1	STATE OF OKLAHOMA
2	1st Session of the 60th Legislature (2025)
3	SENATE BILL 1099 By: Mann
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6	AS INTRODUCED
7	An Act relating to alcoholic beverages; amending 37A
8	O.S. 2021, Sections 1-103 and 2-110, as last amended by Section 1, Chapters 416 and 417, O.S.L. 2024, and
9	6-113 (37A O.S. Supp. 2024, Sections 1-103 and 2-110), which relate to definitions, mixed beverage
.0	licenses, and unlawful possession of alcoholic beverages with intent to sell without procuring a license; defining term; providing certain exceptions;
1	allowing the sale of vintage distilled spirits by certain sellers; providing for codification; and
L2	providing an effective date.
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L5	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
16	SECTION 1. AMENDATORY 37A O.S. 2021, Section 1-103, as
L7	last amended by Section 1, Chapter 416, O.S.L. 2024 (37A O.S. Supp.
L8	2024, Section 1-103), is amended to read as follows:
L 9	Section 1-103. As used in the Oklahoma Alcoholic Beverage
20	Control Act:
21	1. "ABLE Commission" or "Commission" means the Alcoholic
22	Beverage Laws Enforcement Commission;
23	2. "Alcohol" means and includes hydrated oxide of ethyl, ethyl
24	alcohol, ethanol or spirits of wine, from whatever source or by

whatever process produced. It does not include wood alcohol or alcohol which has been denatured or produced as denatured in accordance with Acts of Congress and regulations promulgated thereunder;

- 3. "Alcoholic beverage" means alcohol, spirits, beer and wine as those terms are defined herein and also includes every liquid or solid, patented or not, containing alcohol, spirits, wine or beer and capable of being consumed as a beverage by human beings;
- 4. "Applicant" means any individual, legal or commercial business entity, or any individual involved in any legal or commercial business entity allowed to hold any license issued in accordance with the Oklahoma Alcoholic Beverage Control Act;
- 5. "Beer" means any beverage containing more than one-half of one percent (0.50%) 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. For the purposes of taxation, distribution, sales, and regulation, seltzer shall mean the same as beer as provided in this section. Beer may or may not contain hops or other vegetable products. Beer includes, among other things, beer, ale, stout, lager beer, porter, seltzer, and other malt or brewed liquors, but does not include sake, known as Japanese rice wine;
- 6. "Beer keg" means any brewer-sealed, single container that contains not less than four (4) gallons of beer;

7. "Beer distributor" means and includes any person licensed to distribute beer for retail sale in this state, but does not include a holder of a small brewer self-distribution license or brewpub self-distribution license. The term distributor, as used in the Oklahoma Alcoholic Beverage Control Act, shall be construed to refer to a beer distributor;

- 8. "Bottle club" means any establishment in a county which has not authorized the retail sale of alcoholic beverages by the individual drink, which is required to be licensed to keep, mix and serve alcoholic beverages belonging to club members on club premises;
- 9. "Bottle service" means the sale and provision of spirits in their original packages by a mixed beverage licensee to be consumed in that mixed beverage licensee's club suite;
- 10. "Brand" means any word, name, group of letters, symbol or combination thereof, that is adopted and used by a licensed brewer to identify a specific beer, wine or spirit and to distinguish that product from another beer, wine or spirit;
 - 11. "Brand extension" means:
 - a. after October 1, 2018, any brand of beer or cider introduced by a manufacturer in this state which either:

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- (1) incorporates all or a substantial part of the unique features of a preexisting brand of the same licensed brewer, or
- (2) relies to a significant extent on the goodwill associated with the preexisting brand, or
- b. any brand of beer that a brewer, the majority of whose total volume of all brands of beer distributed in this state by such brewer on January 1, 2016, was distributed as low-point beer, desires to sell, introduces, begins selling or theretofore has sold and desires to continue selling a strong beer in this state which either:
 - (1) incorporates or incorporated all or a substantial part of the unique features of a preexisting lowpoint beer brand of the same licensed brewer, or
 - (2) relies or relied to a significant extent on the goodwill associated with a preexisting low-point beer brand;
- 12. "Brewer" means and includes any person who manufactures for human consumption by the use of raw materials or other ingredients any beer or cider upon which a license fee and a tax are imposed by any law of this state;
- 13. "Brewpub" means a licensed establishment operated on the premises of, or on premises located contiguous to, a small brewer,

that prepares and serves food and beverages, including alcoholic beverages, for on-premises consumption;

