

BILL SUMMARY

1st Session of the 59th Legislature

Bill No.:	HB 1715
Version:	CCS D
Request Number:	8408
Author:	Rep. Marti
Date:	5/25/2023
Impact:	Please see previous summary of this measure

Research Analysis

The conference committee substitute for HB 1715, defines seltzer and modifies the definition of beer to mean any beverage containing more than 0.5% 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.

The measure adds cider to the list of products a brewer may manufacture, sell, and serve at events attended by the public. The measure allows for the holder of a small brewer license to purchase from other licensed brewers within the state, and to import beer into the state for use in manufacturing.

Additionally, the measure authorizes brewer, small brewer, winemaker, distiller, or small farm winery licensees to host off-site events following the submission and approval of an application to the ABLE Commission, and allows for persons under twenty-one (21) years of age to be anywhere on the premises of an event except for the serving area. The measure also expands the list of eligible events to also include:

- Farmers markets
- Boat shows
- RV shows
- Home & Garden shows
- Fairs
- Car shows
- Swap meets
- City events
- County events
- State events

The measure allows for licensed vendors to sell up to six bottles or cans of beer in its original packaging or a reusable container for on-premises consumption. It also modifies the procedures that must be in place for a brewer to terminate a distributor agreement with any beer distributor to include requiring the brewer to establish good cause for such termination, and authorizes the arbitration panel to order that 100% of arbitration costs be paid by the smaller brewer if the panel determines that the small brewer's payment upon termination was not a good-faith estimate of the fair market value.

In the instance that a particular brand of beer is transferred by purchase or otherwise from a brewer to a successor brewer, and the successor brewer holds a brewer's license in the state as of January 1, 2023 and has an existing distribution agreement with a beer distributor, the measure

allows the successor brewer to terminate the distribution agreement, in whole or in part, in order to transfer the brand rights to the successor brewer's beer distributor. So long as a 60 day written notice is provided to the terminated distributor along with payment to the terminated beer distributor for the fair market value of the distributor's business with the brand or brands.

The measure also modifies licensing costs for Small Brewer, and Winemaker Self-Distribution Licenses, and repeals [37A O.S. § 2-102](#) pertaining to Brewer License - Small Brewer License - Small Brewer Self-distribution License - Authority of License Holders.

Prepared By: Matthew Brenchley

Fiscal Analysis

The measure is currently under review and impact information will be completed.

Prepared By: House Fiscal Staff

Other Considerations

None.