1	STATE OF OKLAHOMA		
2	1st Session of the 59th Legislature (2023)		
3	COMMITTEE SUBSTITUTE FOR ENGROSSED		
4	SENATE BILL NO. 1057 By: Rosino of the Senate		
5	and		
6	Echols of the House		
7			
8			
9			
10	COMMITTEE SUBSTITUTE		
11	An Act relating to alcoholic beverages; creating the Marissa Murrow Act; providing short title; amending		
12	37A O.S. 2021, Sections 1-103, 2-101, 2-112, and 2-		
13	113, which relate to definitions, license fees and surcharges, caterer license, rules, and restrictions of caterer license; prohibiting caterers from certain actions; defining term, providing fee and surcharge for certain license; expanding authorization;		
14			
15	prohibiting caterers from certain actions; providing necessary criteria for event venues; defining terms;		
16	requiring certain enforcement; providing for the promulgation of rules; updating statutory reference;		
17	promulgation of rules; updating statutory reference; providing for noncodification; providing for codification; and providing an effective date.		
18	courreacton, and providing an effective date.		
19			
20	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:		
21	SECTION 1. NEW LAW A new section of law not to be		
22	codified in the Oklahoma Statutes reads as follows:		
23	This act shall be known and may be cited as the "Marissa Murrow		
24	Act".		

Req. No. 8128

1SECTION 2.AMENDATORY37A O.S. 2021, Section 1-103, is2amended to read as follows:

3 Section 1-103. As used in the Oklahoma Alcoholic Beverage4 Control Act:

5 1. "ABLE Commission" or "Commission" means the Alcoholic6 Beverage Laws Enforcement Commission;

7 2. "Alcohol" means and includes hydrated oxide of ethyl, ethyl 8 alcohol, ethanol or spirits of wine, from whatever source or by 9 whatever process produced. It does not include wood alcohol or 10 alcohol which has been denatured or produced as denatured in 11 accordance with Acts of Congress and regulations promulgated 12 thereunder;

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

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

5. "Beer" means any beverage of alcohol by volume and obtained
by the alcoholic fermentation of an infusion or decoction of barley,
or other grain, malt or similar products. "Beer" Beer may or may
not contain hops or other vegetable products. "Beer" Beer includes,

Req. No. 8128

1 among other things, beer, ale, stout, lager beer, porter and other 2 malt or brewed liquors, but does not include sake, known as Japanese 3 rice wine;

6. "Beer keg" means any brewer-sealed, single container that5 contains not less than four (4) gallons of beer;

6 7. "Beer distributor" means and includes any person licensed to
7 distribute beer for retail sale in the state, but does not include a
8 holder of a small brewer self-distribution license or brewpub self9 distribution license. The term "distributor", as used in the
10 Oklahoma Alcoholic Beverage Control Act, shall be construed to refer
11 to a beer distributor;

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

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

20 10. "Brand" means any word, name, group of letters, symbol or 21 combination thereof, that is adopted and used by a licensed brewer 22 to identify a specific beer, wine or spirit and to distinguish that 23 product from another beer, wine or spirit;

24 11. "Brand extension" means:

Req. No. 8128

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

- (1) incorporates all or a substantial part of the unique features of a preexisting brand of the same licensed brewer, or
 - (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:
- 16 (1) incorporates or incorporated all or a substantial
 17 part of the unique features of a preexisting low 18 point beer brand of the same licensed brewer, or
 19 (2) relies or relied to a significant extent on the

goodwill associated with a preexisting low-point

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beer brand;

22 12. "Brewer" means and includes any person who manufactures for 23 human consumption by the use of raw materials or other ingredients

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1 any beer or cider upon which a license fee and a tax are imposed by
2 any law of this state;

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

7 14. "Cider" means any alcoholic beverage obtained by the 8 alcoholic fermentation of fruit juice, including but not limited to 9 flavored, sparkling or carbonated cider. For the purposes of the 10 manufacture of this product, cider may be manufactured by either 11 manufacturers or brewers. For the purposes of the distribution of 12 this product, cider may be distributed by either wine and spirits 13 wholesalers or beer distributors;

