

STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

SENATE BILL 374

By: David

AS INTRODUCED

An Act relating to the Oklahoma Alcoholic Beverage Control Act; amending Section 3, Chapter 366, O.S.L. 2016, as last amended by Section 6, Chapter 161, O.S.L. 2020 (37A O.S. Supp. 2020, Section 1-103), which relates to definitions; adding definition for small farm producer; updating statutory references; amending Section 13, Chapter 366, O.S.L. 2016, as last amended by Section 9, Chapter 161, O.S.L. 2020 (37A O.S. Supp. 2020, Section 2-101), which relates to licenses; adding small farm producer license; setting license fee; modifying references; establishing authority for certain license; permitting tastings and sales for on-premises and off-premises consumption; limiting gallons for certain consumption; requiring records be kept; allowing label to be owned by certain licensees; providing for codification; and providing an effective date.

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

SECTION 1. AMENDATORY Section 3, Chapter 366, O.S.L. 2016, as last amended by Section 6, Chapter 161, O.S.L. 2020 (37A O.S. Supp. 2020, 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" may or may not
20 contain hops or other vegetable products. "Beer" includes, among
21 other things, beer, ale, stout, lager beer, porter and other malt or
22 brewed liquors, but does not include sake, known as Japanese rice
23 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. "Brand" means any word, name, group of letters, symbol or
15 combination thereof, that is adopted and used by a licensed brewer
16 to identify a specific beer, wine or spirit and to distinguish that
17 product from another beer, wine or spirit;

18 10. "Brand extension" means:

19 a. after October 1, 2018, any brand of beer or cider
20 introduced by a manufacturer in this state which
21 either:

22 (1) incorporates all or a substantial part of the
23 unique features of a preexisting brand of the
24 same licensed brewer, or
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- (2) relies to a significant extent on the goodwill associated with the preexisting brand, or
- b. any brand of beer that a brewer, the majority of whose total volume of all brands of beer distributed in this state by such brewer on January 1, 2016, was distributed as low-point beer, desires to sell, introduces, begins selling or theretofore has sold and desires to continue selling a strong beer in this state which either:
- (1) incorporates or incorporated all or a substantial part of the unique features of a preexisting low-point beer brand of the same licensed brewer, or
- (2) relies or relied to a significant extent on the goodwill associated with a preexisting low-point beer brand;

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

12. "Brewpub" means a licensed establishment operated on the premises of, or on premises located contiguous to, a small brewer, that prepares and serves food and beverages, including alcoholic beverages, for on-premises consumption;

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

8 14. "Convenience store" means any person primarily engaged in
9 retailing a limited range of general household items and groceries,
10 with extended hours of operation, whether or not engaged in retail
11 sales of automotive fuels in combination with such sales;

12 15. "Convicted" and "conviction" mean and include a finding of
13 guilt resulting from a plea of guilty or nolo contendere, the
14 decision of a court or magistrate or the verdict of a jury,
15 irrespective of the pronouncement of judgment or the suspension
16 thereof;

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

20 17. "Designated wholesaler" means a wine and spirits wholesaler
21 who has been selected by a manufacturer as a wholesaler appointed to
22 distribute designated products;

23 18. "Director" means the Director of the ABLE Commission;
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1 19. "Distiller" means any person who produces spirits from any
2 source or substance, or any person who brews or makes mash, wort or
3 wash, fit for distillation or for the production of spirits (except
4 a person making or using such material in the authorized production
5 of wine or beer, or the production of vinegar by fermentation), or
6 any person who by any process separates alcoholic spirits from any
7 fermented substance, or any person who, making or keeping mash, wort
8 or wash, has also in his or her possession or use a still;

9 20. "Distributor agreement" means the written agreement between
10 the distributor and brewer as set forth in Section 3-108 of this
11 title;

12 21. "Drug store" means a person primarily engaged in retailing
13 prescription and nonprescription drugs and medicines;

14 22. "Dual-strength beer" means a brand of beer that,
15 immediately prior to April 15, 2017, was being sold and distributed
16 in this state:

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

20 b. as strong beer pursuant to the Alcoholic Beverage
21 Control Act in effect immediately prior to October 1,
22 2018,

