## 1 SENATE FLOOR VERSION February 12, 2024 2 3 SENATE BILL NO. 1818 By: Rosino of the Senate 4 and 5 Echols of the House 6 7 An Act relating to alcoholic beverages; creating the 8 Marissa Murrow Act; providing short title; amending 9 37A O.S. 2021, Section 1-103, as amended by Section 2, Chapter 338, O.S.L. 2023 (37A O.S. Supp. 2023, Section 1-103), which relates to definitions; 10 defining term; amending 37A O.S. 2021, Section 2-101, as amended by Section 3, Chapter 338, O.S.L. 2023 11 (37A O.S. Supp. 2023, Section 2-101), which relates to license fees; providing fee for license; amending 12 37A O.S. 2021, Section 2-112, which relates to caterer license; expanding lawful usage; amending 37A 13 O.S. 2021, Section 2-113, as amended by Section 1, Chapter 42, O.S.L. 2023 (37A O.S. Supp. 2023, Section 14 2-113), which relates to rules and regulations of caterer license; allowing caterer licensee to operate 15 at event venue if licensed; establishing event venue license; requiring certain license postage; excepting 16 certain venues; providing for promulgation of rules; providing for noncodification; providing for 17 codification; and providing an effective date. 18 19 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA: 20 SECTION 1. NEW LAW A new section of law not to be 21 codified in the Oklahoma Statutes reads as follows: 22 This act shall be known and may be cited as the "Marissa Murrow 23

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Act".

- SECTION 2. AMENDATORY 37A O.S. 2021, Section 1-103, as amended by Section 2, Chapter 338, O.S.L. 2023 (37A O.S. Supp. 2023, Section 1-103), is amended to read as follows:
  - Section 1-103. As used in the Oklahoma Alcoholic Beverage Control Act:

- "ABLE Commission" or "Commission" means the Alcoholic Beverage Laws Enforcement Commission;
- 2. "Alcohol" means and includes hydrated oxide of ethyl, ethyl alcohol, ethanol or spirits of wine, from whatever source or by whatever process produced. It does not include wood alcohol or alcohol which has been denatured or produced as denatured in accordance with Acts of Congress and regulations promulgated 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 containing more than one-half of one percent (0.50%) of alcohol by volume and obtained by the alcoholic fermentation of an infusion or decoction of barley, or

- other grain, sugar, malt or similar products. For the purposes of taxation, distribution, sales, and regulation, seltzer shall mean the same as beer as provided in this section. Beer may or may not contain hops or other vegetable products. Beer includes, among other things, beer, ale, stout, lager beer, porter, seltzer, and other malt or brewed liquors, but does not include sake, known as
  - 6. "Beer keg" means any brewer-sealed, single container that contains not less than four (4) gallons of beer;
  - 7. "Beer distributor" means and includes any person licensed to distribute beer for retail sale in the state, but does not include a holder of a small brewer self-distribution license or brewpub self-distribution license. The term distributor, as used in the Oklahoma Alcoholic Beverage Control Act, shall be construed to refer 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;

Japanese rice wine;

1	10. "Brand" means any word, name, group of letters, symbol or
2	combination thereof, that is adopted and used by a licensed brewer
3	to identify a specific beer, wine or spirit and to distinguish that
4	product from another beer, wine or spirit;
5	11. "Brand extension" means:
6	a. after October 1, 2018, any brand of beer or cider
7	introduced by a manufacturer in this state which
8	either:
9	(1) incorporates all or a substantial part of the
10	unique features of a preexisting brand of the
11	same licensed brewer, or
12	(2) relies to a significant extent on the goodwill
13	associated with the preexisting brand, or
14	b. any brand of beer that a brewer, the majority of whose
15	total volume of all brands of beer distributed in this
16	state by such brewer on January 1, 2016, was
17	distributed as low-point beer, desires to sell,
18	introduces, begins selling or theretofore has sold and
19	desires to continue selling a strong beer in this
20	state which either:
21	(1) incorporates or incorporated all or a substantial
22	part of the unique features of a preexisting low-
23	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;