15. "Club suite" means a designated area within the premises of 14 a mixed beverage licensee designed to provide an exclusive space 15 which is limited to a patron or patrons specifically granted access 16 by a mixed beverage licensee and is not accessible to other patrons 17 of the mixed beverage licensee or the public. A club suite must 18 have a clearly designated point of access for a patron or patrons 19 specifically granted access by the mixed beverage licensee to ensure 20 that persons present in the suite are limited to patrons 21 specifically granted access by the mixed beverage licensee and 22 employees providing services to the club suite; 23

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Req. No. 8128

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

5 17. "Convicted" and "conviction" mean and include a finding of 6 guilt resulting from a plea of guilty or nolo contendere, the 7 decision of a court or magistrate or the verdict of a jury, 8 irrespective of the pronouncement of judgment or the suspension 9 thereof;

10 18. "Designated products" means the brands of wine or spirits 11 offered for sale by a manufacturer that the manufacturer has 12 assigned to a designated wholesaler for exclusive distribution;

13 19. "Designated wholesaler" means a wine and spirits wholesaler 14 who has been selected by a manufacturer as a wholesaler appointed to 15 distribute designated products;

"Director" means the Director of the ABLE Commission; 20. 16 21. "Distiller" means any person who produces spirits from any 17 source or substance, or any person who brews or makes mash, wort or 18 wash, fit for distillation or for the production of spirits (except 19 a person making or using such material in the authorized production 20 of wine or beer, or the production of vinegar by fermentation), or 21 any person who by any process separates alcoholic spirits from any 22 fermented substance, or any person who, making or keeping mash, wort 23 or wash, has also in his or her possession or use a still; 24

Req. No. 8128

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

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

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

- 9 a. as a low-point beer pursuant to the Low-Point Beer 10 Distribution Act in effect immediately prior to 11 October 1, 2018, and
- b. as strong beer pursuant to the <u>Oklahoma</u> Alcoholic
 Beverage Control Act in effect immediately prior to
 October 1, 2018,

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

18 25. <u>"Event venue" means a location, property, space, premises,</u> 19 grounds, building or buildings, or other site that offers to the 20 general public for rent, lease, reservation, or other contractual 21 <u>use, for the hosting of a function, occasion, or event, special,</u> 22 private, or public, of a temporary nature as a primary source of 23 <u>income. The location, property, space, premises, grounds, or</u> 24 building or buildings defined in this paragraph shall not include

Req. No. 8128

2 <u>residence including</u> , but not limited to, a res	
	residence or
3 <u>condo, apartment building, or other place of p</u>	
4 organizations exempt from taxation pursuant to	o the provisions of the
5 Internal Revenue Code, 26 U.S.C., Section 501	(c) (3);
6 <u>26.</u> "Fair market value" means the value i	in the subject
7 territory covered by the written agreement wit	th the distributor or
8 wholesaler that would be determined in an arm'	's length transaction
9 entered into without duress or threat of termi	ination of the
10 distributor's or wholesaler's rights and shall	l include all elements
11 of value, including goodwill and going-concerr	n value;
12 26. <u>27.</u> "Good cause" means:	
13 a. failure by the distributor to co	omply with the material
14 and reasonable provisions of a v	written agreement or
15 understanding with the brewer, o	or
16 b. failure by the distributor to co	omply with the duty of
17 good faith;	
18 $\frac{27.28.}{28.}$ "Good faith" means the duty of each of the second s	ach party to any
19 distributor agreement and all officers, employ	yees or agents thereof
20 to act with honesty in fact and within reasona	able standards of fair
21 dealing in the trade;	
22 28. <u>29.</u> "Grocery store" means a person pr	rimarily engaged in
23 retailing a general line of food, such as cann	ned or frozen foods,
24	

1 fresh fruits and vegetables, and fresh and prepared meats, fish and 2 poultry;

29. 30. "Hotel" or "motel" means an establishment which is 3 licensed to sell alcoholic beverages by the individual drink and 4 5 which contains questroom accommodations with respect to which the predominant relationship existing between the occupants thereof and 6 the owner or operator of the establishment is that of innkeeper and 7 guest. For purposes of this section, the existence of other legal 8 9 relationships as between some occupants and the owner or operator thereof shall be immaterial; 10

