MISSISSIPPI LEGISLATURE

To: Finance

SENATE BILL NO. 2370 (As Sent to Governor)

AN ACT TO AMEND SECTION 67-1-25, MISSISSIPPI CODE OF 1972, TO 1 REMOVE THE PROVISION THAT REQUIRES THAT PERSONS APPOINTED 2 DIRECTOR, AGENT OR INSPECTOR FOR THE STATE TAX COMMISSION UNDER 3 4 THE LOCAL OPTION ALCOHOLIC BEVERAGES CONTROL LAW MUST HAVE RESIDED WITHIN THE STATE OF MISSISSIPPI FOR THE FIVE SUCCESSIVE YEARS 5 б PRECEDING THE DATE OF THEIR APPOINTMENT; TO AMEND SECTION 67-3-19, MISSISSIPPI CODE OF 1972, TO REMOVE THE PROVISION THAT REQUIRES A MANAGER OR EMPLOYEE OF A LICENSED PREMISES UNDER THE LIGHT WINE AND BEER LAWS TO BE A RESIDENT OF MISSISSIPPI IF HE IS ALSO AN 7 8 9 OFFICER, DIRECTOR OR SHAREHOLDER IN A CORPORATION THAT IS THE 10 11 HOLDER OF THE PERMIT FOR THE LICENSED PREMISES; TO AMEND SECTIONS 67-1-37, 67-3-31, 67-3-37 AND 67-3-74, MISSISSIPPI CODE OF 1972, 12 TO EXTEND UNTIL JULY 1, 2011, THE REPEAL DATE ON THE PROVISIONS THAT ALLOW THE ENFORCEMENT AGENTS OF THE ALCOHOLIC BEVERAGE 13 14 CONTROL DIVISION OF THE STATE TAX COMMISSION TO ENFORCE CERTAIN 15 PROVISIONS OF THE LIGHT WINE AND BEER LAWS AND TO AUTHORIZE SUCH 16 AGENTS TO ENFORCE PROVISIONS OF THE LIGHT WINE AND BEER LAW THAT 17 18 PROHIBIT RETAILERS FROM POSSESSING OR SELLING LIGHT WINE OR BEER 19 BEFORE THEY HAVE SECURED A PERMIT OR DURING THE TIME THEIR PERMIT IS REVOKED OR SUSPENDED; TO FURTHER AMEND SECTION 67-1-37, 20 MISSISSIPPI CODE OF 1972, TO CLARIFY THE PROVISIONS RELATING TO 21 THE SALE OR CONSUMPTION OF ALCOHOLIC BEVERAGES ON THE CAMPUS OF 22 PUBLIC SCHOOLS, COMMUNITY OR JUNIOR COLLEGES, COLLEGES OR UNIVERSITIES, AND THE PROHIBITION AGAINST THE SALE OR CONSUMPTION 23 24 25 OF ALCOHOLIC BEVERAGES AT ANY PUBLIC ATHLETIC EVENT AT PUBLIC SCHOOLS, COMMUNITY OR JUNIOR COLLEGES, COLLEGES OR UNIVERSITIES; 26 TO AMEND SECTIONS 27-71-301 AND 67-1-51, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE SALE OF ALCOHOLIC BEVERAGES AND LIGHT WINE AND BEER FROM MOBILE CARTS ON A GOLF COURSE IF THE GOLF COURSE IS THE 27 28 29 HOLDER OF AN ON-PREMISES RETAILER'S PERMIT; AND FOR RELATED 30 31 PURPOSES.

32 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 33 SECTION 1. Section 67-1-25, Mississippi Code of 1972, is 34 amended as follows:

35 67-1-25. No person shall be appointed director, agent or 36 inspector for the commission under this chapter who is not a 37 citizen of the United States * * *. No director, agent, inspector 38 or other employee shall be appointed under this chapter who has 39 been convicted of any violation of any federal or state law 40 concerning the manufacture, sale or possession of alcoholic liquor 41 prior or subsequent to July 1, 1966, or who has paid a fine or

penalty in settlement of any prosecution against him for any 42 43 violation of such laws or shall have forfeited his bond to appear 44 in court to answer charges for any such violation, nor shall any person be so appointed who has been convicted of a felony in any 45 46 state or federal court. No person appointed or employed by the 47 commission under this chapter may, directly or indirectly, 48 individually or as a member of a partnership or limited liability company, or as a shareholder of a corporation, have any interest 49 whatsoever in the manufacture, sale or distribution of alcoholic 50 51 liquor, or receive any compensation or profit therefrom, or have any interest whatsoever in the purchases or sales made by the 52 persons authorized by this chapter to purchase or to sell 53 alcoholic liquor. 54

55 This section shall not prevent any person appointed or 56 employed by the commission from purchasing and keeping in his 57 possession for the use of himself or members of his family or 58 guests any alcoholic liquor which may be purchased or kept by any 59 other person by virtue of this chapter.