- 12. "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;
- 13. "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;
- 14. "Cider" means any alcoholic beverage obtained by the alcoholic fermentation of fruit juice, including but not limited to flavored, sparkling or carbonated cider. For the purposes of the manufacture of this product, cider may be manufactured by either manufacturers or brewers. For the purposes of the distribution of this product, cider may be distributed by either wine and spirits wholesalers or beer distributors;
- 15. "Club suite" means a designated area within the premises of a mixed beverage licensee designed to provide an exclusive space which is limited to a patron or patrons specifically granted access by a mixed beverage licensee and is not accessible to other patrons of the mixed beverage licensee or the public. A club suite must have a clearly designated point of access for a patron or patrons

specifically granted access by the mixed beverage licensee to ensure
that persons present in the suite are limited to patrons
specifically granted access by the mixed beverage licensee and

employees providing services to the club suite;

- 16. "Convenience store" means any person primarily engaged in retailing a limited range of general household items and groceries, with extended hours of operation, whether or not engaged in retail sales of automotive fuels in combination with such sales;
- 17. "Convicted" and "conviction" mean and include a finding of guilt resulting from a plea of guilty or nolo contendere, the decision of a court or magistrate or the verdict of a jury, irrespective of the pronouncement of judgment or the suspension thereof;
- 18. "Designated products" means the brands of wine or spirits offered for sale by a manufacturer that the manufacturer has assigned to a designated wholesaler for exclusive distribution;
- 19. "Designated wholesaler" means a wine and spirits wholesaler who has been selected by a manufacturer as a wholesaler appointed to distribute designated products;
  - 20. "Director" means the Director of the ABLE Commission;
- 21. "Distiller" means any person who produces spirits from any source or substance, or any person who brews or makes mash, wort or wash, fit for distillation or for the production of spirits (except a person making or using such material in the authorized production

- of wine or beer, or the production of vinegar by fermentation), or any person who by any process separates alcoholic spirits from any fermented substance, or any person who, making or keeping mash, wort or wash, has also in his or her possession or use a still;
  - 22. "Distributor agreement" means the written agreement between the distributor and brewer as set forth in Section 3-108 of this title;
  - 23. "Drug store" means a person primarily engaged in retailing prescription and nonprescription drugs and medicines;
  - 24. "Dual-strength beer" means a brand of beer that, immediately prior to April 15, 2017, was being sold and distributed in this state:
    - a. as a low-point beer pursuant to the Low-Point Beer

      Distribution Act in effect immediately prior to

      October 1, 2018, and
    - b. as strong beer pursuant to the Alcoholic Beverage Control Act in effect immediately prior to October 1, 2018,
  - and continues to be sold and distributed as such on October 1, 2018.

    Dual-strength beer does not include a brand of beer that arose as a result of a brand extension as defined in this section;
- 25. <u>"Event venue" means any nongovernmental location, property,</u>
  23 <u>space, premises, grounds, building or buildings, or other site that</u>
  24 offers to the general public for rent, lease, reservation, or other

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- contractual use, for the hosting of a function, occasion, or event,

  special, private, or public, of a temporary nature. The location,

  property, space, premises, grounds, or building or buildings defined

  in this paragraph shall not include those owned, leased, or occupied

  by organizations exempt from taxation pursuant to the provisions of

  the Internal Revenue Code, 26 U.S.C., Section 501(c)(3);
  - 26. "Fair market value" means the value in the subject territory covered by the written agreement with the distributor or wholesaler that would be determined in an arm's length transaction entered into without duress or threat of termination of the distributor's or wholesaler's rights and shall include all elements of value, including goodwill and going-concern value;
    - 26. 27. "Good cause" means:

