

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                                   STATE OF OKLAHOMA

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

4 HOUSE BILL 1097

By: Strom of the House

5   and

6   **Coleman** of the Senate

7  
8  
9   AS INTRODUCED

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

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

18                   SECTION 1.            AMENDATORY            Section 14, Chapter 366, O.S.L.  
19                   2016, as last amended by Section 3, Chapter 322, O.S.L. 2019 (37A  
20                   O.S. Supp. 2020, Section 2-102), is amended to read as follows:

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

23                   1.   To manufacture, bottle, package and store beer and cider on  
24                   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 any brewery for which the licensee has a license at any  
23 other brewery for which the licensee has a license, or on premises  
24 located contiguous thereto.

1        D. Nothing in ~~this act~~ the Oklahoma Alcoholic Beverage Control  
2 Act shall prohibit the holder of a small brewer license from also  
3 holding or 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 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 03/01/2021 - DO PASS, As Coauthored.  
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