60 **SECTION 2.** Section 67-3-19, Mississippi Code of 1972, is 61 amended as follows:

62 67-3-19. Where application is made for a permit to engage in 63 the business of a retailer of light wine or beer, the applicant 64 shall show in his application that he possesses the following 65 qualifications:

(a) Applicant must be a person at least twenty-one (21)
years of age, of good moral character and a resident of the State
of Mississippi.

(b) Applicant shall not have been convicted of a felony, or of pandering or of keeping or maintaining a house of prostitution, or have been convicted within two (2) years of the date of his application of any violation of the laws of this state or the laws of the United States relating to alcoholic liquor.

(c) Applicant shall not have had revoked, except for a violation of Section 67-3-52, within two (2) years next preceding his application, any license or permit issued to him pursuant to the laws of this state, or any other state, to sell alcoholic liquor of any kind.

(d) Applicant shall be the owner of the premises for
which the permit is sought or the holder of an existing lease
thereon.

(e) Applicant shall not be residentially domiciled with
any person whose permit has been revoked for cause, except for a
violation of Section 67-3-52, within two (2) years next preceding
the date of the present application for a permit.

86 (f) The applicant has not had any license or permit to
87 sell beer or light wine at retail revoked, within five (5) years
88 next preceding his application, due to a violation of Section
89 67-3-52.

90 (g) Applicant shall not employ any person whose permit 91 has been revoked when such person owned or operated the business 92 on the premises for which a permit is sought or allow such person 93 to have any financial interest in the business of the applicant, 94 until such person is qualified to obtain a permit in his own name.

95 (h) The applicant is not indebted to the State of96 Mississippi for any taxes.

97 (i) If applicant is a partnership, all members of the 98 partnership must be qualified to obtain a permit. Each member of 99 the partnership must be a resident of the State of Mississippi.

(j) If applicant is a corporation, all officers and directors thereof, and any stockholder owning more than five percent (5%) of the stock of such corporation, and the person or persons who shall conduct and manage the licensed premises for the corporation shall possess all the qualifications required herein for any individual permittee. However, the requirements as to

106 residence shall not apply to officers, directors and stockholders
107 of such corporation * * *.

Any misstatement or concealment of fact in an application shall be ground for denial of the application or for revocation of the permit issued thereon.

111 The commissioner may refuse to issue a permit to an applicant 112 for a place that is frequented by known criminals, prostitutes, or 113 other law violators or troublemakers who disturb the peace and 114 quietude of the community and frequently require the assistance of 115 peace officers to apprehend such law violators or to restore 116 order. The burden of proof of establishing the foregoing shall 117 rest upon the commissioner.

SECTION 3. Section 67-1-37, Mississippi Code of 1972, is amended as follows:

[Until July 1, 2011, this section will read as follows:]
67-1-37. (1) The State Tax Commission, under its duties and
powers with respect to the Alcoholic Beverage Control Division
therein, shall have the following powers, functions and duties:

(a) To issue or refuse to issue any permit provided for
by this chapter, or to extend the permit or remit in whole or any
part of the permit monies when the permit cannot be used due to a
natural disaster or Act of God.

128 To revoke, suspend or cancel, for violation of or (b) 129 noncompliance with the provisions of this chapter, or the law 130 governing the production and sale of native wines, or any lawful rules and regulations of the commission issued hereunder, or for 131 132 other sufficient cause, any permit issued by it under the provisions of this chapter; however, no such permit shall be 133 134 revoked, suspended or cancelled except after a hearing of which 135 the permit holder shall have been given reasonable notice and an opportunity to be heard. The board shall be authorized to suspend 136 137 the permit of any permit holder for being out of compliance with 138 an order for support, as defined in Section 93-11-153. The

procedure for suspension of a permit for being out of compliance 139 140 with an order for support, and the procedure for the reissuance or 141 reinstatement of a permit suspended for that purpose, and the 142 payment of any fees for the reissuance or reinstatement of a 143 permit suspended for that purpose, shall be governed by Section 144 93-11-157 or Section 93-11-163, as the case may be. If there is 145 any conflict between any provision of Section 93-11-157 or Section 93-11-163 and any provision of this chapter, the provisions of 146 Section 93-11-157 or Section 93-11-163, as the case may be, shall 147 148 control.

(c) To prescribe forms of permits and applications for
permits and of all reports which it deems necessary in
administering this chapter.

(d) To fix standards, not in conflict with those prescribed by any law of this state or of the United States, to secure the use of proper ingredients and methods of manufacture of alcoholic beverages.

(e) To issue rules regulating the advertising of
alcoholic beverages in the state in any class of media and
permitting advertising of the retail price of alcoholic beverages.

(f) To issue reasonable rules and regulations, not inconsistent with the federal laws or regulations, requiring informative labeling of all alcoholic beverages offered for sale within this state and providing for the standards of fill and shapes of retail containers of alcoholic beverages; however, such containers shall not contain less than fifty (50) milliliters by liquid measure.

