1	SENATE FLOOR VERSION March 3, 2022						
2	March 3, 2022						
3	SENATE BILL NO. 1263 By: Coleman						
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6	An Act relating to alcoholic beverages; amending 37A O.S. 2021, Sections 2-102, as last amended by Section						
7	1, Chapter 396, O.S.L. 2021, and 2-132, which relate						
8	to brewer and brewpub licenses; authorizing licensees to purchase from certain businesses and import beer into the state in accordance with federal laws and						
9	regulations; and declaring an emergency.						
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12	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:						
13	SECTION 1. AMENDATORY 37A O.S. 2021, Section 2-102, as						
14	last amended by Section 1, Chapter 396, O.S.L. 2021, is amended to						
15	read as follows:						
16	Section 2-102. A. A brewer license shall authorize the holder						
17	thereof:						
18	1. To manufacture, bottle, package and store beer and cider on						
19	the licensed premises; and						
20	2. To sell beer and cider in this state to holders of beer						
21	distributor licenses and to sell beer and cider out of this state to						
22	qualified persons; and						
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- 3. To purchase from licensed brewers, small brewers, and brewpubs in this state, and to import beer into this state for use in manufacturing in accordance with federal laws and regulations.
 - B. A small brewer license shall authorize the holder thereof:
 - 1. To manufacture, bottle, package and store beer produced by the licensee on licensed premises;
 - 2. To sell beer in this state to holders of beer distributor licenses and retail licenses or to sell beer out of this state to qualified persons;
 - 3. To serve free samples of beer produced by the licensee to visitors twenty-one (21) years of age or older;
- 4. To sell beer produced by the licensee for either on-premises or off-premises consumption to consumers on the brewery premises, or on premises located contiguous thereto;
 - 5. To sell beer at public events such as trade shows or festivals;
 - 6. To purchase wine in retail containers from the holder of a wholesaler license or as specifically provided by law; and
 - 7. To sell, offer for sale and possess wine for on-premises consumption; and
- 21 8. To purchase from licensed brewers, small brewers, and
 22 brewpubs in this state, and to import beer into this state for use
 23 in manufacturing in accordance with federal laws and regulations.

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C. The holder of multiple small brewer licenses may sell beer produced at up to three breweries for which the licensee has a license, at any other of such three licensed breweries or on premises located contiguous thereto.

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- D. Nothing in the Alcoholic Beverage Control Act shall prohibit the holder of a small brewer license from also holding or owning an interest in the holder of a brewpub license.
- E. For purposes of this section, no visitor may sample more than a total of twelve (12) fluid ounces of beer per day. brewer must restrict the distribution and consumption of beer samples to an area within the licensed premises designated by the brewer. A current floor plan that includes the designated sampling area must be on file with the ABLE Commission. No visitor under twenty-one (21) years of age shall be permitted to enter this designated sampling area when samples are being distributed or consumed. Samples of beer served by a brewery under this section shall not be considered a sale of beer within the meaning of Article XXVIII-A of the Oklahoma Constitution or Section 1-103 of this title; however, such samples of beer shall be considered beer removed or withdrawn from the brewery for use or consumption within the meaning of Section 5-110 of this title for excise tax determination and reporting requirements. Sales and sampling may only occur between the hours of 10:00 a.m. and 2:00 a.m.

1 F. A small brewer self-distribution license shall authorize 2 holders of a small brewer license to distribute beer produced only by such licensee to a holder of a retail beer license, retail 3 spirits license, mixed beverage license, beer and wine license, 4 5 caterer's license, special event license, public event license, charitable auction license or brewpub license. A small brewer shall 6 elect whether it will distribute through a distributor or self-7 distribute in a subject territory; however, a small brewer may not 9 elect to do both simultaneously in a subject territory. election shall be made through notice to the ABLE Commission. 10 changes to the election shall require immediate notification to the 11 ABLE Commission before the change in election will take effect. A 12 small brewer that elects to self-distribute in multiple territories 13 shall only be required to have one small brewer self-distribution 14 license. 15

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

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1	SECTION	2.	AMENDATORY	37A	O.S.	2021,	Section	2-132,	is

2 amended to read as follows:

Section 2-132. A. A brewpub license shall authorize a small brewer to:

- 1. Manufacture, bottle, package and store beer on the licensed premises;
- 2. Sell beer produced by the licensee for either on-premises or off-premises consumption to consumers on the brewery premises, or premises located contiguous thereto;
 - 3. Sell beer at public events such as trade shows or festivals;
- 4. Also hold a mixed beverage license, beer and wine license or caterer's license; and
 - 5. Hold a brewpub self-distribution license; and
 - 6. Purchase from licensed brewers, small brewers, and brewpubs in this state, and to import beer into this state for use in manufacturing in accordance with federal laws and regulations.
 - B. A brewpub self-distribution license shall authorize holders of a brewpub license to distribute beer produced only by such licensee and operated by an entity which has common owners with such brewpub licensee, regardless of which place of business brews the beverage. "Common owners" means that the owners at each place or entity together own more than fifty percent (50%) of the interest in each place or entity that holds a type of license listed in this subsection.

1	SECTION 3. It being immediately necessary for the preservation
2	of the public peace, health or safety, an emergency is hereby
3	declared to exist, by reason whereof this act shall take effect and
4	be in full force from and after its passage and approval.
5	COMMITTEE REPORT BY: COMMITTEE ON BUSINESS, COMMERCE AND TOURISM March 3, 2022 - DO PASS
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