11 30. <u>31.</u> "Legal newspaper" means a newspaper meeting the 12 requisites of a newspaper for publication of legal notices as 13 prescribed in Sections 101 through 114 of Title 25 of the Oklahoma 14 Statutes;

15 <u>31. 32.</u> "Licensee" means any person holding a license under the 16 Oklahoma Alcoholic Beverage Control Act, and any agent, servant or 17 employee of such licensee while in the performance of any act or 18 duty in connection with the licensed business or on the licensed 19 premises;

20 <u>32. 33.</u> "Low-point beer" shall mean any beverages containing 21 more than one-half of one percent (1/2 of 1%) alcohol by volume, and 22 not more than three and two-tenths percent (3.2%) alcohol by weight, 23 including but not limited to, beer or cereal malt beverages obtained

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by the alcoholic fermentation of an infusion by barley or other
 grain, malt or similar products;

3 <u>33.</u> <u>34.</u> "Manufacturer" means a distiller, winemaker, rectifier 4 or bottler of any alcoholic beverage (other than beer) and its 5 subsidiaries, affiliates and parent companies;

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

9 35. 36. "Meals" means foods commonly ordered at lunch or dinner 10 and at least part of which is cooked on the licensed premises and 11 requires the use of dining implements for consumption. Provided, 12 that the service of only food such as appetizers, sandwiches, salads 13 or desserts shall not be considered <u>"meals"</u> meals;

14 <u>36.</u> <u>37.</u> "Mini-bar" means a closed container, either 15 refrigerated in whole or in part, or nonrefrigerated, and access to 16 the interior of which is:

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

20 37. 38. "Mixed beverage cooler" means any beverage, by whatever 21 name designated, consisting of an alcoholic beverage and fruit or 22 vegetable juice, fruit or vegetable flavorings, dairy products or 23 carbonated water containing more than one-half of one percent (1/2 24 of 1%) of alcohol measured by volume but not more than seven percent

Req. No. 8128

1 (7%) alcohol by volume at sixty (60) degrees Fahrenheit and which is 2 packaged in a container not larger than three hundred seventy-five 3 (375) milliliters. Such term shall include but not be limited to 4 the beverage popularly known as a "wine cooler";

5 38. 39. "Mixed beverages" means one or more servings of a 6 beverage composed in whole or part of an alcoholic beverage in a 7 sealed or unsealed container of any legal size for consumption on 8 the premises where served or sold by the holder of a mixed beverage, 9 beer and wine, caterer, public event, charitable event or special 10 event license;

11 39. <u>40.</u> "Motion picture theater" means an establishment which 12 is licensed by Section 2-110 of this title to sell alcoholic 13 beverages by the individual drink and where motion pictures are 14 exhibited, and to which the general public is admitted;

15 <u>40.</u> <u>41.</u> "Nondesignated products" means the brands of wine or 16 spirits offered for sale by a manufacturer that have not been 17 assigned to a designated wholesaler;

18 <u>41. 42.</u> "Nonresident seller" means any person licensed pursuant 19 to Section 2-135 of this title;

20 <u>42. 43.</u> "Retail salesperson" means a salesperson soliciting 21 orders from and calling upon retail alcoholic beverage stores with 22 regard to his or her product;

43. 44. "Occupation" as used in connection with "occupation
tax" means the sites occupied as the places of business of the

Req. No. 8128

manufacturers, brewers, wholesalers, beer distributors, retailers,
 mixed beverage licensees, on-premises beer and wine licensees,
 bottle clubs, caterers, public event and special event licensees;

4 44. 45. "Original package" means any container of alcoholic
5 beverage filled and stamped or sealed by the manufacturer or brewer;
6 45. 46. "Package store" means any sole proprietor or
7 partnership that qualifies to sell wine, beer and/or spirits for
8 off-premises consumption and that is not a grocery store,
9 convenience store or drug store, or other retail outlet that is not
10 permitted to sell wine or beer for off-premises consumption;

11 <u>46.</u> <u>47.</u> "Patron" means any person, customer or visitor who is 12 not employed by a licensee or who is not a licensee;

13 47. <u>48.</u> "Person" means an individual, any type of partnership, 14 corporation, association, limited liability company or any 15 individual involved in the legal structure of any such business 16 entity;

48. 49. "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 The ABLE Commission shall have the 22 authority to designate areas to be excluded from the licensed 23 premises solely for the purpose of: 24

Req. No. 8128

- a. allowing the presence and consumption of alcoholic
 beverages by private parties which are closed to the
 general public, or
- 4 b. allowing the services of a caterer serving alcoholic
 5 beverages provided by a private party.