166 (g) Subject to the provisions of subsection (3) of Section 67-1-51, to issue rules and regulations governing the 167 168 issuance of retail permits for premises located near or around schools, colleges, universities, churches and other public 169 170 institutions, and specifying the distances therefrom within which 171 no such permit shall be issued. The Alcoholic Beverage Control * SS01/ R585SG* S. B. No. 2370 07/SS01/R585SG

PAGE 5

172 Division shall not <u>issue a package retailer's or on-premises</u> 173 <u>retailer's permit for</u> the sale or consumption of alcoholic 174 beverages in or on the campus of any public school, community or

175 junior college, college or university * * *.

176 (h) To adopt and promulgate, repeal and amend, such 177 rules, regulations, standards, requirements and orders, not inconsistent with this chapter or any law of this state or of the 178 United States, as it deems necessary to control the manufacture, 179 importation, transportation, distribution and sale of alcoholic 180 181 liquor, whether intended for beverage or nonbeverage use in a 182 manner not inconsistent with the provisions of this chapter or any other statute, including the native wine laws. 183

184 (i) To call upon other administrative departments of
185 the state, county and municipal governments, county and city
186 police departments and upon prosecuting officers for such
187 information and assistance as it may deem necessary in the
188 performance of its duties.

(j) To prepare and submit to the Governor during the month of January of each year a detailed report of its official acts during the preceding fiscal year ending June 30, including such recommendations as it may see fit to make, and to transmit a like report to each member of the Legislature of this state upon the convening thereof at its next regular session.

(k) To inspect, or cause to be inspected, any premises where alcoholic liquors intended for sale are manufactured, stored, distributed or sold, and to examine or cause to be examined all books and records pertaining to the business conducted therein.

(1) In the conduct of any hearing authorized to be held
by the commission, to hear testimony and take proof material for
its information in the discharge of its duties under this chapter;
to issue subpoenas, which shall be effective in any part of this
state, requiring the attendance of witnesses and the production of
S. B. No. 2370 *SS01/R585SG*

205 books and records; to administer or cause to be administered 206 oaths; and to examine or cause to be examined any witness under 207 oath. Any court of record, or any judge thereof, may by order 208 duly entered require the attendance of witnesses and the 209 production of relevant books subpoenaed by the commission, and 210 such court or judge may compel obedience to its or his order by 211 proceedings for contempt.

(m) To investigate the administration of laws in relation to alcoholic liquors in this and other states and any foreign countries, and to recommend from time to time to the Governor and through him to the Legislature of this state such amendments to this chapter, if any, as it may think desirable.

(n) To designate hours and days when alcoholic
beverages may be sold in different localities in the state which
permit such sale.

220 (o) To assign employees to posts of duty at locations 221 where they will be most beneficial for the control of alcoholic 222 beverages, to remove, to dismiss, to suspend without pay, to act 223 as a trial board in hearings based upon charges against employees. 224 After twelve (12) months' service, no employee shall be removed, 225 dismissed, demoted or suspended without just cause and only after 226 being furnished with reasons for such removal, dismissal, demotion 227 or suspension, and upon request given a hearing in his own 228 defense.

(p) All hearings conducted by the commission shall be
open to the public, and, when deemed necessary, a written
transcript shall be made of the testimony introduced thereat.

(q) To enforce the provisions made unlawful by Sections
67-3-13, 67-3-15, 67-3-53, 67-3-57 and 67-3-70.

234 (2) No alcoholic beverage shall be sold or consumed at any
 235 public athletic event at any public school, community or junior
 236 college, college or university.

237 [From and after July 1, 2011, this section will read as 238 follows:]

67-1-37. (1) The State Tax Commission, under its duties and
 powers with respect to the Alcoholic Beverage Control Division
 therein, shall have the following powers, functions and duties:

(a) To issue or refuse to issue any permit provided for
by this chapter, or to extend the permit or remit in whole or any
part of the permit monies when the permit cannot be used due to a
natural disaster or Act of God.

246 (b) To revoke, suspend or cancel, for violation of or 247 noncompliance with the provisions of this chapter, or the law governing the production and sale of native wines, or any lawful 248 249 rules and regulations of the commission issued hereunder, or for 250 other sufficient cause, any permit issued by it under the 251 provisions of this chapter; however, no such permit shall be 252 revoked, suspended or cancelled except after a hearing of which 253 the permit holder shall have been given reasonable notice and an opportunity to be heard. The board shall be authorized to suspend 254 255 the permit of any permit holder for being out of compliance with 256 an order for support, as defined in Section 93-11-153. The 257 procedure for suspension of a permit for being out of compliance 258 with an order for support, and the procedure for the reissuance or 259 reinstatement of a permit suspended for that purpose, and the 260 payment of any fees for the reissuance or reinstatement of a 261 permit suspended for that purpose, shall be governed by Section 262 93-11-157 or 93-11-163, as the case may be. If there is any 263 conflict between any provision of Section 93-11-157 or 93-11-163 264 and any provision of this chapter, the provisions of Section 265 93-11-157 or 93-11-163, as the case may be, shall control. 266 (c) To prescribe forms of permits and applications for 267 permits and of all reports which it deems necessary in

268 administering this chapter.

269 (d) To fix standards, not in conflict with those 270 prescribed by any law of this state or of the United States, to 271 secure the use of proper ingredients and methods of manufacture of 272 alcoholic beverages.

