

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 58th Legislature (2021)

4 COMMITTEE SUBSTITUTE
5 FOR ENGROSSED
6 SENATE BILL NO. 85

By: Coleman and **Bergstrom** of
the Senate

and

Strom of the House

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10 COMMITTEE SUBSTITUTE

11 An Act relating to alcoholic beverages; amending
12 Section 14, Chapter 366, O.S.L. 2016, as last amended
13 by Section 3, Chapter 322, O.S.L. 2019 (37A O.S.
14 Supp. 2020, Section 2-102), which relates to brewer
15 and small brewer licenses; authorizing holders of
16 multiple small brewer licenses to sell beer at
17 multiple locations; updating statutory language; and
18 providing an effective date.

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

20 SECTION 1. AMENDATORY Section 14, Chapter 366, O.S.L.
21 2016, as last amended by Section 3, Chapter 322, O.S.L. 2019 (37A
22 O.S. Supp. 2020, Section 2-102), is amended to read as follows:

23 Section 2-102. A. A brewer license shall authorize the holder
24 thereof:

1. To manufacture, bottle, package and store beer and cider on
the licensed premises; and

1 2. To sell beer and cider in this state to holders of beer
2 distributor licenses and to sell beer and cider out of this state to
3 qualified persons.

4 B. A small brewer license shall authorize the holder thereof:

5 1. To manufacture, bottle, package and store beer produced by
6 the licensee on licensed premises;

7 2. To sell beer in this state to holders of beer distributor
8 licenses and retail licenses or to sell beer out of this state to
9 qualified persons;

10 3. To serve free samples of beer produced by the licensee to
11 visitors twenty-one (21) years of age or older;

12 4. To sell beer produced by the licensee for either on-premises
13 or off-premises consumption to consumers on the brewery premises, or
14 on premises located contiguous thereto;

15 5. To sell beer at public events such as trade shows or
16 festivals;

17 6. To purchase wine in retail containers from the holder of a
18 wholesaler license or as specifically provided by law; and

19 7. To sell, offer for sale and possess wine for on-premises
20 consumption.

21 C. The holder of multiple small brewer licenses may sell beer
22 produced at up to three breweries for which the licensee has a
23 license, at any other of such three licensed breweries or on
24 premises located contiguous thereto.

1 D. Nothing in ~~this act~~ the Alcoholic Beverage Control Act shall
2 prohibit the holder of a small brewer license from also holding or
3 owning an interest in the holder of a brewpub license.

4 ~~D.~~ E. For purposes of this section, no visitor may sample more
5 than a total of twelve (12) fluid ounces of beer per day. The
6 brewer must restrict the distribution and consumption of beer
7 samples to an area within the licensed premises designated by the
8 brewer. A current floor plan that includes the designated sampling
9 area must be on file with the ABLE Commission. No visitor under
10 twenty-one (21) years of age shall be permitted to enter this
11 designated sampling area when samples are being distributed or
12 consumed. Samples of beer served by a brewery under this section
13 shall not be considered a sale of beer within the meaning of Article
14 XXVIII-A of the Oklahoma Constitution or Section 1-103 of this
15 title; however, such samples of beer shall be considered beer
16 removed or withdrawn from the brewery for use or consumption within
17 the meaning of Section 5-110 of this title for excise tax
18 determination and reporting requirements. Sales and sampling may
19 only occur between the hours of 10:00 a.m. and 2:00 a.m.

20 ~~E.~~ F. A small brewer self-distribution license shall authorize
21 holders of a small brewer license to distribute beer produced only
22 by such licensee to a holder of a retail beer license, retail
23 spirits license, mixed beverage license, beer and wine license,
24 caterer's license, special event license, public event license,

1 charitable auction license or brewpub license. A small brewer shall
2 elect whether it will distribute through a distributor or self-
3 distribute in a subject territory; however, a small brewer may not
4 elect to do both simultaneously in a subject territory. The
5 election shall be made through notice to the ABLE Commission. Any
6 changes to the election shall require immediate notification to the
7 ABLE Commission before the change in election will take effect. A
8 small brewer that elects to self-distribute in multiple territories
9 shall only be required to have one small brewer self-distribution
10 license.

11 ~~F.~~ G. All manufacturer's licenses held by brewers during the
12 first calendar year beginning October 1, 2018, shall automatically
13 convert to brewer licenses and be deemed effective as of the date of
14 the first issuance of the manufacturer's license. Upon the first
15 renewal of ~~said~~ the license, the brewer will need to obtain the
16 appropriate brewer's license. If a brewer elects to market wine and
17 spirits, the brewer will also be required to obtain a manufacturer's
18 license and comply with the rules and regulations for both licenses.

19 SECTION 2. This act shall become effective November 1, 2021.
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21 COMMITTEE REPORT BY: COMMITTEE ON ALCOHOL, TOBACCO AND CONTROLLED
22 SUBSTANCES, dated 04/08/2021 - DO PASS, As Amended and Coauthored.
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