- 14. "Cider" means any alcoholic beverage obtained by the alcoholic fermentation of fruit juice, including but not limited to flavored, sparkling or carbonated cider. For the purposes of the manufacture of this product, cider may be manufactured by either manufacturers or brewers. For the purposes of the distribution of this product, cider may be distributed by either wine and spirits wholesalers or beer distributors;
- 15. "Club suite" means a designated area within the premises of a mixed beverage licensee designed to provide an exclusive space which is limited to a patron or patrons specifically granted access by a mixed beverage licensee and is not accessible to other patrons of the mixed beverage licensee or the public. A club suite must have a clearly designated point of access for a patron or patrons specifically granted access by the mixed beverage licensee to ensure that persons present in the suite are limited to patrons specifically granted access by the mixed beverage licensee and employees providing services to the club suite;
- 16. "Cocktail" means a type of mixed beverage as defined in Section 7-102 of this title;
- 17. "Convenience store" means any person primarily engaged in retailing a limited range of general household items and groceries,

with extended hours of operation, whether or not engaged in retail sales of automotive fuels in combination with such sales;

- 18. "Convicted" and "conviction" mean and include a finding of guilt resulting from a plea of guilty or nolo contendere, the decision of a court or magistrate or the verdict of a jury, irrespective of the pronouncement of judgment or the suspension thereof;
- 19. "Designated products" means the brands of wine or spirits offered for sale by a manufacturer that the manufacturer has assigned to a designated wholesaler for exclusive distribution;
- 20. "Designated wholesaler" means a wine and spirits wholesaler who has been selected by a manufacturer as a wholesaler appointed to distribute designated products;
 - 21. "Director" means the Director of the ABLE Commission;
- 22. "Distiller" means any person who produces spirits from any source or substance, or any person who brews or makes mash, wort or wash, fit for distillation or for the production of spirits (except a person making or using such material in the authorized production of wine or beer, or the production of vinegar by fermentation), or any person who by any process separates alcoholic spirits from any fermented substance, or any person who, making or keeping mash, wort or wash, has also in his or her possession or use a still;

- 23. "Distributor agreement" means the written agreement between the distributor and brewer as set forth in Section 3-108 of this title;
- 24. "Drug store" means a person primarily engaged in retailing prescription and nonprescription drugs and medicines;
- 25. "Dual-strength beer" means a brand of beer that, immediately prior to April 15, 2017, was being sold and distributed in this state:
 - a. as a low-point beer pursuant to the Low-Point Beer
 Distribution Act in effect immediately prior to
 October 1, 2018, and
 - b. as strong beer pursuant to the Oklahoma Alcoholic Beverage Control Act in effect immediately prior to October 1, 2018,
- and continues to be sold and distributed as such on October 1, 2018.

 Dual-strength beer does not include a brand of beer that arose as a result of a brand extension as defined in this section;
- 26. "Fair market value" means the value in the subject territory covered by the written agreement with the distributor or wholesaler that would be determined in an arm's length transaction entered into without duress or threat of termination of the distributor's or wholesaler's rights and shall include all elements of value, including goodwill and going-concern value;
 - 27. "Good cause" means:

- a. failure by the distributor to comply with the material and reasonable provisions of a written agreement or understanding with the brewer, or
- b. failure by the distributor to comply with the duty of good faith;
- 28. "Good faith" means the duty of each party to any distributor agreement and all officers, employees or agents thereof to act with honesty in fact and within reasonable standards of fair dealing in the trade;
- 29. "Grocery store" means a person primarily engaged in retailing a general line of food, such as canned or frozen foods, fresh fruits and vegetables, and fresh and prepared meats, fish and poultry;
- 30. "Hotel" or "motel" means an establishment which is licensed to sell alcoholic beverages by the individual drink and which contains guest room accommodations with respect to which the predominant relationship existing between the occupants thereof and the owner or operator of the establishment is that of innkeeper and guest. For purposes of this section, the existence of other legal relationships as between some occupants and the owner or operator thereof shall be immaterial;
- 31. "Legal newspaper" means a newspaper meeting the requisites of a newspaper for publication of legal notices as prescribed in Sections 101 through 114 of Title 25 of the Oklahoma Statutes;