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

4 23. "Fair market value" means the value in the subject
5 territory covered by the written agreement with the distributor or
6 wholesaler that would be determined in an arm's length transaction
7 entered into without duress or threat of termination of the
8 distributor's or wholesaler's rights and shall include all elements
9 of value, including goodwill and going-concern value;

10 24. "Good cause" means:

- 11 a. failure by the distributor to comply with the material
12 and reasonable provisions of a written agreement or
13 understanding with the brewer, or
14 b. failure by the distributor to comply with the duty of
15 good faith;

16 25. "Good faith" means the duty of each party to any
17 distributor agreement and all officers, employees or agents thereof
18 to act with honesty in fact and within reasonable standards of fair
19 dealing in the trade;

20 26. "Grocery store" means a person primarily engaged in
21 retailing a general line of food, such as canned or frozen foods,
22 fresh fruits and vegetables, and fresh and prepared meats, fish and
23 poultry;

1 27. "Hotel" or "motel" means an establishment which is licensed
2 to sell alcoholic beverages by the individual drink and which
3 contains guestroom accommodations with respect to which the
4 predominant relationship existing between the occupants thereof and
5 the owner or operator of the establishment is that of innkeeper and
6 guest. For purposes of this section, the existence of other legal
7 relationships as between some occupants and the owner or operator
8 thereof shall be immaterial;

9 28. "Legal newspaper" means a newspaper meeting the requisites
10 of a newspaper for publication of legal notices as prescribed in
11 Sections 101 through 114 of Title 25 of the Oklahoma Statutes;

12 29. "Licensee" means any person holding a license under the
13 Oklahoma Alcoholic Beverage Control Act, and any agent, servant or
14 employee of such licensee while in the performance of any act or
15 duty in connection with the licensed business or on the licensed
16 premises;

17 30. "Low-point beer" shall mean any beverages containing more
18 than one-half of one percent ($1/2$ of 1%) alcohol by volume, and not
19 more than three and two-tenths percent (3.2%) alcohol by weight,
20 including but not limited to, beer or cereal malt beverages obtained
21 by the alcoholic fermentation of an infusion by barley or other
22 grain, malt or similar products;

1 31. "Manufacturer" means a distiller, winemaker, rectifier or
2 bottler of any alcoholic beverage (other than beer) and its
3 subsidiaries, affiliates and parent companies;

4 32. "Manufacturer's agent" means a salaried or commissioned
5 salesperson who is the agent authorized to act on behalf of the
6 manufacturer or nonresident seller in the state;

7 33. "Meals" means foods commonly ordered at lunch or dinner and
8 at least part of which is cooked on the licensed premises and
9 requires the use of dining implements for consumption. Provided,
10 that the service of only food such as appetizers, sandwiches, salads
11 or desserts shall not be considered "meals";

12 34. "Mini-bar" means a closed container, either refrigerated in
13 whole or in part, or nonrefrigerated, and access to the interior of
14 which is:

- 15 a. restricted by means of a locking device which requires
- 16 the use of a key, magnetic card or similar device, or
- 17 b. controlled at all times by the licensee;

18 35. "Mixed beverage cooler" means any beverage, by whatever
19 name designated, consisting of an alcoholic beverage and fruit or
20 vegetable juice, fruit or vegetable flavorings, dairy products or
21 carbonated water containing more than one-half of one percent (1/2
22 of 1%) of alcohol measured by volume but not more than seven percent
23 (7%) alcohol by volume at sixty (60) degrees Fahrenheit and which is
24 packaged in a container not larger than three hundred seventy-five

1 (375) milliliters. Such term shall include but not be limited to
2 the beverage popularly known as a "wine cooler";

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

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

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

16 39. "Nonresident seller" means any person licensed pursuant to
17 Section 2-135 of this title;

18 40. "Retail salesperson" means a salesperson soliciting orders
19 from and calling upon retail alcoholic beverage stores with regard
20 to his or her product;

21 41. "Occupation" as used in connection with "occupation tax"
22 means the sites occupied as the places of business of the
23 manufacturers, brewers, wholesalers, beer distributors, retailers,
24