(e) To issue rules regulating the advertising of
alcoholic beverages in the state in any class of media and
permitting advertising of the retail price of alcoholic beverages.

(f) To issue reasonable rules and regulations, not inconsistent with the federal laws or regulations, requiring informative labeling of all alcoholic beverages offered for sale within this state and providing for the standards of fill and shapes of retail containers of alcoholic beverages; however, such containers shall not contain less than fifty (50) milliliters by liquid measure.

283 (g) Subject to the provisions of subsection (3) of 284 Section 67-1-51, to issue rules and regulations governing the 285 issuance of retail permits for premises located near or around schools, colleges, universities, churches and other public 286 287 institutions, and specifying the distances therefrom within which 288 no such permit shall be issued. The Alcoholic Beverage Control 289 Division shall not issue a package retailer's or on-premises 290 retailer's permit for the sale or consumption of alcoholic 291 beverages in or on the campus of any public school, community or 292 junior college, college or university * * *.

293 (h) To adopt and promulgate, repeal and amend, such 294 rules, regulations, standards, requirements and orders, not 295 inconsistent with this chapter or any law of this state or of the 296 United States, as it deems necessary to control the manufacture, importation, transportation, distribution and sale of alcoholic 297 298 liquor, whether intended for beverage or nonbeverage use in a 299 manner not inconsistent with the provisions of this chapter or any 300 other statute, including the native wine laws.

301 (i) To call upon other administrative departments of 302 the state, county and municipal governments, county and city 303 police departments and upon prosecuting officers for such 304 information and assistance as it may deem necessary in the 305 performance of its duties.

306 (j) To prepare and submit to the Governor during the 307 month of January of each year a detailed report of its official 308 acts during the preceding fiscal year ending June 30, including 309 such recommendations as it may see fit to make, and to transmit a 310 like report to each member of the Legislature of this state upon 311 the convening thereof at its next regular session.

312 (k) To inspect, or cause to be inspected, any premises 313 where alcoholic liquors intended for sale are manufactured, stored, distributed or sold, and to examine or cause to be 314 315 examined all books and records pertaining to the business 316 conducted therein.

317 (1)In the conduct of any hearing authorized to be held by the commission, to hear testimony and take proof material for 318 319 its information in the discharge of its duties under this chapter; 320 to issue subpoenas, which shall be effective in any part of this 321 state, requiring the attendance of witnesses and the production of 322 books and records; to administer or cause to be administered 323 oaths; and to examine or cause to be examined any witness under 324 Any court of record, or any judge thereof, may by order oath. 325 duly entered require the attendance of witnesses and the production of relevant books subpoenaed by the commission, and 326 327 such court or judge may compel obedience to its or his order by 328 proceedings for contempt.

To investigate the administration of laws in 329 (m) 330 relation to alcoholic liquors in this and other states and any foreign countries, and to recommend from time to time to the 331 332 Governor and through him to the Legislature of this state such 333 amendments to this chapter, if any, as it may think desirable. * SS01/ R585SG* S. B. No. 2370 07/SS01/R585SG

```
PAGE 10
```

334 (n) To designate hours and days when alcoholic
335 beverages may be sold in different localities in the state which
336 permit such sale.

337 (o) To assign employees to posts of duty at locations 338 where they will be most beneficial for the control of alcoholic 339 beverages, to remove, to dismiss, to suspend without pay, to act 340 as a trial board in hearings based upon charges against employees. 341 After twelve (12) months' service, no employee shall be removed, 342 dismissed, demoted or suspended without just cause and only after 343 being furnished with reasons for such removal, dismissal, demotion 344 or suspension, and upon request given a hearing in his own 345 defense.

(p) All hearings conducted by the commission shall be
open to the public, and, when deemed necessary, a written
transcript shall be made of the testimony introduced thereat.

349 (2) No alcoholic beverage shall be sold or consumed at any
 350 public athletic event at any public school, community or junior
 351 <u>college, college or university.</u>

352 **SECTION 4.** Section 67-3-31, Mississippi Code of 1972, is 353 amended as follows:

[Until July 1, 2011, this section will read as follows:] 354 355 67-3-31. Proceedings for the revocation or suspension of any 356 permit authorizing the sale of beer or wine at retail for a 357 violation of any of the provisions of Section 67-3-53 may be 358 brought in the circuit or county court of the county in which the licensed premises are located. Such proceedings shall be entitled 359 360 in the name of the state and against the permittee and shall be 361 instituted by filing a complaint with the clerk of the court. The complaint may be filed by the county prosecuting attorney of the 362 363 county upon his own initiative or, then by the district attorney 364 of the district in which the county is located, and it shall be 365 mandatory upon the county prosecuting attorney, or district 366 attorney, as the case may be, to file a complaint when requested * SS01/ R585SG* S. B. No. 2370