32. "Licensee" means any person holding a license under the

Oklahoma Alcoholic Beverage Control Act, and any agent, servant or

employee of such licensee while in the performance of any act or

duty in connection with the licensed business or on the licensed

premises;

- 33. "Low-point beer" shall mean any beverages containing more than one-half of one percent (1/2 of 1%) alcohol by volume, and not more than three and two-tenths percent (3.2%) alcohol by weight, including but not limited to beer or cereal malt beverages obtained by the alcoholic fermentation of an infusion by barley or other grain, malt or similar products;
- 34. "Manufacturer" means a distiller, winemaker, rectifier or bottler of any alcoholic beverage (other than beer) and its subsidiaries, affiliates and parent companies;
- 35. "Manufacturer's agent" means a salaried or commissioned salesperson who is the agent authorized to act on behalf of the manufacturer or nonresident seller in this state;
- 36. "Meals" means foods commonly ordered at lunch or dinner and at least part of which is cooked on the licensed premises and requires the use of dining implements for consumption. Provided, that the service of only food such as appetizers, sandwiches, salads or desserts shall not be considered meals;

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- 37. "Mini-bar" means a closed container, either refrigerated in whole or in part, or unrefrigerated, and access to the interior of which is:
 - a. restricted by means of a locking device which requires the use of a key, magnetic card or similar device, or
 - b. controlled at all times by the licensee;
- 38. "Mixed beverage cooler" means any beverage, by whatever name designated, consisting of an alcoholic beverage and fruit or vegetable juice, fruit or vegetable flavorings, dairy products or carbonated water containing more than one-half of one percent (1/2 of 1%) of alcohol measured by volume but not more than seven percent (7%) alcohol by volume at sixty (60) degrees Fahrenheit and which is packaged in a container not larger than three hundred seventy-five (375) milliliters. Such term shall include but not be limited to the beverage popularly known as a "wine cooler";
- 39. "Mixed beverages" means one or more servings of a beverage composed in whole or in part of an alcoholic beverage in a sealed or unsealed container of any legal size for consumption on the premises where served or sold by the holder of a mixed beverage, beer and wine, caterer, public event, charitable event or special event license; provided, that a beer, cider, or wine mixed with ingredients nonalcoholic in nature including, but not limited to, water, juice, sugar, fruits, or vegetables and sold by a small brewer, brewpub, small farm winery, or winemaker, shall not be

considered a mixed beverage so long as such small brewer, brewpub, small farm winery, or winemaker does not also hold an on-premises beer and wine, mixed beverage, caterer, public event, or special event license, if permitted by law;

- 40. "Motion picture theater" means an establishment which is licensed by Section 2-110 of this title to sell alcoholic beverages by the individual drink and where motion pictures are exhibited, and to which the general public is admitted;
- 41. "Nondesignated products" means the brands of wine or spirits offered for sale by a manufacturer that have not been assigned to a designated wholesaler;
- 42. "Nonresident seller" means any person licensed pursuant to Section 2-135 of this title;
- 43. "Retail salesperson" means a salesperson soliciting orders from and calling upon retail alcoholic beverage stores with regard to his or her product;
- 44. "Occupation" as used in connection with "occupation tax" means the sites occupied as the places of business of the manufacturers, brewers, wholesalers, beer distributors, retailers, mixed beverage licensees, on-premises beer and wine licensees, bottle clubs, caterers, public event and special event licensees;
- 45. "Original package" means any container of alcoholic beverage filled and stamped or sealed by the manufacturer or brewer;

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46. "Package store" means any sole proprietor or partnership that qualifies to sell wine, beer and/or spirits for off-premises consumption and that is not a grocery store, convenience store or drug store, or other retail outlet that is not permitted to sell wine or beer for off-premises consumption;