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- a. failure by the distributor to comply with the material and reasonable provisions of a written agreement or understanding with the brewer, or
- b. failure by the distributor to comply with the duty of good faith;
- 27. 28. "Good faith" means the duty of each party to any distributor agreement and all officers, employees or agents thereof to act with honesty in fact and within reasonable standards of fair dealing in the trade;
- 23 <u>28.</u> 29. "Grocery store" means a person primarily engaged in retailing a general line of food, such as canned or frozen foods,

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

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

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

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

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

- by the alcoholic fermentation of an infusion by barley or other
  grain, malt or similar products;
- 3 33. 34. "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;
  - 35. 36. "Meals" means foods commonly ordered at lunch or dinner and at least part of which is cooked on the licensed premises and requires the use of dining implements for consumption. Provided, that the service of only food such as appetizers, sandwiches, salads or desserts shall not be considered meals;
  - 36. 37. "Mini-bar" means a closed container, either refrigerated in whole or in part, or nonrefrigerated, and access to 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;
  - 37. 38. "Mixed beverage cooler" means any beverage, by whatever name designated, consisting of an alcoholic beverage and fruit or vegetable juice, fruit or vegetable flavorings, dairy products or carbonated water containing more than one-half of one percent (1/2 of 1%) of alcohol measured by volume but not more than seven percent

- 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";

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- 38. 39. "Mixed beverages" means one or more servings of a beverage composed in whole or part of an alcoholic beverage in a sealed or unsealed container of any legal size for consumption on the premises where served or sold by the holder of a mixed beverage, beer and wine, caterer, public event, charitable event or special event license;
- 39. 40. "Motion picture theater" means an establishment which is licensed by Section 2-110 of this title to sell alcoholic beverages by the individual drink and where motion pictures are exhibited, and to which the general public is admitted;
- 40. 41. "Nondesignated products" means the brands of wine or spirits offered for sale by a manufacturer that have not been assigned to a designated wholesaler;
- 18 41. 42. "Nonresident seller" means any person licensed pursuant 19 to Section 2-135 of this title;
- 20 42. 43. "Retail salesperson" means a salesperson soliciting
  21 orders from and calling upon retail alcoholic beverage stores with
  22 regard to his or her product;
- 23 43. 44. "Occupation" as used in connection with "occupation tax" means the sites occupied as the places of business of the

1 manufacturers, brewers, wholesalers, beer distributors, retailers, mixed beverage licensees, on-premises beer and wine licensees, 2 bottle clubs, caterers, public event and special event licensees; 3 44. 45. "Original package" means any container of alcoholic 4 5 beverage filled and stamped or sealed by the manufacturer or brewer; 45. 46. "Package store" means any sole proprietor or 6 partnership that qualifies to sell wine, beer and/or spirits for 7 off-premises consumption and that is not a grocery store, 8 9 convenience store or drug store, or other retail outlet that is not 10 permitted to sell wine or beer for off-premises consumption; 46. 47. "Patron" means any person, customer or visitor who is 11 12 not employed by a licensee or who is not a licensee; 47. 48. "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 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 ABLE Commission shall have the authority 22 to designate areas to be excluded from the licensed premises solely 23

for the purpose of:

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;

49. 50. "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;

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

51. 52. "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,

- manufactures any spurious, imitation or compound liquors for sale,
  under the name of whiskey, brandy, rum, gin, wine, spirits, cordials
  or any other name;
  - 52. 53. "Regulation" or "rule" means a formal rule of general application promulgated by the ABLE Commission as herein required;