6 This exception <u>These exceptions</u> shall in no way limit the licensee's
7 concurrent responsibility for any violations of the Oklahoma
8 Alcoholic Beverage Control Act occurring on the licensed premises;

9 49. <u>50.</u> "Private event" means a social gathering or event 10 attended by invited guests who share a common cause, membership, 11 business or task and have a prior established relationship. For 12 purposes of this definition, advertisement for general public 13 attendance or sales of tickets to the general public shall not 14 constitute a private event;

15 50. 51. "Public event" means any event that can be attended by
16 the general public;

51. 52. "Rectifier" means any person who rectifies, purifies or 17 refines spirits or wines by any process (other than by original and 18 continuous distillation, or original and continuous processing, from 19 mash, wort, wash or other substance, through continuous closed 20 vessels and pipes, until the production thereof is complete), and 21 any person who, without rectifying, purifying or refining spirits, 22 shall by mixing (except for immediate consumption on the premises 23 where mixed) such spirits, wine or other liquor with any material, 24

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;

52. <u>53.</u> "Regulation" or "rule" means a formal rule of general
application promulgated by the ABLE Commission as herein required;
<u>53. 54.</u> "Restaurant" means an establishment that is licensed to
sell alcoholic beverages by the individual drink for on-premises
consumption and where food is prepared and sold for immediate
consumption on the premises;

10 <u>54.</u> <u>55.</u> "Retail container for spirits and wines" means an 11 original package of any capacity approved by the United States 12 Bureau of Alcohol, Tobacco and, Firearms and Explosives;

13 55. <u>56.</u> "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 <u>Retail Spirits License</u> 16 <u>retail spirits license</u>, <u>Retail Wine License</u> <u>retail wine license</u> or 17 <u>Retail Beer License</u> retail beer license;

18 56. 57. "Sale" means any transfer, exchange or barter in any 19 manner or by any means whatsoever, and includes and means all sales 20 made by any person, whether as principal, proprietor or as an agent, 21 servant or employee. The term <u>"sale" sale</u> is also declared to be 22 and include the use or consumption in this state of any alcoholic 23 beverage obtained within or imported from without this state, upon

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which the excise tax levied by the Oklahoma Alcoholic Beverage
 Control Act has not been paid or exempted;

3 57. 58. "Short-order food" means food other than full meals
4 including but not limited to sandwiches, soups and salads. Provided
5 that popcorn, chips and other similar snack food shall not be
6 considered "short-order food" short-order food;

7 58. <u>59.</u> "Small brewer" means a brewer who manufactures less 8 than sixty-five thousand barrels of beer annually pursuant to a 9 validly issued <u>Small Brewer License small brewer license</u> hereunder; 10 <u>59. 60.</u> "Small farm wine" means a wine that is produced by a 11 small farm winery with seventy-five percent (75%) or more Oklahoma-12 grown grapes, berries, other fruits, honey or vegetables;

13 60. 61. "Small farm winery" means a wine-making establishment 14 that does not annually produce for sale more than fifteen thousand 15 (15,000) gallons of wine as reported on the United States Department 16 of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, Report of 17 Wine Premises Operations (TTB Form 5120.17);

18 <u>61. 62.</u> "Sparkling wine" means champagne or any artificially 19 carbonated wine;

20 <u>62. 63.</u> "Special event" means an entertainment, recreation or 21 marketing event that occurs at a single location on an irregular 22 basis and at which alcoholic beverages are sold;

23 <u>63. 64.</u> "Spirits" means any beverage other than wine or beer,
24 which contains more than one-half of one percent (1/2 of 1%) alcohol