367 to do so by a peace officer or any person as * * * provided in 368 this section. Any peace officer within his jurisdiction or any enforcement officer of the Alcoholic Beverage Control Division 369 370 within the State Tax Commission who learns that a retail permittee 371 within his jurisdiction has violated any of the provisions of such 372 section shall file with the county prosecuting attorney of the 373 county in which the licensed premises are located, or, then with the district attorney of the district in which such county is 374 located, an affidavit specifying in detail the facts alleged to 375 376 constitute such violation, and requesting that a complaint be 377 filed against the permittee for the revocation or suspension of his permit. A like affidavit may be filed with the county 378 379 prosecuting attorney, or district attorney, as the case may be, by 380 any person who resides, and has for at least one (1) year prior 381 thereto resided within the county in which the licensed premises 382 are located requesting that a complaint be filed for the 383 revocation or suspension of the permittee's permit. Promptly upon 384 receiving any such affidavit the county prosecuting attorney, or 385 district attorney, shall prepare a proper complaint, which shall 386 be signed and sworn to by the person or persons filing the 387 affidavit with him, and the county prosecuting attorney or 388 district attorney shall file the complaint with the clerk of the 389 circuit or county court.

390 [From and after July 1, 2011, this section will read as 391 follows:]

392 67-3-31. Proceedings for the revocation or suspension of any 393 permit authorizing the sale of beer or wine at retail for a 394 violation of any of the provisions of Section 67-3-53 may be brought in the circuit or county court of the county in which the 395 396 licensed premises are located. Such proceedings shall be entitled in the name of the state and against the permittee and shall be 397 398 instituted by filing a complaint with the clerk of the court. The 399 complaint may be filed by the county prosecuting attorney of the * SS01/ R585SG* S. B. No. 2370

county upon his own initiative or, then by the district attorney 400 401 of the district in which the county is located, and it shall be 402 mandatory upon the county prosecuting attorney, or district 403 attorney, as the case may be, to file a complaint when requested 404 to do so by a peace officer or any person as * * * provided in 405 this section. Any peace officer who learns that a retail permittee within his jurisdiction has violated any of the 406 407 provisions of such section shall file with the county prosecuting 408 attorney of the county in which the licensed premises are located, 409 or, then with the district attorney of the district in which such 410 county is located, an affidavit specifying in detail the facts alleged to constitute such violation, and requesting that a 411 412 complaint be filed against the permittee for the revocation or suspension of his permit. A like affidavit may be filed with the 413 county prosecuting attorney, or district attorney, as the case may 414 415 be, by any person who resides, and has for at least one (1) year 416 prior thereto resided within the county in which the licensed 417 premises are located requesting that a complaint be filed for the 418 revocation or suspension of the permittee's permit. Promptly upon 419 receiving any such affidavit the county prosecuting attorney, or 420 district attorney, shall prepare a proper complaint, which shall 421 be signed and sworn to by the person or persons filing the 422 affidavit with him, and the county prosecuting attorney or 423 district attorney shall file the complaint with the clerk of the 424 circuit or county court.

425 **SECTION 5.** Section 67-3-37, Mississippi Code of 1972, is 426 amended as follows:

[Until July 1, 2011, this section will read as follows:]
67-3-37. It shall be the duty of the county prosecuting
attorney or the district attorney, as the case may be, to file
complaints as provided in Section 67-3-31 and to prosecute
diligently and without delay all complaints filed by him.

It shall be the duty of all peace officers, within their 432 433 jurisdiction, and all enforcement officers of the Alcoholic 434 Beverage Control Division of the State Tax Commission to enforce 435 the provisions of Section 67-3-53 and they shall frequently visit 436 all licensed premises within their jurisdiction to determine 437 whether such permittees are complying with the laws. They shall 438 promptly investigate all complaints made to them by any citizen relative to any alleged violations of such section within their 439 440 jurisdiction. When any peace officer or enforcement officer of 441 the Alcoholic Beverage Control Division has knowledge of a 442 violation of such section committed by a permittee within his jurisdiction, it shall be his duty forthwith to file an affidavit 443 444 with the county prosecuting attorney or district attorney 445 requesting that a complaint be filed for the revocation or suspension of the permit of the permittee. 446

447 [From and after July 1, 2011, this section will read as
448 follows:]

449 67-3-37. It shall be the duty of the county prosecuting 450 attorney or the district attorney, as the case may be, to file 451 complaints as provided in Section 67-3-31 and to prosecute 452 diligently and without delay all complaints filed by him.

453 It shall be the duty of all peace officers to enforce, within 454 their jurisdiction, the provisions of Section 67-3-53 and they 455 shall frequently visit all licensed premises within their 456 jurisdiction to determine whether such permittees are complying with the laws. They shall promptly investigate all complaints 457 458 made to them by any citizen relative to any alleged violations of 459 such section within their jurisdiction. When any peace officer has knowledge of a violation of such section committed by a 460 461 permittee within his jurisdiction, it shall be his duty forthwith 462 to file an affidavit with the county prosecuting attorney or 463 district attorney requesting that a complaint be filed for the 464 revocation or suspension of the permit of the permittee.