- 53. 54. "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;
- 54. 55. "Retail container for spirits and wines" means an original package of any capacity approved by the United States Bureau of Alcohol, Tobacco, Firearms and Explosives;
- 55. 56. "Retailer" means a package store, grocery store, convenience store or drug store licensed to sell alcoholic beverages for off-premises consumption pursuant to a Retail Spirits License, Retail Wine License or Retail Beer License;
- 56. 57. "Sale" means any transfer, exchange or barter in any manner or by any means whatsoever, and includes and means all sales made by any person, whether as principal, proprietor or as an agent, servant or employee. The term sale is also declared to be and include the use or consumption in this state of any alcoholic beverage obtained within or imported from without this state, upon which the excise tax levied by the Oklahoma Alcoholic Beverage Control Act has not been paid or exempted;

- 57. 58. "Seltzer" means any beverage containing more than onehalf of one percent (0.50%) of alcohol by volume and obtained by the
  alcoholic fermentation of malt, rice, grain of any kind, bran,
  glucose, sugar, or molasses and combined with carbonated water and
  other flavoring and labeled as "beer" by the Internal Revenue Code;
  provided, that seltzer shall not include carbonated beverages mixed
  - 58. 59. "Short-order food" means food other than full meals including but not limited to sandwiches, soups and salads. Provided that popcorn, chips and other similar snack food shall not be considered short-order food;
  - 59. 60. "Small brewer" means a brewer who manufactures less than sixty-five thousand barrels of beer annually pursuant to a validly issued Small Brewer License hereunder;
    - 60. 61. "Small farm wine" means a wine that is produced by a small farm winery with seventy-five percent (75%) or more Oklahoma-grown grapes, berries, other fruits, honey or vegetables;
    - 61. 62. "Small farm winery" means a wine-making establishment that does not annually produce for sale more than fifteen thousand (15,000) gallons of wine as reported on the United States Department of the Treasury Alcohol and Tobacco Tax and Trade Bureau, Report of Wine Premises Operations (TTB Form 5120.17);
- 23 <u>62.</u> <u>63.</u> "Sparkling wine" means champagne or any artificially carbonated wine;

with wine or spirits;

63. 64. "Special event" means an entertainment, recreation or marketing event that occurs at a single location on an irregular basis and at which alcoholic beverages are sold;

- 64. 65. "Spirits" means any beverage other than wine or beer, which contains more than one-half of one percent (1/2 of 1%) alcohol 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;
- 65. 66. "Strong beer" means beer which, prior to October 1,
  2018, was distributed pursuant to the Oklahoma Alcoholic Beverage
  Control Act, Section 1-101 et seq. of this title;
  - 66. 67. "Successor brewer" means a primary source of supply, a brewer, a cider manufacturer or an importer that acquires rights to a beer or cider brand from a predecessor brewer;
- 18 67. 68. "Tax Commission" means the Oklahoma Tax Commission;
- 19 68. 69. "Territory" means a geographic region with a specified 20 boundary;
  - 69. 70. "Wine and spirits wholesaler" or "wine and spirits distributor" means and includes any sole proprietorship or partnership licensed to distribute wine and spirits in the state.

- 1 Control Act, shall be construed to refer to a wine and spirits 2 wholesaler;
  - 71. "Wine" means and includes any beverage containing more than one-half of one percent (1/2 of 1%) alcohol by volume and not more than twenty-four percent (24%) alcohol by volume at sixty (60) degrees Fahrenheit obtained by the fermentation of the natural contents of fruits, vegetables, honey, milk or other products containing sugar, whether or not other ingredients are added, and includes vermouth and sake, known as Japanese rice wine;
  - 71. 72. "Winemaker" means and includes any person or establishment who manufactures for human consumption any wine upon which a license fee and a tax are imposed by any law of this state; and
  - 72. 73. "Satellite tasting room" means a licensed establishment operated off the licensed premises of the holder of a small farm winery or winemaker license, which serves wine for on-premises or 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.
- 21 SECTION 3. AMENDATORY 37A O.S. 2021, Section 2-101, as
  22 amended by Section 3, Chapter 338, O.S.L. 2023 (37A O.S. Supp. 2023,
  23 Section 2-101), is amended to read as follows:

1	Section 2-101. A. Except as otherwise provided in this
2	section, the licenses issued by the ABLE Commission, and the annual
3	fees therefor, shall be as follows:
4	1. Brewer License\$1,250.00
5	2. Small Brewer License\$125.00
6	3. Distiller License\$3,125.00
7	4. Winemaker License\$625.00
8	5. Small Farm Winery License\$75.00
9	6. Rectifier License\$3,125.00
10	7. Wine and Spirits Wholesaler License\$3,000.00
11	8. Beer Distributor License\$750.00
12	9. The following retail spirits license fees
13	shall be determined by the latest Federal
14	Decennial Census:
15	a. Retail Spirits License for cities and
16	towns from 200 to 2,500 population\$305.00
17	b. Retail Spirits License for cities and
18	towns from 2,501 to 5,000 population\$605.00
19	c. Retail Spirits License for cities and
20	towns over 5,000 population\$905.00
21	10. Retail Wine License\$1,000.00
22	11. Retail Beer License\$500.00
23	12. Mixed Beverage License\$1,005.00
24	(initial license)

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

1		\$905.00
2		(renewal)
3	21.	Agent License\$55.00
4	22.	Employee License\$30.00
5	23.	Industrial License\$23.00
6	24.	Carrier License\$23.00
7	25.	Private Carrier License\$23.00
8	26.	Bonded Warehouse License\$190.00
9	27.	Storage License\$23.00
10	28.	Nonresident Seller License \$750.00
11	29.	Manufacturer License:
12		a. 50 cases or less sold in Oklahoma in
13		last calendar year\$50.00
14		b. 51 to 500 cases sold in Oklahoma in
15		last calendar year\$75.00
16		c. 501 cases or more sold in Oklahoma in
17		last calendar year \$150.00
18	30.	Manufacturer's Agent License\$55.00
19	31.	Sacramental Wine Supplier License\$100.00
20	32.	Charitable Auction License\$1.00
21	33.	Charitable Alcoholic Beverage License\$55.00
22	34.	Winemaker Self-Distribution License:
23		a. produced ten thousand (10,000) gallons
24		or less in last calendar year\$350.00

1		b.	produced more than ten thousand
2			(10,000) gallons but no more than
3			fifteen thousand (15,000) gallons in
4			last calendar year \$750.00
5	35.	Annu	al Public Event License\$1,005.00
6	36.	One-	Time Public Event License\$255.00
7	37.	Smal	l Brewer Self-Distribution License:
8		a.	produced fifteen thousand (15,000)
9			barrels or less in last calendar year \$350.00
10		b.	produced more than fifteen thousand
11			(15,000) barrels in last calendar year \$750.00
12	38.	Brew	pub License\$1,005.00
13	39.	Brew	pub Self-Distribution License\$750.00
14	40.	Comp	plimentary Beverage License\$75.00
15	41.	Sate	ellite Tasting Room License\$100.00
16	42.	Even	t Venue License
17	В.	1. I	here shall be added to the initial or renewal fees for
18	a mixed :	bever	age license an administrative fee, which shall not be
19	deemed t	o be	a license fee, in the amount of Five Hundred Dollars
20	(\$500.00	), wh	ich shall be paid at the same time and in the same
21	manner a	s the	e license fees prescribed by paragraph 12 of subsection
22	A of thi	s sec	tion; provided, this fee shall not be assessed against
23	service	organ	izations or fraternal beneficiary societies which are
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- 1 exempt under Section 501(c)(19), (8) or (10) of the Internal Revenue 2 Code.
- 2. There shall be added to the fee for a mixed beverage/caterer combination license an administrative fee, which shall not be deemed to be a license fee, in the amount of Two Hundred Fifty Dollars (\$250.00), which shall be paid at the same time and in the same manner as the license fee prescribed by paragraph 13 of subsection A of this section.
- 9 C. Notwithstanding the provisions of subsection A of this 10 section:
  - 1. 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
  - 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).
  - D. An applicant may apply for and receive both an on-premises 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.