- "Patron" means any person, customer or visitor who is not 47. employed by a licensee or who is not a licensee;
- "Person" means an individual, any type of partnership, corporation, association, limited liability company or any individual involved in the legal structure of any such business entity;
- 49. "Premises" means the grounds and all buildings and appurtenances pertaining to the grounds including any adjacent premises if under the direct or indirect control of the licensee and the rooms and equipment under the control of the licensee and used in connection with or in furtherance of the business covered by a license. Provided, that the ABLE Commission shall have the authority to designate areas to be excluded from the licensed premises solely for the purpose of:
 - a. allowing the presence and consumption of alcoholic beverages by private parties which are closed to the general public, or
 - b. allowing the services of a caterer serving alcoholic beverages provided by a private party.

This exception shall in no way limit the licensee's concurrent responsibility for any violations of the Oklahoma Alcoholic Beverage Control Act occurring on the licensed premises;

- 50. "Private event" means a social gathering or event attended by invited guests who share a common cause, membership, business or task and have a prior established relationship. For purposes of this definition, advertisement for general public attendance or sales of tickets to the general public shall not constitute a private event;
- 51. "Public event" means any event that can be attended by the general public;
- 52. "Rectifier" means any person who rectifies, purifies or refines spirits or wines by any process (other than by original and continuous distillation, or original and continuous processing, from mash, wort, wash or other substance, through continuous closed vessels and pipes, until the production thereof is complete), and any person who, without rectifying, purifying or refining spirits, shall by mixing (except for immediate consumption on the premises where mixed) such spirits, wine or other liquor with any material, manufactures any spurious, imitation or compound liquors for sale, under the name of whiskey, brandy, rum, gin, wine, spirits, cordials or any other name;
- 53. "Regulation" or "rule" means a formal rule of general application promulgated by the ABLE Commission as herein required;

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- 54. "Restaurant" means an establishment that is licensed to sell alcoholic beverages by the individual drink for on-premises consumption and where food is prepared and sold for immediate consumption on the premises;
- 55. "Retail container for spirits and wines" means an original package of any capacity approved by the United States Bureau of Alcohol, Tobacco, Firearms and Explosives;
- 56. "Retailer" means a package store, grocery store, convenience store or drug store licensed to sell alcoholic beverages for off-premises consumption pursuant to a retail spirits license, retail wine license or retail beer license;
- 57. "Sale" means any transfer, exchange or barter in any manner or by any means whatsoever, and includes and means all sales made by any person, whether as principal, proprietor or as an agent, servant or employee. The term sale is also declared to be and include the use or consumption in this state of any alcoholic beverage obtained within or imported from without this state, upon which the excise tax levied by the Oklahoma Alcoholic Beverage Control Act has not been paid or exempted;
- 58. "Seltzer" means any beverage containing more than one-half of one percent (0.50%) of alcohol by volume and obtained by the alcoholic fermentation of malt, rice, grain of any kind, bran, glucose, sugar, or molasses and combined with carbonated water and other flavoring and labeled as "beer" by the Internal Revenue Code;

provided, that seltzer shall not include carbonated beverages mixed with wine or spirits;

- 59. "Short-order food" means food other than full meals including but not limited to sandwiches, soups and salads.

 Provided, that popcorn, chips and other similar snack food shall not be considered short-order food;
- 60. "Small brewer" means a brewer who manufactures less than sixty-five thousand (65,000) barrels of beer annually pursuant to a validly issued small brewer license hereunder;
- 61. "Small farm wine" means a wine that is produced by a small farm winery with seventy-five percent (75%) or more Oklahoma-grown grapes, berries, other fruits, honey or vegetables;
- 62. "Small farm winery" means a wine-making establishment that does not annually produce for sale more than fifteen thousand (15,000) gallons of wine as reported on the United States Department of the Treasury Alcohol and Tobacco Tax and Trade Bureau, Report of Wine Premises Operations (TTB Form 5120.17);
- 63. "Sparkling wine" means champagne or any artificially carbonated wine;
- 64. "Special event" means an entertainment, recreation or marketing event that occurs at a single location on an irregular basis and at which alcoholic beverages are sold;
- 65. "Spirits" means any beverage other than wine or beer, which contains more than one-half of one percent (1/2 of 1%) alcohol

measured by volume, and obtained by distillation, whether or not
mixed with other substances in solution and includes those products
known as whiskey, brandy, rum, gin, vodka, liqueurs, cordials and
fortified wines and similar compounds, but shall not include any
alcohol liquid completely denatured in accordance with the Acts of
Congress and regulations pursuant thereto;