465 **SECTION 6.** Section 67-3-74, Mississippi Code of 1972, is 466 amended as follows:

67-3-74. (1) In addition to peace officers within their 467 468 jurisdiction, all enforcement officers of the Alcoholic Beverage 469 Control Division of the State Tax Commission are authorized to 470 enforce the provisions made unlawful by Sections 67-3-13, 67-3-15, 67-3-53, 67-3-57 and 67-3-70; provided, however, that the 471 provisions prohibiting the sale of light wine or beer to persons 472 under the age of twenty-one (21) years shall be enforced by the 473 474 division as provided for in this section.

(2) (a) The Alcoholic Beverage Control Division shall investigate violations of the laws prohibiting the sale of light wine or beer to persons under the age of twenty-one (21) years upon receipt of a complaint or information from a person stating that they have knowledge of such violation.

(b) Upon receipt of such complaint or information, the Alcoholic Beverage Control Division shall notify the permit holder of the complaint by certified mail to the primary business office of such permit holder or by hand delivery of the complaint or information to the primary business office of such holder, except in cases where the complaint or information is received from any law enforcement officer.

(c) If an enforcement officer of the Alcoholic Beverage Control Division enters the business of the holder of the permit to investigate a complaint and discovers a violation, the agent shall notify the person that committed the violation and the holder of the permit:

492 (i) Within ten (10) days after such violation,
493 Sundays and holidays excluded, if the business sells light wine or
494 beer for on-premises consumption; and

495 (ii) Within seventy-two (72) hours after such
496 violation, Sundays and holidays excluded, if the business does not
497 sell light wine or beer for on-premises consumption.

498 (3) The provisions of this section shall be repealed on July499 1, 2011.

500 <u>SECTION 7.</u> Section 27-71-301, Mississippi Code of 1972, is 501 amended as follows:

502 27-71-301. When used in this article the words and terms 503 hereafter mentioned shall have the following definitions:

(a) "State Auditor" means the State Auditor of Public
Accounts of the State of Mississippi or any legally appointed
deputy, clerk or agent.

(b) "Person" <u>includes</u> all natural persons or corporations, a partnership, an association, a joint venture, an estate, a trust, or any other group or combination acting as a unit and shall include the plural as well as the singular unless an intention to give another meaning thereto is disclosed in the context.

(c) "Consumer" <u>means</u> a person who comes into the possession of beer or light wine, the sale of which is authorized by Chapter 3 of Title 67, Mississippi Code of 1972, for the purpose of consuming it, giving it away or otherwise disposing of it in any manner except by sale, barter or exchange.

(d) "Retailer" <u>means</u> any person who comes into the possession of such light wines or beer for the purpose of selling it to the consumer, or giving it away, or exposing it where it may be taken or purchased or acquired in any other manner by the consumer.

(e) "Wholesaler" means any person who comes into
possession of such light wine or beer for the purpose of selling,
distributing, or giving it away to retailers or other wholesalers
or dealers inside or outside of this state.

527 (f) "Commissioner" <u>means</u> the Chairman of the State Tax 528 Commission or his duly appointed agents or employees.

(g) "Sale" <u>includes</u> the exchange of such light wines or
beer for money, or giving away or distributing any such light
wines or beer for anything of value.

(h) "Light wines or beer" means beer and light wines
legalized for sale by the provisions of Chapter 3 of Title 67,
Mississippi Code of 1972.

(i) "Distributor" <u>includes</u> every person who receives
either from within or from without this state, from a brewery, a
winery or any other source, light wines or beer as defined in
Chapter 3 of Title 67, Mississippi Code of 1972, for the purpose
of distributing or otherwise disposing of such light wines or beer
to a wholesaler or retailer of such light wines or beer.

541 (j) "Brewpub" means the premises of any restaurant, as 542 defined in Section 67-1-5, Mississippi Code of 1972, in which light wine or beer is manufactured or brewed, subject to the 543 544 production limitation imposed in Section 67-3-22, for consumption 545 exclusively on the premises. "Premises," for the purpose of this 546 paragraph (j) for a brewpub operated by a hospitality operator, 547 means only those areas immediately adjacent and connected to the 548 brewing facility where food is normally sold and consumed. 549 "Premises," for the purposes of this paragraph (j) for a brewpub 550 not operated by a hospitality operator, means those areas normally 551 used by the brewpub to conduct business and shall include the 552 selling areas, brewing areas and storage areas. For purposes of 553 this paragraph (j), hospitality operator shall have the meaning 554 ascribed to such term in Section 67-33-22.

555 (k) "Hospitality cart" means a mobile cart from which 556 alcoholic beverages and light wine and beer are sold on a golf 557 course and for which a hospitality cart permit has been issued 558 under Section 67-1-51.

559 <u>SECTION 8.</u> Section 67-1-51, Mississippi Code of 1972, is 560 amended as follows:

561 67-1-51. (1) Permits which may be issued by the commission 562 shall be as follows:

(a) Manufacturer's permit. A manufacturer's permit
shall permit the manufacture, importation in bulk, bottling and
storage of alcoholic liquor and its distribution and sale to
manufacturers holding permits under this chapter in this state and
to persons outside the state who are authorized by law to purchase
the same, and to sell exclusively to the commission.
Manufacturer's permits shall be of the following classes:

570 Class 1. Distiller's and/or rectifier's permit, which shall 571 authorize the holder thereof to operate a distillery for the 572 production of distilled spirits by distillation or redistillation 573 and/or to operate a rectifying plant for the purifying, refining, 574 mixing, blending, flavoring or reducing in proof of distilled 575 spirits and alcohol.