1 mixed beverage licensees, on-premises beer and wine licensees,
2 bottle clubs, caterers, public event and special event licensees;

3 42. "Original package" means any container of alcoholic
4 beverage filled and stamped or sealed by the manufacturer or brewer;

5 43. "Package store" means any sole proprietor or partnership
6 that qualifies to sell wine, beer and/or spirits for off-premises
7 consumption and that is not a grocery store, convenience store or
8 drug store, or other retail outlet that is not permitted to sell
9 wine or beer for off-premises consumption;

10 44. "Patron" means any person, customer or visitor who is not
11 employed by a licensee or who is not a licensee;

12 45. "Person" means an individual, any type of partnership,
13 corporation, association, limited liability company or any
14 individual involved in the legal structure of any such business
15 entity;

16 46. "Premises" means the grounds and all buildings and
17 appurtenances pertaining to the grounds including any adjacent
18 premises if under the direct or indirect control of the licensee and
19 the rooms and equipment under the control of the licensee and used
20 in connection with or in furtherance of the business covered by a
21 license. Provided that the ABLE Commission shall have the authority
22 to designate areas to be excluded from the licensed premises solely
23 for the purpose of:
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- a. allowing the presence and consumption of alcoholic beverages by private parties which are closed to the general public, or
- b. allowing the services of a caterer serving alcoholic beverages provided by a private party.

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

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

48. "Public event" means any event that can be attended by the general public;

49. "Rectifier" means any person who rectifies, purifies or refines spirits or wines by any process (other than by original and continuous distillation, or original and continuous processing, from mash, wort, wash or other substance, through continuous closed vessels and pipes, until the production thereof is complete), and any person who, without rectifying, purifying or refining spirits, shall by mixing (except for immediate consumption on the premises where mixed) such spirits, wine or other liquor with any material,

1 manufactures any spurious, imitation or compound liquors for sale,
2 under the name of whiskey, brandy, rum, gin, wine, spirits, cordials
3 or any other name;

4 50. "Regulation" or "rule" means a formal rule of general
5 application promulgated by the ABLE Commission as herein required;

6 51. "Restaurant" means an establishment that is licensed to
7 sell alcoholic beverages by the individual drink for on-premises
8 consumption and where food is prepared and sold for immediate
9 consumption on the premises;

10 52. "Retail container for spirits and wines" means an original
11 package of any capacity approved by the United States Bureau of
12 Alcohol, Tobacco and Firearms;

13 53. "Retailer" means a package store, grocery store,
14 convenience store or drug store licensed to sell alcoholic beverages
15 for off-premises consumption pursuant to a Retail Spirits License,
16 Retail Wine License or Retail Beer License;

17 54. "Sale" means any transfer, exchange or barter in any manner
18 or by any means whatsoever, and includes and means all sales made by
19 any person, whether as principal, proprietor or as an agent, servant
20 or employee. The term "sale" is also declared to be and include the
21 use or consumption in this state of any alcoholic beverage obtained
22 within or imported from without this state, upon which the excise
23 tax levied by the Oklahoma Alcoholic Beverage Control Act has not
24 been paid or exempted;

1 55. "Short-order food" means food other than full meals
2 including but not limited to sandwiches, soups and salads. Provided
3 that popcorn, chips and other similar snack food shall not be
4 considered "short-order food";

5 56. "Small brewer" means a brewer who manufactures less than
6 sixty-five thousand (65,000) barrels of beer annually pursuant to a
7 validly issued Small Brewer License hereunder;

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

11 58. "Small farm winery" means a wine-making establishment that
12 does not annually produce for sale more than fifteen thousand
13 (15,000) gallons of wine as reported on the United States Department
14 of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Report of
15 Wine Premises Operations (TTB Form 5120.17);

16 59. "Small farm producer" means a person that annually produces
17 in this state no less than one hundred (100) vines of sound ripe
18 grapes, one thousand (1,000) pounds of other sound ripe fruit or
19 berries or one hundred (100) pounds of honey;

20 60. "Sparkling wine" means champagne or any artificially
21 carbonated wine;

22 ~~60.~~ 61. "Special event" means an entertainment, recreation or
23 marketing event that occurs at a single location on an irregular
24 basis and at which alcoholic beverages are sold;

