

BILL SUMMARY
1st Session of the 59th Legislature

Bill No.:	HB2843
Version:	CS
Request Number:	7673
Author:	Caldwell (Trey)
Date:	3/17/2023
Impact:	\$0

Research Analysis

The committee substitute for HB 2843, provides that the holder of a beer distributor license is authorized to store any alcoholic beverages, including wine and spirits owned by a common licensed affiliated entity, or nonalcoholic beverages and other related goods in any space as long as it is a warehouse owned or leased by the distributor. There is no obligation to separate products in the warehouse as long as the space is a discrete, enclosed area controlled by the beer distributor.

The measure authorizes the ABLE Commission to issue a written warning or fine for the violation of discriminating between wholesalers or retailers. A first offense will result in a written warning and may come with a fine not more than \$5,000. A second offense will result in a license suspension of up to 10 days. A third offense will lead to a license revocation. However, prior to license suspension or revocation, the ABLE Commission must give the licensee written notice of the violation and 90 days to cure or remedy the violation. A first and second offense will mean violations related to or arising out of and occurring within 12 months of the first offense.

The measure provides that it is not an inducement or discriminatory action for a brewer, beer distributor, small brewer self-distributor, brewpub self-distributor, or a wine and spirits wholesaler to establish individualized servicing and delivery schedules for retailers based on the retailer's actual needs and sales volume.

The measure provides that it is not an inducement or discriminatory action for a brewer, beer distributor, small brewer self-distributor, or brewpub self-distributor to periodically perform product resets, with permission of the retail licensee, pursuant to a provided shelf plan or shelf schematic as it relates to merchandising.

The measure adds that the application for registration of a brand label must be filed and had the fees paid by a brewer, winemaker, distiller, or nonresident seller of the brand. Licensees are not required to verify ABLE registration and will not be penalized for any applicant's failure to register its brand label.

Prepared By: Matthew Brenchley

Fiscal Analysis

In its current form, HB2843 does not mandate any action to any state appropriated agency. This measure is not expected to impact state revenues or state appropriations.

Prepared By: Zachary Penrod, House Fiscal Staff

Other Considerations

None.

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