576 Class 2. Wine manufacturer's permit, which shall authorize 577 the holder thereof to manufacture, import in bulk, bottle and 578 store wine or vinous liquor.

579 Class 3. Native wine producer's permit, which shall 580 authorize the holder thereof to produce, bottle, store and sell 581 native wines.

582 (b) Package retailer's permit. Except as otherwise 583 provided in this paragraph, a package retailer's permit shall 584 authorize the holder thereof to operate a store exclusively for the sale at retail in original sealed and unopened packages of 585 alcoholic beverages, including native wines, not to be consumed on 586 587 the premises where sold. Alcoholic beverages shall not be sold by 588 any retailer in any package or container containing less than 589 fifty (50) milliliters by liquid measure. In addition to the sale 590 at retail of packages of alcoholic beverages, the holder of a package retailer's permit is authorized to sell at retail 591 592 corkscrews, wine glasses, soft drinks, ice, juices, mixers and 593 other beverages commonly used to mix with alcoholic beverages.

* SS01/ R585SG*

S. B. No. 2370 07/SS01/R585SG PAGE 18 594 Nonalcoholic beverages sold by the holder of a package retailer's 595 permit shall not be consumed on the premises where sold.

596 (c) **On-premises retailer's permit.** An on-premises 597 retailer's permit shall authorize the sale of alcoholic beverages, 598 including native wines, for consumption on the licensed premises 599 only. Such a permit shall issue only to qualified hotels, 600 restaurants and clubs, and to common carriers with adequate 601 facilities for serving passengers. In resort areas, whether 602 inside or outside of a municipality, the commission may, in its 603 discretion, issue on-premises retailer's permits to such 604 establishments as it deems proper. An on-premises retailer's 605 permit when issued to a common carrier shall authorize the sale 606 and serving of alcoholic beverages aboard any licensed vehicle 607 while moving through any county of the state; however, the sale of such alcoholic beverages shall not be permitted while such vehicle 608 609 is stopped in a county that has not legalized such sales.

610 (d) Solicitor's permit. A solicitor's permit shall authorize the holder thereof to act as salesman for a manufacturer 611 612 or wholesaler holding a proper permit, to solicit on behalf of his 613 employer orders for alcoholic beverages, and to otherwise promote 614 his employer's products in a legitimate manner. Such a permit 615 shall authorize the representation of and employment by one (1) 616 principal only. However, the permittee may also, in the 617 discretion of the commission, be issued additional permits to 618 represent other principals. No such permittee shall buy or sell alcoholic beverages for his own account, and no such beverage 619 620 shall be brought into this state in pursuance of the exercise of 621 such permit otherwise than through a permit issued to a wholesaler or manufacturer in the state. 622

(e) Native wine retailer's permit. A native wine
retailer's permit shall be issued only to a holder of a Class 3
manufacturer's permit, and shall authorize the holder thereof to
make retail sales of native wines to consumers for on-premises

627 consumption or to consumers in originally sealed and unopened 628 containers at an establishment located on the premises of or in 629 the immediate vicinity of a native winery.

(f) Temporary retailer's permit. A temporary
retailer's permit shall permit the purchase and resale of
alcoholic beverages, including native wines, during legal hours on
the premises described in the temporary permit only.

634 Temporary retailer's permits shall be of the following635 classes:

636 Class 1. A temporary one-day permit may be issued to bona 637 fide nonprofit civic or charitable organizations authorizing the sale of alcoholic beverages, including native wine, for 638 639 consumption on the premises described in the temporary permit 640 only. Class 1 permits may be issued only to applicants 641 demonstrating to the commission, by affidavit submitted ten (10) 642 days prior to the proposed date or such other time as the 643 commission may determine, that they meet the qualifications of Sections 67-1-11, 67-1-37, 67-1-51(2) and (3), 67-1-55, 67-1-57 644 645 (excluding paragraph (e)) and 67-1-59. Class 1 permittees shall 646 obtain all alcoholic beverages from package retailers located in 647 the county in which the temporary permit is issued. Alcoholic 648 beverages remaining in stock upon expiration of the temporary 649 permit may be returned by the permittee to the package retailer 650 for a refund of the purchase price upon consent of the package 651 retailer or may be kept by the permittee exclusively for personal use and consumption, subject to all laws pertaining to the illegal 652 653 sale and possession of alcoholic beverages. The commission, 654 following review of the affidavit and the requirements of the applicable statutes and regulations, may issue the permit. 655 656 Class 2. A temporary permit, not to exceed seventy (70) 657 days, may be issued to prospective permittees seeking to transfer 658 a permit authorized in either paragraph (b) or (c) of this 659 section. A Class 2 permit may be issued only to applicants * SS01/ R585SG* S. B. No. 2370

demonstrating to the commission, by affidavit, that they meet the qualifications of Sections 67-1-5(1), (m), (n), (o), (p) or (q), 662 67-1-37, 67-1-51(2) and (3), 67-1-55, 67-1-57 and 67-1-59. The 663 commission, following a preliminary review of the affidavit and 664 the requirements of the applicable statutes and regulations, may 665 issue the permit.