1 ~~61.~~ 62. "Spirits" means any beverage other than wine or beer,
2 which contains more than one-half of one percent (1/2 of 1%) alcohol
3 measured by volume, and obtained by distillation, whether or not
4 mixed with other substances in solution and includes those products
5 known as whiskey, brandy, rum, gin, vodka, liqueurs, cordials and
6 fortified wines and similar compounds, but shall not include any
7 alcohol liquid completely denatured in accordance with the Acts of
8 Congress and regulations pursuant thereto;

9 ~~62.~~ 63. "Strong beer" means beer which, prior to October 1,
10 2018, was distributed pursuant to the Oklahoma Alcoholic Beverage
11 Control Act, Section 501 et seq. of Title 37 of the Oklahoma
12 Statutes;

13 ~~63.~~ 64. "Successor brewer" means a primary source of supply, a
14 brewer, a cider manufacturer or an importer that acquires rights to
15 a beer or cider brand from a predecessor brewer;

16 ~~64.~~ 65. "Tax Commission" means the Oklahoma Tax Commission;

17 ~~65.~~ 66. "Territory" means a geographic region with a specified
18 boundary;

19 ~~66.~~ 67. "Wine and spirits wholesaler" or "wine and spirits
20 distributor" means and includes any sole proprietorship or
21 partnership licensed to distribute wine and spirits in the state.
22 The term "wholesaler", as used the Oklahoma Alcoholic Beverage
23 Control Act, shall be construed to refer to a wine and spirits
24 wholesaler;

1 ~~67.~~ 68. "Wine" means and includes any beverage containing more
2 than one-half of one percent (1/2 of 1%) alcohol by volume and not
3 more than twenty-four percent (24%) alcohol by volume at sixty (60)
4 degrees Fahrenheit obtained by the fermentation of the natural
5 contents of fruits, vegetables, honey, milk or other products
6 containing sugar, whether or not other ingredients are added, and
7 includes vermouth and sake, known as Japanese rice wine;

8 ~~68.~~ 69. "Winemaker" means and includes any person or
9 establishment who manufactures for human consumption any wine upon
10 which a license fee and a tax are imposed by any law of this state;
11 and

12 ~~69.~~ 70. "Satellite tasting room" means a licensed establishment
13 operated off the licensed premises of the holder of a small farm
14 winery or winemaker license, which serves wine for on-premises or
15 off-premises consumption.

16 Words in the plural include the singular, and vice versa, and
17 words imparting the masculine gender include the feminine, as well
18 as persons and licensees as defined in this section.

19 SECTION 2. AMENDATORY Section 13, Chapter 366, O.S.L.
20 2016, as last amended by Section 9, Chapter 161, O.S.L. 2020 (37A
21 O.S. Supp. 2020, Section 2-101), is amended to read as follows:

22 Section 2-101. A. Except as otherwise provided in this
23 section, the licenses issued by the ABLE Commission, and the annual
24 fees therefor, shall be as follows:

1. Brewer License..... \$1,250.00
2. Small Brewer License..... \$125.00
3. Distiller License..... \$3,125.00
4. Winemaker License..... \$625.00
5. Small Farm Winery License..... \$75.00
6. Small Farm Producer License..... \$75.00
7. Rectifier License..... \$3,125.00
- ~~7.~~ 8. Wine and Spirits Wholesaler License..... \$3,000.00
- ~~8.~~ 9. Beer Distributor License..... \$750.00
- ~~9.~~ 10. The following retail spirits license fees
shall be determined by the latest Federal
Decennial Census:
 - a. Retail Spirits License for cities and
towns from 200 to 2,500 population..... \$305.00
 - b. Retail Spirits License for cities and
towns from 2,501 to 5,000 population..... \$605.00
 - c. Retail Spirits License for cities and
towns over 5,000 population..... \$905.00
- ~~10.~~ 11. Retail Wine License..... \$1,000.00
- ~~11.~~ 12. Retail Beer License..... \$500.00
- ~~12.~~ 13. Mixed Beverage License..... \$1,005.00
(initial license)
\$905.00
(renewal)

