtenances pertaining to the grounds including any adjacent  
3 premises if under the direct or indirect control of the licensee and  
4 the rooms and equipment under the control of the licensee and used  
5 in connection with or in furtherance of the business covered by a  
6 license. Provided that the ABLE Commission shall have the authority  
7 to designate areas to be excluded from the licensed premises solely  
8 for the purpose of:

9           a. allowing the presence and consumption of alcoholic  
10            beverages by private parties which are closed to the  
11            general public, or

12           b. allowing the services of a caterer serving alcoholic  
13            beverages provided by a private party.

14 This exception shall in no way limit the licensee's concurrent  
15 responsibility for any violations of the Oklahoma Alcoholic Beverage  
16 Control Act occurring on the licensed premises;

17       49. "Private event" means a social gathering or event attended  
18 by invited guests who share a common cause, membership, business or  
19 task and have a prior established relationship. For purposes of  
20 this definition, advertisement for general public attendance or  
21 sales of tickets to the general public shall not constitute a  
22 private event;

23       50. "Public event" means any event that can be attended by the  
24 general public;

1        51. "Rectifier" means any person who rectifies, purifies or  
2 refines spirits or wines by any process (other than by original and  
3 continuous distillation, or original and continuous processing, from  
4 mash, wort, wash or other substance, through continuous closed  
5 vessels and pipes, until the production thereof is complete), and  
6 any person who, without rectifying, purifying or refining spirits,  
7 shall by mixing (except for immediate consumption on the premises  
8 where mixed) such spirits, wine or other liquor with any material,  
9 manufactures any spurious, imitation or compound liquors for sale,  
10 under the name of whiskey, brandy, rum, gin, wine, spirits, cordials  
11 or any other name;

12        52. "Regulation" or "rule" means a formal rule of general  
13 application promulgated by the ABLE Commission as herein required;

14        53. "Restaurant" means an establishment that is licensed to  
15 sell alcoholic beverages by the individual drink for on-premises  
16 consumption and where food is prepared and sold for immediate  
17 consumption on the premises;

18        54. "Retail container for spirits and wines" means an original  
19 package of any capacity approved by the United States Bureau of  
20 Alcohol, Tobacco and Firearms;

21        55. "Retailer" means a package store, grocery store,  
22 convenience store or drug store licensed to sell alcoholic beverages  
23 for off-premises consumption pursuant to a Retail Spirits License,  
24 Retail Wine License or Retail Beer License;

1        56. "Sale" means any transfer, exchange or barter in any manner  
2 or by any means whatsoever, and includes and means all sales made by  
3 any person, whether as principal, proprietor or as an agent, servant  
4 or employee. The term ~~"sale"~~ sale is also declared to be and  
5 include the use or consumption in this state of any alcoholic  
6 beverage obtained within or imported from without this state, upon  
7 which the excise tax levied by the Oklahoma Alcoholic Beverage  
8 Control Act has not been paid or exempted;

9        57. "Short-order food" means food other than full meals  
10 including but not limited to sandwiches, soups and salads. Provided  
11 that popcorn, chips and other similar snack food shall not be  
12 considered ~~"short-order food"~~ short-order food;

13        58. "Small brewer" means a brewer who manufactures less than  
14 sixty-five thousand barrels of beer annually pursuant to a validly  
15 issued Small Brewer License hereunder;

16        59. "Small distiller" means a distiller who sells less than  
17 fifteen thousand (15,000) gallons of spirits or spirits-based  
18 products on their own premises through a licensed wholesaler per  
19 year;

20        60. "Small farm wine" means a wine that is produced by a small  
21 farm winery with seventy-five percent (75%) or more Oklahoma-grown  
22 grapes, berries, other fruits, honey or vegetables;

23        ~~60.~~ 61. "Small farm winery" means a wine-making establishment  
24 that does not annually produce for sale more than fifteen thousand

1 (15,000) gallons of wine as reported on the United States Department  
2 of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Report of  
3 Wine Premises Operations (TTB Form 5120.17);

4 ~~61.~~ 62. "Sparkling wine" means champagne or any artificially  
5 carbonated wine;

6 ~~62.~~ 63. "Special event" means an entertainment, recreation or  
7 marketing event that occurs at a single location on an irregular  
8 basis and at which alcoholic beverages are sold;