Req. No. 8128

measured by volume, and obtained by distillation, whether or not mixed with other substances in solution and includes those products known as whiskey, brandy, rum, gin, vodka, liqueurs, cordials and fortified wines and similar compounds, but shall not include any alcohol liquid completely denatured in accordance with the Acts of Congress and regulations pursuant thereto;

64. <u>65.</u> "Strong beer" means beer which, prior to October 1,
2018, was distributed pursuant to the Oklahoma Alcoholic Beverage
Control Act, Section 501 <u>1-101</u> et seq. of Title 37 <u>37A</u> of the
Oklahoma Statutes;

11 <u>65.</u> <u>66.</u> "Successor brewer" means a primary source of supply, a 12 brewer, a cider manufacturer or an importer that acquires rights to 13 a beer or cider brand from a predecessor brewer;

14 <u>66. 67.</u> "Tax Commission" means the Oklahoma Tax Commission; 15 <u>67. 68.</u> "Territory" means a geographic region with a specified 16 boundary;

17 <u>68. 69.</u> "Wine and spirits wholesaler" or "wine and spirits 18 distributor" means and includes any sole proprietorship or 19 partnership licensed to distribute wine and spirits in the state. 20 The term "wholesaler", as used in the Oklahoma Alcoholic Beverage 21 Control Act, shall be construed to refer to a wine and spirits 22 wholesaler;

23 69. 70. "Wine" means and includes any beverage containing more 24 than one-half of one percent (1/2 of 1%) alcohol by volume and not 1 more than twenty-four percent (24%) alcohol by volume at sixty (60) 2 degrees Fahrenheit obtained by the fermentation of the natural contents of fruits, vegetables, honey, milk or other products 3 containing sugar, whether or not other ingredients are added, and 4 5 includes vermouth and sake, known as Japanese rice wine; 70. 71. "Winemaker" means and includes any person or 6 establishment who manufactures for human consumption any wine upon 7 which a license fee and a tax are imposed by any law of this state; 8 9 and

10 71. 72. "Satellite tasting room" means a licensed establishment 11 operated off the licensed premises of the holder of a small farm 12 winery or winemaker license, which serves wine for on-premises or 13 off-premises consumption.

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

17 SECTION 3. AMENDATORY 37A O.S. 2021, Section 2-101, is 18 amended to read as follows:

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

22	1.	Brewer License \$1,250.00
23	2.	Small Brewer License \$125.00
24	3.	Distiller License\$3,125.00

1	4.	Winemaker License\$625.00
2	5.	Small Farm Winery License\$75.00
3	6.	Rectifier License \$3,125.00
4	7.	Wine and Spirits Wholesaler License\$3,000.00
5	8.	Beer Distributor License \$750.00
6	9.	The following retail spirits license fees
7		shall be determined by the latest Federal
8		Decennial Census:
9		a. Retail Spirits License for cities and
10		towns from 200 to 2,500 population\$305.00
11		b. Retail Spirits License for cities and
12		towns from 2,501 to 5,000 population\$605.00
13		c. Retail Spirits License for cities and
14		towns over 5,000 population\$905.00
15	10.	Retail Wine License\$1,000.00
16	11.	Retail Beer License\$500.00
17	12.	Mixed Beverage License\$1,005.00
18		(initial license)
19		\$905.00
20		(renewal)
21	13.	Mixed Beverage/Caterer Combination License \$1,250.00
22	14.	On-Premises Beer and Wine License\$500.00
23		(initial license)
24		\$450.00

	(renewal)
15.	Bottle Club License \$1,000.00
	(initial license)
	\$900.00
	(renewal)
16.	Caterer License\$1,005.00
	(initial license)
	\$905.00
	(renewal)
17.	Annual Special Event License\$55.00
18.	Quarterly Special Event License\$55.00
19.	Hotel Beverage License \$1,005.00
	(initial license)
	\$905.00
	(renewal)
20.	Airline/Railroad/Commercial Passenger Vessel Beverage
	License\$1,005.00
	(initial license)
	\$905.00
	(renewal)
21.	Agent License\$55.00
22.	Employee License\$30.00
23.	Industrial License\$23.00
24.	Carrier License\$23.00
	16. 17. 18. 19. 20. 21. 22. 23.