1	13. <u>14.</u>	Mixed Beverage/Caterer Combination	
2		License.....	\$1,250.00
3	14. <u>15.</u>	On-Premises Beer and Wine License.....	\$500.00
4			(initial license)
5			\$450.00
6			(renewal)
7	15. <u>16.</u>	Bottle Club License.....	\$1,000.00
8			(initial license)
9			\$900.00
10			(renewal)
11	16. <u>17.</u>	Caterer License.....	\$1,005.00
12			(initial license)
13			\$905.00
14			(renewal)
15	17. <u>18.</u>	Annual Special Event License.....	\$55.00
16	18. <u>19.</u>	Quarterly Special Event License.....	\$55.00
17	19. <u>20.</u>	Hotel Beverage License.....	\$1,005.00
18			(initial license)
19			\$905.00
20			(renewal)
21	20. <u>21.</u>	Airline/Railroad/Commercial Passenger Vessel Beverage	
22		License.....	\$1,005.00
23			(initial license)
24			\$905.00

1			(renewal)
2	21. <u>22.</u>	Agent License.....	\$55.00
3	22. <u>23.</u>	Employee License.....	\$30.00
4	23. <u>24.</u>	Industrial License.....	\$23.00
5	24. <u>25.</u>	Carrier License.....	\$23.00
6	25. <u>26.</u>	Private Carrier License.....	\$23.00
7	26. <u>27.</u>	Bonded Warehouse License.....	\$190.00
8	27. <u>28.</u>	Storage License.....	\$23.00
9	28. <u>29.</u>	Nonresident Seller License or	
10		Manufacturer's License.....	\$750.00
11	29. <u>30.</u>	Manufacturer's Agent License.....	\$55.00
12	30. <u>31.</u>	Sacramental Wine Supplier License.....	\$100.00
13	31. <u>32.</u>	Charitable Auction License.....	\$1.00
14	32. <u>33.</u>	Charitable Alcoholic Beverage License.....	\$55.00
15	33. <u>34.</u>	Winemaker Self-Distribution License.....	\$750.00
16	34. <u>35.</u>	Annual Public Event License.....	\$1,005.00
17	35. <u>36.</u>	One-Time Public Event License.....	\$255.00
18	36. <u>37.</u>	Small Brewer Self-Distribution License.....	\$750.00
19	37. <u>38.</u>	Brewpub License.....	\$1,005.00
20	38. <u>39.</u>	Brewpub Self-Distribution License.....	\$750.00
21	39. <u>40.</u>	Complimentary Beverage License.....	\$75.00
22	40. <u>41.</u>	Satellite Tasting Room License.....	\$100.00

23 B. 1. There shall be added to the initial or renewal fees for
24 a Mixed Beverage License an administrative fee, which shall not be

1 deemed to be a license fee, in the amount of Five Hundred Dollars
2 (\$500.00), which shall be paid at the same time and in the same
3 manner as the license fees prescribed by paragraph 12 of subsection
4 A of this section; provided, this fee shall not be assessed against
5 service organizations or fraternal beneficiary societies which are
6 exempt under Section 501(c)(19), (8) or (10) of the Internal Revenue
7 Code.

8 2. There shall be added to the fee for a Mixed Beverage/Caterer
9 Combination License an administrative fee, which shall not be deemed
10 to be a license fee, in the amount of Two Hundred Fifty Dollars
11 (\$250.00), which shall be paid at the same time and in the same
12 manner as the license fee prescribed by paragraph 13 of subsection A
13 of this section.

14 C. Notwithstanding the provisions of subsection A of this
15 section:

16 1. The license fee for a mixed beverage or bottle club license
17 for those service organizations or fraternal beneficiary societies
18 which are exempt under Section 501(c)(19), (8) or (10) of the
19 Internal Revenue Code shall be Five Hundred Dollars (\$500.00) per
20 year; and

21 2. The renewal fee for an airline/railroad/commercial passenger
22 vessel beverage license held by a railroad described in 49 U.S.C.,
23 Section 24301, shall be One Hundred Dollars (\$100.00).
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1 D. An applicant may apply for and receive both an on-premises
2 beer and wine license and a caterer license.