9 ~~63.~~ 64. "Spirits" means any beverage other than wine or beer,  
10 which contains more than one-half of one percent (1/2 of 1%) alcohol  
11 measured by volume, and obtained by distillation, whether or not  
12 mixed with other substances in solution and includes those products  
13 known as whiskey, brandy, rum, gin, vodka, liqueurs, cordials and  
14 fortified wines and similar compounds, but shall not include any  
15 alcohol liquid completely denatured in accordance with the Acts of  
16 Congress and regulations pursuant thereto;

17 ~~64.~~ 65. "Strong beer" means beer which, prior to October 1,  
18 2018, was distributed pursuant to the Oklahoma Alcoholic Beverage  
19 Control Act, Section 501 et seq. of Title 37 of the Oklahoma  
20 Statutes;

21 ~~65.~~ 66. "Successor brewer" means a primary source of supply, a  
22 brewer, a cider manufacturer or an importer that acquires rights to  
23 a beer or cider brand from a predecessor brewer;

24 ~~66.~~ 67. "Tax Commission" means the Oklahoma Tax Commission;

1       ~~67.~~ 68. "Territory" means a geographic region with a specified  
2 boundary;

3       ~~68.~~ 69. "Wine and spirits wholesaler" or "wine and spirits  
4 distributor" means and includes any sole proprietorship or  
5 partnership licensed to distribute wine and spirits in the state.  
6 The term "wholesaler", as used in the Oklahoma Alcoholic Beverage  
7 Control Act, shall be construed to refer to a wine and spirits  
8 wholesaler;

9       ~~69.~~ 70. "Wine" means and includes any beverage containing more  
10 than one-half of one percent (1/2 of 1%) alcohol by volume and not  
11 more than twenty-four percent (24%) alcohol by volume at sixty (60)  
12 degrees Fahrenheit obtained by the fermentation of the natural  
13 contents of fruits, vegetables, honey, milk or other products  
14 containing sugar, whether or not other ingredients are added, and  
15 includes vermouth and sake, known as Japanese rice wine;

16       ~~70.~~ 71. "Winemaker" means and includes any person or  
17 establishment who manufactures for human consumption any wine upon  
18 which a license fee and a tax are imposed by any law of this state;  
19 and

20       ~~71.~~ 72. "Satellite tasting room" means a licensed establishment  
21 operated off the licensed premises of the holder of a small farm  
22 winery ~~or,~~ winemaker, or distiller license, which serves wine or  
23 spirits or spirits-based products for on-premises or off-premises  
24 consumption; provided, that the holder of the distiller license



1 operating the satellite tasting room qualifies as a small distiller  
2 as defined in this section.

3 Words in the plural include the singular, and vice versa, and  
4 words imparting the masculine gender include the feminine, as well  
5 as persons and licensees as defined in this section.

6 SECTION 2. AMENDATORY 37A O.S. 2021, Section 2-103, is  
7 amended to read as follows:

8 Section 2-103. A. A distiller license shall authorize the  
9 holder thereof:

10 1. To manufacture, bottle, package and store spirits on  
11 licensed premises;

12 2. To sell spirits in this state to licensed wholesalers and  
13 manufacturers ~~only~~;

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

18 4. To serve free samples of spirits produced only by the  
19 licensee to visitors twenty-one (21) years of age and older. For  
20 purposes of this section, no visitor may sample more than a total of  
21 three (3) fluid ounces of spirits per day. The distiller shall  
22 restrict the distribution and consumption of spirits samples to an  
23 area within the licensed premises designated by the distiller. A  
24 current floor plan that includes the designated sampling area shall

1 be on file with the ABLE Commission. No visitor under twenty-one  
2 (21) years of age shall be permitted to enter the designated  
3 sampling area when samples are being distributed and consumed.  
4 Samples of spirits served by a distiller under this section shall  
5 not be considered a sale of spirits within the meaning of Article  
6 XXVIII-A of the Oklahoma Constitution or Section 1-103 of this  
7 title; provided, such samples of spirits shall be considered removed  
8 or withdrawn from the distillery for use or consumption within the  
9 meaning of Section 5-110 of this title for excise tax determination  
10 and reporting requirements;

11 5. To sell spirits produced by the licensee for either on-  
12 premises or off-premises consumption to consumers on the licensed  
13 distillery premises or in an area controlled by the licensee located  
14 contiguous to the licensed distillery premises. Product offered for  
15 sale by the Oklahoma-licensed distiller will have been sold to and  
16 shipped to an Oklahoma licensed wine and spirits wholesaler and then  
17 made available for purchase by the Oklahoma-licensed distiller for  
18 sale; ~~and~~