1	25.	Private Carrier License \$23.00
2	26.	Bonded Warehouse License\$190.00
3	27.	Storage License\$23.00
4	28.	Nonresident Seller License \$750.00
5	29.	Manufacturer License:
6		a. 50 cases or less sold in Oklahoma in
7		last calendar year\$50.00
8		b. 51 to 500 cases sold in Oklahoma in
9		last calendar year \$75.00
10		c. 501 cases or more sold in Oklahoma in
11		last calendar year\$150.00
12	30.	Manufacturer's Agent License\$55.00
13	31.	Sacramental Wine Supplier License\$100.00
14	32.	Charitable Auction License\$1.00
15	33.	Charitable Alcoholic Beverage License\$55.00
16	34.	Winemaker Self-Distribution License\$750.00
17	35.	Annual Public Event License \$1,005.00
18	36.	One-Time Public Event License \$255.00
19	37.	Small Brewer Self-Distribution License\$750.00
20	38.	Brewpub License \$1,005.00
21	39.	Brewpub Self-Distribution License\$750.00
22	40.	Complimentary Beverage License\$75.00
23	41.	Satellite Tasting Room License\$100.00
24	<u>42.</u>	Event Venue License\$500.00

1 B. 1. There shall be added to the initial or renewal fees for 2 a Mixed Beverage License mixed beverage license an administrative fee, which shall not be deemed to be a license fee, in the amount of 3 Five Hundred Dollars (\$500.00), which shall be paid at the same time 4 5 and in the same manner as the license fees prescribed by paragraph 12 of subsection A of this section; provided, this fee shall not be 6 assessed against service organizations or fraternal beneficiary 7 societies which are exempt under Section 501(c)(19), (8) or (10) of 8 9 the Internal Revenue Code.

10 2. There shall be added to the fee for a <u>Mixed Beverage/Caterer</u> 11 <u>Combination License mixed beverage/caterer combination license</u> an 12 administrative fee, which shall not be deemed to be a license fee, 13 in the amount of Two Hundred Fifty Dollars (\$250.00), which shall be 14 paid at the same time and in the same manner as the license fee 15 prescribed by paragraph 13 of subsection A of this section.

16 C. Notwithstanding the provisions of subsection A of this 17 section:

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

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2. The renewal fee for an airline/railroad/commercial passenger
 vessel beverage license held by a railroad described in 49 U.S.C.,
 Section 24301, shall be One Hundred Dollars (\$100.00).

4 D. An applicant may apply for and receive both an on-premises5 beer and wine license and a caterer license.

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

The holder of a license, issued by the ABLE Commission, for 10 F. a bottle club located in a county of this state where the sale of 11 12 alcoholic beverages by the individual drink for on-premises 13 consumption has been authorized, may exchange the bottle club license for a mixed beverage license or an on-premises beer and wine 14 license and operate the licensed premises as a mixed beverage 15 establishment or an on-premises beer and wine establishment subject 16 17 to the provisions of the Oklahoma Alcoholic Beverage Control Act. There shall be no additional fee for such exchange and the mixed 18 beverage license or on-premises beer and wine license issued shall 19 expire one (1) year from the date of issuance of the original bottle 20 club license. 21

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

Req. No. 8128

- 1 2. Manufacturer License:

2	a. 50 cases or less sold in Oklahoma in
3	last calendar year \$100.00
4	b. 51 to 500 cases sold in Oklahoma in
5	last calendar year \$225.00
6	c. 501 cases or more sold in Oklahoma in
7	last calendar year
8	3. Wine and Spirits Wholesaler License\$2,500.00
9	4. Beer Distributor\$1,000.00
10	5. Retail Spirits License for cities and towns
11	over 5,000 population\$250.00
12	6. Retail Spirits License for cities and towns
13	from 2,501 to 5,000 population\$200.00
14	7. Retail Spirits License for cities and towns
15	from 200 to 2,500 population\$150.00
16	8. Retail Wine License \$250.00
17	9. Retail Beer License \$250.00
18	10. Mixed Beverage License \$25.00
19	11. Mixed Beverage/Caterer Combination License\$25.00
20	12. Caterer License \$25.00
21	13. On-Premises Beer and Wine License\$25.00
22	14. Annual Public Event License
23	15. Small Farm Winery License \$25.00
24	16. Small Brewer License\$35.00

1 17. Complimentary Beverage License......\$25.00

18. Event Venue License..... \$500.00

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.

