STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

SENATE BILL 800   By: Coleman

<u>AS INTRODUCED</u>

An Act relating to alcoholic beverages; amending 37A
O.S. 2021, Section 2-105, which relates to the
winemaker self-distribution license; allowing
winemaker and winery license holders to distribute to
certain licensed holders; requiring election to
certain distribution; prohibiting certain election;
requiring notice to ABLE Commission for election and
changes to election before operation; and providing
an effective date.

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

SECTION 1.   AMENDATORY   37A O.S. 2021, Section 2-105, is

amended to read as follows:

Section 2-105. A. A winemaker self-distribution license shall

authorize a licensed winemaker within or without this state which is

permitted by Article ~~XXVIIIA~~ <u>XXVIII-A</u> of the Oklahoma Constitution

and this section:

1. To distribute its wine directly to retail spirits, retail

wine and retail beer licensees, mixed beverage licensees, beer and

wine licensees, and restaurants in this state; and

2. If such a winemaker elects to do so, to sell and deliver its wines directly to licensed retail package stores, mixed beverage licensees, beer and wine licensees, and restaurants in this state in full case lots only, and in accordance with the provisions of the Oklahoma Alcoholic Beverage Control Act and such rules as the ABLE Commission shall promulgate.

B. A winemaker either within or without this state that annually produces no more than fifteen thousand (15,000) gallons of wine may elect to sell and self-distribute the wine produced by such winemaker directly to licensed retail package stores, mixed beverage licensees, beer and wine licensees, and restaurants in this state; provided:

1. Any such winemaker which elects to directly sell its wine to package stores, mixed beverage licensees, beer and wine licensees, and restaurants shall not also use a licensed wholesale distributor as a means of distribution, and shall be required to sell its wines to every package store, mixed beverage licensee, beer and wine licensee, and restaurant licensee who desires to purchase the same, on the same price basis and without discrimination;

2. If a winemaker or winery sells directly to a retail package store, mixed beverage licensee, beer and wine licensee, or restaurant, the winemaker shall transport the wine from the winemaker's winery to the premises where the wine is to be delivered only in vehicles owned or leased by the winemaker and not by common

or private contract carrier and shall obtain all necessary permits

as required by the Oklahoma Alcoholic Beverage Control Act; and

3. If the production volume limit applicable to winemakers is

ruled to be unconstitutional by a court of competent jurisdiction,

then no winemaker shall be permitted to directly sell its wine to

retail package stores, non-package-store retailers, mixed beverage

licensees, beer and wine licensees, or restaurants in this state.

C. A licensed winemaker or winery may distribute wine produced

only by such license holder 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

winemaker or winery shall elect whether to distribute through a

licensed distributor or self-distribute in a subject territory;

provided, the winemaker or winery license holder shall 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 shall take effect.

SECTION 2. This act shall become effective November 1, 2023.

59-1-819   MR   1/18/2024 9:25:57 AM