An Act

ENROLLED SENATE BILL NO. 1031

By: Daniels of the Senate

and

Moore of the House

An Act relating to alcoholic beverages; amending 37A O.S. 2021, Section 2-146, as amended by Section 2, Chapter 192, O.S.L. 2022 (37A O.S. Supp. 2024, Section 2-146), which relates to grounds to deny license; specifying name of agency; allowing certain licensees to obtain wholesaler licenses without certain limitation; and providing a construing provision.

SUBJECT: Alcoholic beverage licenses

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

SECTION 1. AMENDATORY 37A O.S. 2021, Section 2-146, as amended by Section 2, Chapter 192, O.S.L. 2022 (37A O.S. Supp. 2024, Section 2-146), is amended to read as follows:

Section 2-146. A. The ABLE Alcoholic Beverage Laws Enforcement (ABLE) Commission shall refuse to issue a wine and spirits wholesaler, beer distributor, retail spirits, retail wine or retail beer license, either on an original application or a renewal application, if it has reasonable grounds to believe and finds any of the following to be true:

1. Except in the case of a beer distributor, that the applicant is not a citizen of the United States or is not a qualified elector in this state, or has not been a continuous resident of this state for the five (5) years next preceding the application for the license;

2. That the applicant is under twenty-one (21) years of age;

3. That the applicant or any partner, or spouse of the applicant or any partner, has been convicted of a felony;

4. That the applicant or any partner, or spouse of the applicant or any partner, has been convicted of a violation of any state or federal law relating to alcoholic beverages, has forfeited a bond while any charge of such violation was pending, nor may any license be granted for any purpose under the Oklahoma Alcoholic Beverage Control Act to an Oklahoma resident, who has held or whose spouse has held a Federal Liquor Stamp in Oklahoma before the adoption of Article XXVIII-A of the Oklahoma Constitution unless the Liquor Stamp was granted for supplying alcoholic beverages to a federal military installation, or was granted under the Oklahoma Alcoholic Beverage Control Act;

5. That the applicant or any partner has, within twelve (12) months next preceding the date of the application, violated any provision of the Oklahoma Alcoholic Beverage Control Act or rule of the ABLE Commission promulgated pursuant hereto. Provided, however, that if the ABLE Commission has, during such twelve-month period, suspended any license sought to be renewed, such renewal application may be approved if the term of the suspension has been completed and the applicant has complied with any special conditions imposed in connection with the suspension;

6. That the applicant is in the habit of using alcoholic beverages to excess or is mentally incapacitated;

7. That the applicant does not own or have a written lease for the premises for which a license is sought;

8. That the applicant, within twelve (12) months next preceding the date of application, has been the holder of a license revoked for cause;

9. That the applicant is not the real party in interest, or intends to carry on the business authorized by the license as the agent of another;

10. That the applicant, in the case of an application for renewal of any license, would not be eligible for such license on a first application;

11. That the applicant is a person who appoints or is a law enforcement official or is an employee of the ABLE Commission;

12. That the proposed location of the licensed premises would violate a valid municipal nondiscriminatory zoning ordinance;

13. That, in the case of an application for a wine and spirits wholesaler license or beer distributor license, any brewer or manufacturer, including an officer, director or principal stockholder thereof or any partner, has any financial interest in the business to be conducted under the license, unless otherwise permitted by law;

14. That the issuance of the license applied for would result in a violation of any provision of the Oklahoma Alcoholic Beverage Control Act;

15. That, in the case of an application for a wine and spirits wholesaler or beer distributor license, the applicant or any partner, or spouse of the applicant or any partner, is the holder or partner of the holder of any other class of license issued under the provisions of the Oklahoma Alcoholic Beverage Control Act, other than an agent or employee license for employment by the applicant, or a storage license, bonded warehouse license, carrier license or private carrier license; provided, nothing shall prohibit a wine and spirits wholesaler, who is otherwise qualified, from maintaining beer distributor licenses in the state, nor a beer distributor, who is otherwise qualified, from maintaining a wine and spirits wholesaler license in the state;

16. That, in the case of an application for a retail spirits, retail wine or retail beer license, the applicant or any partner is the holder or partner of the holder, or employee of such holder of any other class of license issued under the provisions of the Oklahoma Alcoholic Beverage Control Act, other than a storage license or an employee license for the proposed licensed premises of the applicant, provided, nothing in this title shall prohibit an applicant for a retail wine and/or retail beer license from maintaining a separate mixed beverage, caterer, mixed beverage/caterer combination license, and/or an on-premises beer and wine license; or

17. That the applicant or any partner, spouse, employee or other person affiliated with the applicant is not in compliance with the tax laws of this state as required in Article XXVIII-A of the Oklahoma Constitution.

B. A beer distributor licensee and wine and spirits wholesaler licensee under common ownership shall not be limited in the types of business entities which may obtain a wine and spirits wholesaler license. Nothing in this subsection shall be construed to apply to a retail spirits license due to the need for strict liability related to sales directly to consumers and in the interest of public safety.

<u>C.</u> The provisions of this section shall not operate to prohibit the issuance of a beer distributor license to a corporation or partnership or limited liability company. Passed the Senate the 21st day of May, 2025.

Presiding Officer of the Senate

Passed the House of Representatives the 5th day of May, 2025.

Presiding Officer of the House of Representatives

OFFICE OF THE GOVERNOR

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By:					
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