8 H. Any license issued by the ABLE Commission under this title 9 may be relied upon by other licensees as a valid license, and no 10 other licensee shall have any obligation to independently determine 11 the validity of such license or be held liable solely as a 12 consequence of another licensee's failure to maintain a valid 13 license.

14 SECTION 4. AMENDATORY 37A O.S. 2021, Section 2-112, is 15 amended to read as follows:

Section 2-112. A caterer license shall authorize the holder 16 thereof to sell mixed beverages for on-premises consumption 17 incidental to the sale or distribution of food at particular 18 functions, occasions or events which are temporary in nature or at 19 event venues. A caterer license shall not be issued in lieu of a 20 mixed beverage license. A caterer license shall only be issued in 21 counties of this state where the sale of alcoholic beverages by the 22 individual drink for on-premises consumption has been authorized. А 23 separate license shall be required for each place of business. 24

Req. No. 8128

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1SECTION 5.AMENDATORY37A O.S. 2021, Section 2-113, is2amended to read as follows:

Section 2-113. A. 1. A caterer license may be issued to any 3 person for the purpose of sale, delivery, or distribution of 4 5 alcoholic beverages incidental to the sale or distribution of food on a premises not licensed by the ABLE Commission or at event 6 venues. For purposes of this section, "incidental to the sale or 7 distribution of food" means food sales constituting at least thirty-8 9 five percent (35%) of the caterer's total combined annual sales. A 10 caterer license shall not be issued to a person whose main purpose is the sale of alcoholic beverages. 11

12 2. A caterer license may only be issued to those persons that prepare, sell, and distribute food for consumption either on 13 licensed or unlicensed premises. In order to renew a caterer 14 license, annual food sales must constitute at least thirty-five 15 percent (35%) of the caterer's total combined sales based on the 16 most recent calendar year. A caterer shall not be required to 17 prepare, sell, and distribute food at every catered event as long as 18 the caterer satisfies the requirement set forth in this section. 19

3. Each caterer shall submit an annual sales report containing
 revenue attributable to alcoholic beverages, food, and all other
 revenues attributable to the catering service. The annual sales
 report must be submitted thirty (30) days prior to expiration of the
 caterer license on forms prescribed by the ABLE Commission. The

Req. No. 8128

caterer license may not be renewed if the caterer fails to provide
 complete or sufficient financial data.

4. Each caterer shall submit a monthly event report containing 3 information on all events scheduled for the subsequent month. 4 If an 5 event is scheduled after the first day of the month for an event to occur in the same month, then the caterer shall report that event 6 within twenty-four (24) hours of scheduling the event or within 7 twenty-four (24) hours prior to the event, whichever occurs first. 8 9 The monthly event report shall be submitted on the first day of each month. 10

5. All reports shall be submitted electronically on forms prescribed by the ABLE Commission. Provided, if the caterer does not have access to the Internet, then monthly reports must be submitted by facsimile to the ABLE Commission's office in Oklahoma City, in which case the caterer must retain a copy of the facsimile confirmation sheet for at least twelve (12) months.

6. Any caterer who fails to submit a monthly report shall have the caterer license automatically suspended until such time that the caterer has fully complied with all reporting requirements. Any caterer whose annual food sales do not exceed thirty-five percent (35%) of his or her total annual combined sales shall not have the caterer's license renewed.

B. The ABLE Commission shall promulgate rules governing theapplication for and the issuance of caterer licenses.

Req. No. 8128

C. The restrictions and rules which apply to the sale of mixed beverages on the premises of a mixed beverage licensee also apply to the sale under the authority of a caterer license. Any act which if done on the premises of a mixed beverage licensee would be a ground for revocation or suspension of the mixed beverage license is a ground for revocation or suspension of a caterer license.

