1 HOUSE OF REPRESENTATIVES - FLOOR VERSION 2 STATE OF OKLAHOMA 3 2nd Session of the 58th Legislature (2022) COMMITTEE SUBSTITUTE 4 FOR 5 HOUSE BILL NO. 3641 By: Dempsey and Humphrey of the House 6 and 7 Coleman of the Senate 8 9 10 11 COMMITTEE SUBSTITUTE 12 An Act relating to alcoholic beverages; providing that a holder of a small farm winery or winemaker 1.3 license may serve free samples and sell other items; providing wine may be served at off-premises 14 locations; providing that at public events the location occupied by the small farm winery or 15 winemaker licensee becomes a licensed premises and extension of the licensed small farm winery or winemaker; requiring a licensee to establish a 16 serving area; providing that multiple licensees may 17 combine their serving areas; amending 37A O.S. 2021, Section 2-103, which relates to distiller's licenses; 18 allowing holders of a distiller's license to open satellite locations; providing allowed activities and 19 sales that may occur at satellite locations; providing for codification; and providing an 20 effective date. 2.1 22 23 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA: 2.4

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-162 of Title 37A, unless there is created a duplication in numbering, reads as follows:

A holder of a small farm winery or winemaker license, which serves wine for on-premises or off-premises consumption, shall be allowed to serve free samples, or sell Oklahoma-manufactured wine, mulled wine, or spiced wine, mixed with nonalcoholic beverages, or food items such as water, sugar, fruits, and vegetables, at any temperature. Wine produced by a holder of a small farm winery or winemaker license may be served at any public events including, but not limited to, festivals, trade shows, boat shows, RV shows, home and garden shows, fairs, car shows, swap meets, city events, county events, or state events for either on-premises or off-premises consumption. This includes any public events that are held at premises which hold a retail beer license, retail spirits license, mixed beverage license, beer and wine license, caterer's license, special event license, public event license, winemaker license, charitable auction license, or brewpub license. At public events, the location within the event occupied by the small farm winery or winemaker licensee becomes a licensed premises and extension of the licensed small farm winery or winemaker. The licensee shall set up and define an area contiquous to its booth space as a serving area where the wine is dispensed. The licensee may only serve the wine in the serving area. In the event that multiple winemakers are at

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- 1 | the same public event, they may combine their serving areas into one
- 2 | larger area as long as they are contiguous to the winemakers'
- 3 booths.
- 4 | SECTION 2. AMENDATORY 37A O.S. 2021, Section 2-103, is
- 5 | amended to read as follows:
- 6 Section 2-103. A. A distiller license shall authorize the
- 7 holder thereof:
- 8 | 1. To manufacture, bottle, package and store spirits on
- 9 licensed premises;
- 10 2. To sell spirits in this state to licensed wholesalers and
- 11 | manufacturers only;
- 12 3. To sell spirits out of this state to qualified persons $\dot{\tau}_{\underline{\prime}}$ to
- 13 | purchase from licensed distillers and rectifiers in this state, and
- 14 | import spirits from without this state for manufacturing purposes in
- 15 | accordance with federal laws and regulations;
- 16 4. To serve free samples of spirits produced only by the
- 17 | licensee to visitors twenty-one (21) years of age and older. For
- 18 purposes of this section, no visitor may sample more than a total of
- 19 three (3) fluid ounces of spirits per day. The distiller shall
- 20 restrict the distribution and consumption of spirits samples to an
- 21 | area within the licensed premises designated by the distiller. A
- 22 current floor plan that includes the designated sampling area shall
- 23 be on file with the ABLE Commission. No visitor under twenty-one
- 24 (21) years of age shall be permitted to enter the designated

- sampling area when samples are being distributed and consumed.

 Samples of spirits served by a distiller under this section shall

 not be considered a sale of spirits within the meaning of Article

 XXVIII-A of the Oklahoma Constitution or Section 1-103 of this

 title; provided, such samples of spirits shall be considered removed

 or withdrawn from the distillery for use or consumption within the
- 7 meaning of Section 5-110 of this title for excise tax determination
- 8 and reporting requirements;

- 5. To sell spirits produced by the licensee for either onpremises or off-premises consumption to consumers on the licensed
 distillery premises or in an area controlled by the licensee located
 contiguous to the licensed distillery premises. Product offered for
 sale by the Oklahoma_licensed distiller will have been sold to and
 shipped to an Oklahoma licensed wine and spirits wholesaler and then
 made available for purchase by the Oklahoma_licensed distiller for
 to sale; and
- 6. To sell spirits at public events such as trade shows or festivals. Products offered for sale by the Oklahoma licensed distiller will have been sold to and shipped to an Oklahoma licensed wine and spirits wholesaler and then made available for purchase by the Oklahoma licensed distiller; and
- 7. To establish distiller's satellite locations, which shall be considered extensions of the distiller's licensed premises, where the distiller's products may be tasted, sampled, and served for on-

1	premises consumption and the holder of a distiller's license is
2	permitted to sell the distiller's products in sealed containers,
3	provided that the distiller's license is active and in good standing
4	and the product offered for sale by the Oklahoma licensed distiller
5	will have first been sold to and shipped to an Oklahoma licensed
6	wine and spirt wholesaler and then made available for purchase by
7	the Oklahoma licensed distiller to sell. The spirits sold at a
8	satellite tasting room must have been produced and manufactured by
9	the holder of the distiller license.
10	B. Spirits sold pursuant to paragraphs 5 and, 6, and 7 of
11	subsection A of this section shall not exceed fifteen thousand
12	(15,000) gallons per calendar year in combination.
13	SECTION 3. This act shall become effective November 1, 2022.
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15	COMMITTEE REPORT BY: COMMITTEE ON ALCOHOL, TOBACCO AND CONTROLLED SUBSTANCES, dated 03/03/2022 - DO PASS, As Amended and Coauthored.
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