To: Finance

By: Senator(s) Harden (By Request)

SENATE BILL NO. 3036

AN ACT TO AMEND SECTION 67-1-41, MISSISSIPPI CODE OF 1972, TO REMOVE THE PROVISION THAT REQUIRES ON PREMISES RETAILERS OF 2 ALCOHOLIC BEVERAGES AND PACKAGE RETAILERS OF ALCOHOLIC BEVERAGES 4 WHO PURCHASE LIMITED AMOUNTS OF ALCOHOLIC BEVERAGES FROM PACKAGE 5 RETAILERS TO PURCHASE ONLY FROM PACKAGE RETAILERS LOCATED WITHIN б THE COUNTY IN WHICH THEY ARE LOCATED; AND FOR RELATED PURPOSES. 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 8 9 SECTION 1. Section 67-1-41, Mississippi Code of 1972, is 10 amended as follows: 67-1-41. (1) The State Tax Commission is hereby created a 11 12 wholesale distributor and seller of alcoholic beverages, not including malt liquors, within the State of Mississippi. It is 13 14 granted the sole right to import and sell such intoxicating liquors at wholesale within the state, and no person who is 15 granted the right to sell, distribute or receive such liquors at 16 17 retail shall purchase any such intoxicating liquors from any 18 source other than the commission except as authorized in 19 subsections (4) and (9), provided that retailers and consumers may purchase native wines directly from the producer. The commission 20 21 may establish warehouses, purchase intoxicating liquors in such 2.2 quantities and from such sources as it may deem desirable and sell the same to authorized permittees within the state including, at 23 24 the discretion of the commission, any retail distributors 25 operating within any military post or qualified resort areas 26 within the boundaries of the state, keeping a correct and accurate 2.7 record of all such transactions and exercising such control over 28 the distribution of alcoholic beverages as seem right and proper 29 in keeping with the provisions or purposes of this chapter.

- The commission is empowered to borrow such working capital as
- 31 may be required, not to exceed the sum of Nine Hundred Thousand
- 32 Dollars (\$900,000.00). Such loan shall be repaid from the
- 33 earnings of the wholesale liquor business.
- 34 The commission is hereby authorized to use and to promulgate
- 35 rules for the affixing of identification stamps to each container
- 36 of alcoholic liquor.
- 37 (2) No person for the purpose of sale shall manufacture,
- 38 distill, brew, sell, possess, export, transport, distribute,
- 39 warehouse, store, solicit, take orders for, bottle, rectify,
- 40 blend, treat, mix or process any alcoholic beverage except in
- 41 accordance with authority granted under this chapter, or as
- 42 otherwise provided by law for native wines.
- 43 (3) No alcoholic beverage intended for sale or resale shall
- 44 be imported, shipped or brought into this state for delivery to
- 45 any person other than as provided in this chapter, or as otherwise
- 46 provided by law for native wines.
- 47 (4) The commission may promulgate rules and regulations
- 48 which authorize on-premises retailers to purchase limited amounts
- 49 of alcoholic beverages from package retailers * * * and for
- 50 package retailers to purchase limited amounts of alcoholic
- 51 beverages from other package retailers * * *. The commission
- 52 shall develop and provide forms to be completed by the on-premises
- 53 retailers and the package retailers verifying the transaction.
- 54 The completed forms shall be forwarded to the commission within a
- 55 period of time prescribed by the commission.
- 56 (5) The commission may promulgate rules which authorize the
- 57 holder of a package retailer's permit to permit individual retail
- 58 purchasers of packages of alcoholic beverages to return, for
- 59 exchange, credit or refund, limited amounts of original sealed and
- 60 unopened packages of alcoholic beverages purchased by such
- 61 individual from the package retailer.
- 62 (6) The commission shall maintain all forms to be completed

- by applicants necessary for licensure by the commission at alldistrict offices of the commission.
- 65 (7) The commission may promulgate rules which authorize the
- 66 manufacturer of an alcoholic beverage or wine to import, transport
- 67 and furnish or give a sample of alcoholic beverages or wines to
- 68 the holders of package retailer's permits, on-premises retailer's
- 69 permits, native wine retailer's permits and temporary retailer's
- 70 permits who have not previously purchased the brand of that
- 71 manufacturer from the commission. For each holder of the
- 72 designated permits, the manufacturer may furnish not more than
- 73 five hundred (500) milliliters of any brand of alcoholic beverage
- 74 and not more than three (3) liters of any brand of wine.
- 75 (8) The commission may promulgate rules disallowing open
- 76 product sampling of alcoholic beverages or wines by the holders of
- 77 package retailer's permits and permitting open product sampling of
- 78 alcoholic beverages by the holders of on-premises retailer's
- 79 permits. Permitted sample products shall be plainly identified
- 80 "sample" and the actual sampling must occur in the presence of the
- 81 manufacturer's representatives during the legal operating hours of
- 82 on-premises retailers.
- 83 (9) The commission may promulgate rules and regulations that
- 84 authorize the holder of a research permit to import and purchase
- 85 limited amounts of alcoholic beverages from importers, wineries
- 86 and distillers of alcoholic beverages or from the commission. The
- 87 commission shall develop and provide forms to be completed by the
- 88 research permittee verifying each transaction. The completed
- 89 forms shall be forwarded to the commission within a period of time
- 90 prescribed by the commission. The records and inventory of
- 91 alcoholic beverages shall be open to inspection at any time by the
- 92 Director of the Alcoholic Beverage Control Division or any duly
- 93 authorized agent.
- 94 SECTION 2. This act shall take effect and be in force from
- 95 and after July 1, 1999.