66. "Strong beer" means beer which, prior to October 1, 2018, was distributed pursuant to the Oklahoma Alcoholic Beverage Control Act, Section 1-101 et seq. of this title;

- 67. "Successor brewer" means a primary source of supply, a brewer, a cider manufacturer or an importer that acquires rights to a beer or cider brand from a predecessor brewer;
 - 68. "Tax Commission" means the Oklahoma Tax Commission;
- 69. "Territory" means a geographic region with a specified boundary;
- 70. "Vintage distilled spirit" means a package or packages of distilled spirits that are:
 - a. in the original manufacturer's unopened container,
 - b. not owned by a distillery, and
 - on to otherwise available for purchase from a licensed wholesaler within this state;
- 71. "Wine and spirits wholesaler" or "wine and spirits distributor" means and includes any sole proprietorship or partnership licensed to distribute wine and spirits in this state.

The term "wholesaler", as used in the Oklahoma Alcoholic Beverage Control Act, shall be construed to refer to a wine and spirits wholesaler;

71. 72. "Wine" means and includes any beverage containing more than one-half of one percent (1/2 of 1%) alcohol by volume and not more than twenty-four percent (24%) alcohol by volume at sixty (60) degrees Fahrenheit obtained by the fermentation of the natural contents of fruits, vegetables, honey, milk or other products containing sugar, whether or not other ingredients are added, and includes vermouth and sake, known as Japanese rice wine;

72. 73. "Winemaker" means and includes any person or establishment who manufactures for human consumption any wine upon which a license fee and a tax are imposed by any law of this state;

73. 74. "Satellite tasting room" means a licensed establishment operated off the licensed premises of the holder of a small farm winery or winemaker license, which serves wine for on-premises or off-premises consumption; and

74. 75. "Straw testing" means the consumption of a de minimis amount of an alcoholic beverage by sanitary means by the holder of an employee license, twenty-one (21) years of age or older, to determine the quality or desired flavor profile of such alcoholic beverage that has been serviced, or is to be served, to a patron.

Words in the plural include the singular, and vice versa, and words imparting the masculine gender include the feminine, as well as persons and licensees as defined in this section.

SECTION 2. AMENDATORY 37A O.S. 2021, Section 2-110, as last amended by Section 1, Chapter 417, O.S.L. 2024 (37A O.S. Supp. 2024, Section 2-110), is amended to read as follows:

Section 2-110. A. A mixed beverage license shall authorize the holder thereof:

- 1. To purchase alcohol, spirits, beer and/or wine in retail containers from the holder of a wine and spirits wholesaler and beer distributor license as specifically provided by law;
- 2. To sell, offer for sale and possess mixed beverages for onpremises consumption only, provided:
 - a. the holder of a mixed beverage license issued for an establishment which is also a restaurant may purchase wine directly from a winemaker and beer directly from a small brewer who is permitted and has elected to self-distribute as provided in Article XXVIII-A of the Oklahoma Constitution, and
 - b. the holder of a mixed beverage license that is also a holder of a retail wine license or retail beer license or both a retail wine license and retail beer license shall not be prohibited from the on-premises sale of wine or beer, according to the license held, for off-

premises consumption, subject to the limitations of the retail wine license or retail beer license; and