3 E. All licenses, except as otherwise provided, shall be valid
4 for one (1) year from date of issuance unless revoked or
5 surrendered. Provided, all employee licenses shall be valid for two
6 (2) years.

7 F. The holder of a license, issued by the ABLE Commission, for
8 a bottle club located in a county of this state where the sale of
9 alcoholic beverages by the individual drink for on-premises
10 consumption has been authorized, may exchange the bottle club
11 license for a mixed beverage license or an on-premises beer and wine
12 license and operate the licensed premises as a mixed beverage
13 establishment or an on-premises beer and wine establishment subject
14 to the provisions of the Oklahoma Alcoholic Beverage Control Act.
15 There shall be no additional fee for such exchange and the mixed
16 beverage license or on-premises beer and wine license issued shall
17 expire one (1) year from the date of issuance of the original bottle
18 club license.

19 G. In addition to the applicable licensing fee, the following
20 surcharge shall be assessed annually on the following licenses:

- 21 1. Nonresident Seller or Manufacturer License..... \$2,500.00
- 22 2. Wine and Spirits Wholesaler License..... \$2,500.00
- 23 3. Beer Distributor..... \$1,000.00

4. Retail Spirits License for cities and towns
over 5,000 population..... \$250.00
5. Retail Spirits License for cities and towns
from 2,501 to 5,000 population..... \$200.00
6. Retail Spirits License for cities and towns
from 200 to 2,500 population..... \$150.00
7. Retail Wine License..... \$250.00
8. Retail Beer License..... \$250.00
9. Mixed Beverage License..... \$25.00
10. Mixed Beverage/Caterer Combination License..... \$25.00
11. Caterer License..... \$25.00
12. On-Premises Beer and Wine License..... \$25.00
13. Annual Public Event License..... \$25.00
14. Small Farm Winery License..... \$25.00
15. Small Brewer License..... \$35.00
16. Complimentary Beverage License..... \$25.00

The surcharge shall be paid concurrent with the licensee's annual licensing fee and, in addition to Five Dollars (\$5.00) of the employee license fee, shall be deposited in the Alcoholic Beverage Governance Revolving Fund established pursuant to Section 5-128 of this title.

H. Any license issued by the ABLE Commission under this title may be relied upon by other licensees as a valid license, and no other licensee shall have any obligation to independently determine

1 the validity of such license or be held liable solely as a
2 consequence of another licensee's failure to maintain a valid
3 license.

4 SECTION 3. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 2-131.1 of Title 37A, unless
6 there is created a duplication in numbering, reads as follows:

7 A. Small Farm Producer License shall authorize the holder
8 thereof:

9 1. To contract with a small farm winery license holder to
10 manufacture wine exclusively from produce grown by the licensee on
11 the premises described in the application and in the issued license.
12 All wine sold or served by the license holder shall be produced, in
13 whole or in part, using sound ripe grapes, fruits, berries or honey
14 grown or produced exclusively by the license holder and shall not
15 exceed one thousand (1,000) gallons;

16 2. To conduct wine tastings of wine manufactured from produce
17 grown by the licensee on the licensed premise and registered farmers
18 markets;

19 3. To sell wine manufactured from produce grown by the licensee
20 in the original unopened container or by the glass for either on-
21 premises or off-premises consumption to consumers on the premises of
22 the small farm producer license holder; and

23 4. To sell and serve Oklahoma-manufactured wine, mulled wine or
24 spiced wine, mixed with nonalcoholic beverages or food items such as

1 water, sugar, fruits and vegetables, at any temperature for either
2 on-premises or off-premises consumption and not to exceed One
3 Thousand (1000) gallons.

4 B. The small farm producer licensee shall maintain records of
5 all sales made under the license including sales of agriculture
6 products to a small farm winery and sales to consumers and maintain
7 records of all purchases of wine manufactured by such small farm
8 winery, for at least three (3) years after the sale or purchase.

9 C. The manufacturer for the sale of wine to holders of producer
10 licenses shall be included in the small farm winery licensee's
11 annual production.

12 D. The label for any such wine manufactured by the small farm
13 winery may be owned by either the small farm winery or the producer
14 licensee for whom the wine was manufactured.

15 SECTION 4. This act shall become effective November 1, 2021.

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