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1	F. The holder of a license, issued by the ABLE Commission, for
2	a bottle club located in a county of this state where the sale of
3	alcoholic beverages by the individual drink for on-premises
4	consumption has been authorized, may exchange the bottle club
5	license for a mixed beverage license or an on-premises beer and wine
6	license and operate the licensed premises as a mixed beverage
7	establishment or an on-premises beer and wine establishment subject
8	to the provisions of the Oklahoma Alcoholic Beverage Control Act.
9	There shall be no additional fee for such exchange and the mixed
10	beverage license or on-premises beer and wine license issued shall
11	expire one (1) year from the date of issuance of the original bottle
12	club license.
13	G. In addition to the applicable licensing fee, the following
14	surcharge shall be assessed annually on the following licenses:
15	1. Nonresident Seller License\$2,500.00
16	2. Manufacturer License:
17	a. 50 cases or less sold in Oklahoma in
18	last calendar year\$100.00
19	b. 51 to 500 cases sold in Oklahoma in
20	last calendar year\$225.00
21	c. 501 cases or more sold in Oklahoma in
22	last calendar year\$450.00
23	3. Wine and Spirits Wholesaler License\$2,500.00
24	4. Beer Distributor\$1,000.00

1	5. Retail Spirits License for cities and towns
2	over 5,000 population\$250.00
3	6. Retail Spirits License for cities and towns
4	from 2,501 to 5,000 population\$200.00
5	7. Retail Spirits License for cities and towns
6	from 200 to 2,500 population\$150.00
7	8. Retail Wine License\$250.00
8	9. Retail Beer License\$250.00
9	10. Mixed Beverage License\$25.00
10	11. Mixed Beverage/Caterer Combination License \$25.00
11	12. Caterer License\$25.00
12	13. On-Premises Beer and Wine License\$25.00
13	14. Annual Public Event License\$25.00
14	15. Small Farm Winery License\$25.00
15	16. Small Brewer License\$35.00
16	17. Complimentary Beverage License\$25.00
17	The surcharge shall be paid concurrent with the licensee's
18	annual licensing fee and, in addition to Five Dollars (\$5.00) of the
19	employee license fee, shall be deposited in the Alcoholic Beverage
20	Governance Revolving Fund established pursuant to Section 5-128 of
21	this title.
22	H. Any license issued by the ABLE Commission under this title
23	may be relied upon by other licensees as a valid license, and no
24	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 4. AMENDATORY 37A O.S. 2021, Section 2-112, is
- 5 amended to read as follows:
- 6 Section 2-112. A caterer license shall authorize the holder
- 7 | thereof to sell mixed beverages for on-premises consumption
- 8 incidental to the sale or distribution of food at particular
- 9 functions, occasions or events which are temporary in nature or at
- 10 event venues. A caterer license shall not be issued in lieu of a
- 11 | mixed beverage license. A caterer license shall only be issued in
- 12 | counties of this state where the sale of alcoholic beverages by the
- 13 | individual drink for on-premises consumption has been authorized. A
- 14 | separate license shall be required for each place of business.
- 15 SECTION 5. AMENDATORY 37A O.S. 2021, Section 2-113, as
- 16 | amended by Section 1, Chapter 42, O.S.L. 2023 (37A O.S. Supp. 2023,
- 17 | Section 2-113), is amended to read as follows:
- 18 Section 2-113. A. 1. A caterer license may be issued to any
- 19 person for the purpose of sale, delivery or distribution of
- 20 alcoholic beverages incidental to the sale or distribution of food
- 21 on a premises not licensed by the ABLE Commission or on the premises
- 22 of holders of an event venue license. For purposes of this section,
- 23 "incidental to the sale or distribution of food" means food sales
- 24 | constituting at least thirty-five percent (35%) of the caterer's