- 3. To sell spirits in their original packages for consumption on its premises under the following conditions:
 - a. spirits in their original packages shall remain and be consumed in the club suite of a mixed beverage licensee and may not be removed from the club suite if not consumed in their entirety at or before the conclusion of the period for which the club suite was made available to a specific patron or patrons by the mixed beverage licensee, and
 - b. spirits in their original packages to be consumed in the club suite are provided exclusively by the mixed beverage licensee.
- B. Sales and service of mixed beverages by holders of mixed beverage licenses shall be limited to the licensed premises of the licensee unless the holder of the mixed beverage license also obtains a caterer license or a mixed beverage/caterer combination license, or if the holder of a mixed beverage license is an Entertainment District Tenant Party as defined in Section 2393 of Title 68 of the Oklahoma Statutes. A mixed beverage license shall only be issued in counties of this state where the sale of alcoholic beverages by the individual drink for on-premises consumption has

been authorized. A separate license shall be required for each place of business.

- C. Sales and service of mixed beverages by holders of mixed beverage licenses of an Entertainment District Tenant Party shall be limited to the premises of an Entertainment District. For purposes of this subsection, premises may be defined as the designated area of an Entertainment District as defined in Section 2393 of Title 68 of the Oklahoma Statutes.
- D. 1. Holders of a mixed beverage license shall not be prohibited from obtaining and holding a retail beer license or retail wine license or both a retail beer license and retail wine license; provided, that each holder qualifies and maintains the qualifications for each license held as set forth in this title and the rules promulgated by the Alcoholic Beverage Laws Enforcement (ABLE) Commission; and
- 2. Nothing in this section shall be construed to prohibit the sale of vintage distilled spirits pursuant to Section 4 of this act.
- E. Upon application, a mixed beverage license shall be issued for any place of business functioning as a motion picture theater, as defined by Section 1-103 of this title. Provided, that upon proof of legal age to consume alcohol, every patron being served alcoholic beverages shall be required to wear a wrist bracelet or receive a hand stamp identifying the patron as being of legal age to consume alcohol. This requirement shall only apply inside a motion

picture theater auditorium where individuals under the legal age to consume alcohol are allowed.

F. Holders of a mixed beverage license with a licensed premises on a business establishment that meets the classification of a golf course or country club pursuant to the most recently adopted North American Industry Classification System (NAICS) may also sell beer in sealed original packages for on-premises consumption. Such holders' sales of more than two sealed original packages to one person at one time for on-premises consumption shall not be considered an unlawful inducement to stimulate consumption of alcoholic beverages under the Oklahoma Alcoholic Beverage Control Act, and patrons may remove sealed original packages from the licensed premises.

SECTION 3. AMENDATORY 37A O.S. 2021, Section 6-113, is amended to read as follows:

Section 6-113. A. It shall be unlawful for any person, firm or corporation to possess any alcoholic beverages with the intent to sell the same without having first procured a license therefor from the ABLE Commission as now provided for by law. All alcoholic beverages found in the possession or under the control of any person or persons, firm or corporation who, on the same date, or within fifteen (15) days prior thereto, has violated Section 153 of this act, shall be seized by the arresting officer and shall be forfeited to the State of Oklahoma, as provided for in Section 167 of this

act; provided, property seized by a county or municipal law enforcement officer shall be forfeited to the county or municipality in which the seizure of the property took place, whichever is appropriate, as provided for in Section 167 of this act.

- B. Nothing in this section shall be construed to prohibit the sale of vintage distilled spirits pursuant to Section 4 of this act.
- SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6-130 of Title 37A, unless there is created a duplication in numbering, reads as follows:

A person twenty-one (21) years of age or older who is not licensed to sell alcohol in this state may sell vintage distilled spirits if the person is:

- 1. An administrator, executor, receiver, or other fiduciary who receives and sells vintage distilled spirits in execution of fiduciary capacity;
- 2. A creditor who receives or takes possession of vintage distilled spirits as security for, or in payment of, debt, in whole or in part;
- 3. A public officer or court official who levies on vintage distilled spirits under order or process of any court or magistrate to sell same in satisfaction of the order or process; or
- 4. Any other person not engaged in the business of selling alcoholic beverages who receives and sells vintage distilled spirits

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    packages in an amount of twenty-four vintage distilled spirits
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    packages or fewer in the preceding twelve (12) months.
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        SECTION 5. This act shall become effective November 1, 2025.
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