

An Act

ENROLLED SENATE
BILL NO. 85

By: Coleman and Bergstrom of
the Senate

and

Strom and Phillips of the
House

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

SUBJECT: Alcoholic beverages

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

~~D.~~ E. For purposes of this section, no visitor may sample more than a total of twelve (12) fluid ounces of beer per day. The brewer must restrict the distribution and consumption of beer samples to an area within the licensed premises designated by the brewer. A current floor plan that includes the designated sampling area must be on file with the ABLE Commission. No visitor under twenty-one (21) years of age shall be permitted to enter this

designated sampling area when samples are being distributed or consumed. Samples of beer served by a brewery under this section shall not be considered a sale of beer within the meaning of Article XXVIII-A of the Oklahoma Constitution or Section 1-103 of this title; however, such samples of beer shall be considered beer removed or withdrawn from the brewery for use or consumption within the meaning of Section 5-110 of this title for excise tax determination and reporting requirements. Sales and sampling may only occur between the hours of 10:00 a.m. and 2:00 a.m.

~~E.~~ F. A small brewer self-distribution license shall authorize holders of a small brewer license to distribute beer produced only by such licensee to a holder of a retail beer license, retail spirits license, mixed beverage license, beer and wine license, caterer's license, special event license, public event license, charitable auction license or brewpub license. A small brewer shall elect whether it will distribute through a distributor or self-distribute in a subject territory; however, a small brewer may not elect to do both simultaneously in a subject territory. The election shall be made through notice to the ABLE Commission. Any changes to the election shall require immediate notification to the ABLE Commission before the change in election will take effect. A small brewer that elects to self-distribute in multiple territories shall only be required to have one small brewer self-distribution license.

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

SECTION 2. This act shall become effective November 1, 2021.

Passed the Senate the 28th day of April, 2021.

Presiding Officer of the Senate

Passed the House of Representatives the 19th day of April, 2021.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____