- total combined annual sales. A caterer license shall not be issued to a person whose main purpose is the sale of alcoholic beverages.
- 2. A caterer license may only be issued to those persons that prepare, sell and distribute food for consumption either on licensed or unlicensed premises. In order to renew a caterer license, annual food sales must constitute at least thirty-five percent (35%) of the caterer's total combined sales based on the most recent calendar year. A caterer shall not be required to prepare, sell and distribute food at every catered event as long as the caterer satisfies the requirement set forth in this section.
- 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 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 information on all events scheduled for the subsequent month. If an 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 within twenty-four (24) hours of scheduling the event or within twenty-four (24) hours prior to the event, whichever occurs first.

1 The monthly event report shall be submitted on the first day of each 2 month.

- 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 the application for and the issuance of caterer licenses.
- 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.
- D. If the premises where the event being catered is held are already operating pursuant to another type of license issued by the

- ABLE Commission, the caterer and the other licensee shall both be responsible for the actions of the caterer and shall both be subject to penalties for violations by the caterer of the Oklahoma Alcoholic Beverage Control Act and any rules promulgated thereto. This subsection shall not apply to the holder of an event license.
  - 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 an on-premises beer and wine license, mixed beverage/caterer combination license, or mixed beverage license, provided the following terms have been satisfied:
  - 1. The caterer shall take reasonable steps to ensure that the on-premises beer and wine applicant, mixed beverage/caterer combination applicant, or mixed beverage applicant uses only licensed employees to perform licensable activities while using the caterer's license. The caterer shall use his or her best efforts to attempt to have a licensed employee on-site supervising the sale of such caterer's alcoholic beverages at all times, but the caterer shall not be disciplined for failing to have a licensed employee on-site. The caterer expressly acknowledges that he or she is liable

- for all violations of the Oklahoma Alcoholic Beverage Control Act
  and rules of the ABLE Commission that are committed by the onpremises beer and wine applicant, the mixed beverage/caterer
  combination applicant, or the mixed beverage applicant and its
  employees during this period;
  - 2. The caterer and the on-premises beer and wine applicant, the mixed beverage/caterer combination applicant, or the mixed beverage applicant must submit to the ABLE Commission a written agreement setting forth all the terms of the catering agreement at least twenty-four (24) hours prior to the commencement of the catered event; and
  - 3. The caterer may not provide alcoholic beverage sales on the unlicensed premises of the on-premises beer and wine applicant, mixed beverage/caterer combination applicant, or the mixed beverage applicant for more than sixty (60) days, or after the applicant's license has been denied, whichever occurs first.
  - G. 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.

1	I. A caterer or a licensed bartender shall not sell or
2	distribute alcoholic beverages on the premises of an event venue as
3	defined in Section 1-103 of this title unless the event venue holds
4	an event venue license pursuant to Section 6 of this act or is not
5	required to hold an event venue license pursuant to this act.

- SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 5-163 of Title 37A, unless there 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.
- B. An event venue shall display all licenses issued by the ABLE Commission in a conspicuous place at all times on the licensed premises.
- C. An event venue, as defined in Section 1-103 of Title 37A of the Oklahoma Statutes, which does not permit alcoholic beverages on its premises, which already holds a mixed beverage license, onpremises beer and wine license, small brewer license, brewpub license, winemaker license, small farm winery license, which is the site of an event for the holder of a public event, special event, charitable event license, or has a contract with a caterer or caterers that are already holders of a mixed beverage/caterer

1	combination license, shall not be required to obtain an event venue
2	license pursuant to this section.
3	D. The ABLE Commission shall promulgate rules necessary for the
4	implementation of this section.
5	SECTION 7. This act shall become effective November 1, 2024.
6	COMMITTEE REPORT BY: COMMITTEE ON BUSINESS AND COMMERCE February 12, 2024 - DO PASS
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