19 6. To sell spirits at public events such as trade shows or  
20 festivals. Products offered for sale by the Oklahoma licensed  
21 distiller will have been sold to and shipped to an Oklahoma licensed  
22 wine and spirits wholesaler and then made available for purchase by  
23 the Oklahoma licensed distiller; and

24

1        7. To establish satellite tasting rooms as defined and  
2 authorized by licensing pursuant to Section 2-160 of this title,  
3 where the distiller's products may be tasted, sampled, sold, and  
4 served for on-premises consumption and the distiller is permitted to  
5 sell its products in sealed containers; provided, the distiller  
6 license is active and in good standing and qualifies as a small  
7 distiller as defined in Section 1-103 of this title. The products  
8 sold at a satellite tasting room shall have been produced and  
9 manufactured by the small distiller and shall have all manufacturing  
10 taxes paid. Product offered by the Oklahoma-licensed small  
11 distiller pursuant to this paragraph shall be sold to and shipped to  
12 an Oklahoma-licensed wine and spirits wholesaler and then made  
13 available for purchase by the Oklahoma-licensed distiller for sale.  
14 The only alcoholic beverages permitted to be sold under a satellite  
15 tasting room license are those produced and manufactured by the  
16 small distiller owning the satellite tasting room.

17        B. Spirits or spirits-based products sold pursuant to  
18 paragraphs 5 ~~and~~, 6, and 7 of subsection A of this section shall not  
19 exceed fifteen thousand (15,000) gallons per calendar year in  
20 combination.

21        SECTION 3.        AMENDATORY        37A O.S. 2021, Section 2-160, is  
22 amended to read as follows:

23        Section 2-160. A satellite tasting room license shall authorize  
24 the holder of a small farm winery license ~~or~~, winemaker license, or

1 distiller license to operate no more than two satellite locations in  
2 addition to ~~his or her~~ their licensed premises for the purpose of  
3 providing tastings, samples and retail sales for on-premises or off-  
4 premises consumption to consumers over twenty-one (21) years of age;  
5 provided the wine, spirits, or spirits-based products tasted,  
6 sampled or sold shall have been produced/manufactured by the holder  
7 of a small farm winery ~~or~~, winemaker, or distiller license ~~and shall~~  
8 ~~have all manufacturing taxes paid as authorized by the respective~~  
9 license and shall have all manufacturing taxes paid. Spirits or  
10 spirits-based products offered pursuant to this section shall be  
11 sold to and shipped to an Oklahoma-licensed wine and spirits  
12 wholesaler and then made available for purchase by the small  
13 distiller to sell.

14 The holder of a small farm winery license ~~or~~, winemaker license,  
15 or distiller license must obtain approval for each satellite  
16 location from the city, town or municipality before submitting the  
17 application to the ABLE Commission. Each satellite location shall  
18 obtain its own license. The fee for licensing each satellite  
19 location will be One Hundred Dollars (\$100.00) annually.

20 The small farm winery licensee ~~or~~, winemaker licensee, or  
21 distiller licensee operating a satellite tasting room must keep such  
22 license in good standing and is liable for any violation committed  
23 on the premises of its satellite tasting rooms. Employees and  
24 managers of the satellite tasting room must be trained in alcohol

1 handling, laws and regulations and hold a current alcohol servers  
2 license and must be over twenty-one (21) years of age.

3 For purposes of this section, the term "tasting or tastings"  
4 means the serving of free samples of the winemaker's or small  
5 distiller's products not to exceed more than a total of six (6)  
6 fluid ounces of wine or three (3) fluid ounces of spirits or twelve  
7 (12) fluid ounces of spirits-based product per person aged twenty-one  
8 (21) years or older per day, or the serving of the winemaker's or  
9 small distiller's products by individual drink purchased by the  
10 consumer for on-premises consumption, or the retail sale of the  
11 winemaker's or small distiller's products in sealed containers to an  
12 on-premises customer for off-premises consumption, or any  
13 combination thereof.

14 The holder of a satellite tasting room license shall not be  
15 permitted to hold or have any ownership right, title, claim, or  
16 interest, financial or otherwise, in, upon, or to the premises,  
17 equipment, business or merchandise of any retailer, mixed beverage,  
18 caterer, beer and wine, caterer, public event, or bottle club  
19 licensee.

20 SECTION 4. This act shall become effective November 1, 2022.  
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22 58-2-3776 MR 4/13/2022 7:32:50 PM  
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