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COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 315

and

An Act relating to alcoholic beverages; amending Section 15, Chapter 366, O.S.L. 2016 (37A O.S. Supp. 2020, Section 2-103), which relates to distiller licenses; modifying authority of holders of distiller licenses; amending Section 19, Chapter 366, O.S.L. 2016, as amended by Section 11, Chapter 364, O.S.L. 2017 (37A O.S. Supp. 2020, Section 2-107), which relates to wine and spirits; modifying authorized acts of certain wholesalers; and declaring an emergency.

SECTION 1. AMENDATORY Section 15, Chapter 366, O.S.L.
2016 (37A O.S. Supp. 2020, Section 2-103), is amended to read as
follows:

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

1 2. To sell spirits in this state to licensed wholesalers and
2 manufacturers only;

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

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21 considered removed or withdrawn from the distillery for use or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

1 5. To sell spirits produced by the licensee for either on-
2 premises or off-premises consumption to consumers on the licensed
3 distillery premises or in an area controlled by the licensee located
4 contiguous to the licensed distillery premises. Product offered for
5 sale by the Oklahoma licensed distiller will have been sold to and
6 shipped to an Oklahoma licensed wine and spirits wholesaler and then
7 made available for purchase by the Oklahoma licensed distiller for
8 sale; and

9 6. To sell spirits at public events such as trade shows or
10 festivals. Products offered for sale by the Oklahoma licensed
11 distiller will have been sold to and shipped to an Oklahoma licensed
12 wine and spirits wholesaler and then made available for purchase by
13 the Oklahoma licensed distiller.

14 B. Spirits sold pursuant to paragraphs 5 and 6 of subsection A
15 of this section shall not exceed fifteen thousand (15,000) gallons
16 per calendar year in combination.

17 SECTION 2. AMENDATORY Section 19, Chapter 366, O.S.L.
18 2016, as amended by Section 11, Chapter 364, O.S.L. 2017 (37A O.S.
19 Supp. 2020, Section 2-107), is amended to read as follows:

20 Section 2-107. A. A wine and spirits wholesaler license shall
21 authorize the holder thereof:

22 1. To purchase and import into this state spirits and wines
23 from persons authorized to sell same who are the holders of a
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1 manufacturer or nonresident seller license, and their agents who are
2 the holders of manufacturer's agent licenses;

3 2. To purchase spirits and wines from licensed distillers,
4 rectifiers and winemakers in this state;

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

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

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

16 6. To sell spirits and wines out of this state to qualified
17 persons; and

18 7. To sell to licensed distillers spirits that were
19 manufactured by that distiller and which have been received and
20 unloaded at a bonded warehouse facility of a wholesaler before such
21 sale.

22 Provided, however, sales of spirits and wine in containers with
23 a capacity of less than one-twentieth (1/20) gallon by a holder of a
24 wholesaler license shall be in full case lots and in the original

1 unbroken case. Wholesalers shall be authorized to place such signs
2 outside their place of business as are required by Acts of Congress
3 and by such laws and regulations promulgated under such Acts.

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

9 C. A wholesaler license shall authorize the holder thereof to:

10 1. Maintain not more than three (3) self-owned or leased and
11 self-operated bonded warehouses within this state. All invoices
12 shall be stored at the principal place of business for which the
13 wholesaler license was granted; and

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

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

22 COMMITTEE REPORT BY: COMMITTEE ON BUSINESS, COMMERCE AND TOURISM
23 February 25, 2021 - DO PASS AS AMENDED
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