If the premises where the event being catered is held are 7 D. already operating pursuant to another type of license issued by the 8 9 ABLE Commission, the caterer and the other licensee shall both be responsible for the actions of the caterer and shall both be subject 10 to penalties for violations by the caterer of the Oklahoma Alcoholic 11 12 Beverage Control Act and any rules promulgated thereto. This subsection, subsection D, shall not apply to a holder of an "event 13 venue" license. 14

E. A caterer licensee may not store alcoholic beverages unless the licensee has a storage license issued by the ABLE Commission. A caterer licensee selling beer and cider to consumers shall only purchase such beer and cider from the distributor or wholesaler within the county in which the licensee will be selling the beer and cider to consumers.

F. A caterer may provide alcoholic beverage sales on the premises of a person currently applying for a mixed beverage license, provided the following terms have been satisfied:

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1 1. The caterer shall take reasonable steps to ensure that the 2 mixed beverage applicant uses only licensed employees to perform licensable activities while using the caterer's license. 3 The caterer shall use his or her best efforts to attempt to have a 4 5 licensed employee on-site supervising the sale of such caterer's alcoholic beverages at all times, but the caterer shall not be 6 disciplined for failing to have a licensed employee on-site. 7 The caterer expressly acknowledges that he or she is liable for all 8 9 violations of the Oklahoma Alcoholic Beverage Control Act and rules of the ABLE Commission that are committed by the mixed beverage 10 applicant and its employees during this period; 11

12 2. The caterer and mixed beverage applicant must submit to the 13 ABLE Commission a written agreement setting forth all the terms of 14 the catering agreement at least twenty-four (24) hours prior to the 15 commencement of the catered event; and

3. The caterer may not provide alcoholic beverage sales on the unlicensed premises of the mixed beverage applicant for more than sixty (60) days, or after the applicant's license has been denied, whichever occurs first.

G. <u>A caterer shall not sell or distribute alcoholic beverages</u>
on the premises of an event venue as defined in Section 1-103 of
this title unless the event venue holds an event venue license
<u>pursuant to Section 6 of this act.</u>

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Req. No. 8128

A caterer may provide alcoholic beverage services for temporary
 public events which have been licensed and approved by the ABLE
 Commission.

H. A caterer may provide alcoholic beverage services for a
mixed beverage licensee which holds a live performing arts
presentation and is open to the public not more than one hundred
twenty (120) days per year.

8 SECTION 6. NEW LAW A new section of law to be codified 9 in the Oklahoma Statutes as Section 2-162 of Title 37A, unless there 10 is created a duplication in numbering, reads as follows:

A. An event venue license shall authorize the holder to operate
a space as defined in Section 1-103 of Title 37A of the Oklahoma
Statutes and provide alcoholic beverage services during events
hosted on the licensed premises.

An event venue approved by the ABLE Commission shall have 15 в. designated alcohol service areas, alcohol storage areas, and alcohol 16 17 consumption areas within the premises of the event venue. An event venue during the duration of any event hosted on the licensed 18 premises shall be required to employ, hire, or contract with 19 independent security services or personnel or a local city, town, or 20 municipal law enforcement for the enforcement of the provisions of 21 this section. 22

C. Nothing in this section shall exempt any employee orpersonnel administering alcoholic beverages on site from the

Req. No. 8128

training in alcohol handling, laws and regulations, or licensure
 requirements as prescribed by the ABLE Commission.

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D. For purposes of this section:

1. "Alcohol consumption area" or "alcohol consumption areas"
 means areas within the event venue provided for the consumption of
 alcoholic beverages by patrons and shall not include, and not be
 limited to, an area designated for parking, adjacent property not
 monitored by the event venue, any public street, or where patron
 parking occurs during the duration of the event;

2. "Alcohol service area" means an area actively monitored by
 the licensed caterer, or employee thereof, serving, opening,
 pouring, or otherwise providing alcoholic beverages to patrons and
 that provides limited access to patrons under twenty-one (21) years
 of age; and

3. "Alcohol storage area" means an area limited to all patrons
and accessible only to the licensed caterer, or employee thereof,
for the purpose of storage of alcoholic beverages prior to
preparation or use for the service of providing alcoholic beverages
to patrons.

20 E. The ABLE Commission shall promulgate rules necessary for the 21 implementation of this section.

SECTION 7. This act shall become effective November 1, 2023.

24 59-1-8128 JL 04/05/23

Req. No. 8128

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