666 Class 2 temporary permittees must purchase their alcoholic 667 beverages directly from the commission or, with approval of the 668 commission, purchase the remaining stock of the previous 669 permittee. If the proposed applicant of a Class 1 or Class 2 670 temporary permit falsifies information contained in the 671 application or affidavit, the applicant shall never again be 672 eligible for a retail alcohol beverage permit and shall be subject 673 to prosecution for perjury.

674 Caterer's permit. A caterer's permit shall permit (g) 675 the purchase of alcoholic beverages by a person engaging in 676 business as a caterer and the resale of alcoholic beverages by such person in conjunction with such catering business. No person 677 678 shall qualify as a caterer unless forty percent (40%) or more of 679 the revenue derived from such catering business shall be from the 680 serving of prepared food and not from the sale of alcoholic 681 beverages and unless such person has obtained a permit for such 682 business from the Department of Health. A caterer's permit shall 683 not authorize the sale of alcoholic beverages on the premises of 684 the person engaging in business as a caterer; however, the holder 685 of an on-premises retailer's permit may hold a caterer's permit. 686 When the holder of an on-premises retailer's permit or an 687 affiliated entity of the holder also holds a caterer's permit, the caterer's permit shall not authorize the service of alcoholic 688 689 beverages on a consistent, recurring basis at a separate, fixed 690 location owned or operated by the caterer, on-premises retailer or 691 affiliated entity and an on-premises retailer's permit shall be 692 required for the separate location. All sales of alcoholic * SS01/ R585SG* S. B. No. 2370

beverages by holders of a caterer's permit shall be made at the 693 694 location being catered by the caterer, and such sales may be made 695 only for consumption at the catered location. The location being 696 catered may be anywhere within a county or judicial district that 697 has voted to come out from under the dry laws or in which the 698 sale, distribution and possession of alcoholic beverages is 699 otherwise authorized by law. Such sales shall be made pursuant to 700 any other conditions and restrictions which apply to sales made by 701 on-premises retail permittees. The holder of a caterer's permit 702 or his employees shall remain at the catered location as long as 703 alcoholic beverages are being sold pursuant to the permit issued 704 under this paragraph (g), and the permittee shall have at the 705 location the identification card issued by the Alcoholic Beverage 706 Control Division of the commission. No unsold alcoholic beverages 707 may be left at the catered location by the permittee upon the 708 conclusion of his business at that location. Appropriate law 709 enforcement officers and Alcoholic Beverage Control Division 710 personnel may enter a catered location on private property in 711 order to enforce laws governing the sale or serving of alcoholic 712 beverages.

(h) Research permit. A research permit shall authorize the holder thereof to operate a research facility for the professional research of alcoholic beverages. Such permit shall authorize the holder of the permit to import and purchase limited amounts of alcoholic beverages from the commission or from importers, wineries and distillers of alcoholic beverages for professional research.

(i) Alcohol processing permit. An alcohol processing
permit shall authorize the holder thereof to purchase, transport
and possess alcoholic beverages for the exclusive use in cooking,
processing or manufacturing products which contain alcoholic
beverages as an integral ingredient. An alcohol processing permit
shall not authorize the sale of alcoholic beverages on the

726 premises of the person engaging in the business of cooking,

727 processing or manufacturing products which contain alcoholic 728 beverages. The amounts of alcoholic beverages allowed under an 729 alcohol processing permit shall be set by the commission.

(j) Hospitality cart permit. A hospitality cart permit
shall authorize the sale of alcoholic beverages from a mobile cart
on a golf course that is the holder of an on-premises retailer's
permit. The alcoholic beverages sold from the cart must be
consumed within the boundaries of the golf course.

(2) Except as otherwise provided in subsection (4) of this
section, retail permittees may hold more than one (1) retail
permit, at the discretion of the commission.

(3) Except as otherwise provided in this subsection, no
authority shall be granted to any person to manufacture, sell or
store for sale any intoxicating liquor as specified in this
chapter within four hundred (400) feet of any church, school,
kindergarten or funeral home. However, within an area zoned
commercial or business, such minimum distance shall be not less
than one hundred (100) feet.

745 A church or funeral home may waive the distance restrictions 746 imposed in this subsection in favor of allowing issuance by the 747 commission of a permit, pursuant to subsection (1) of this 748 section, to authorize activity relating to the manufacturing, sale 749 or storage of alcoholic beverages which would otherwise be 750 prohibited under the minimum distance criterion. Such waiver 751 shall be in written form from the owner, the governing body, or 752 the appropriate officer of the church or funeral home having the 753 authority to execute such a waiver, and the waiver shall be filed 754 with and verified by the commission before becoming effective. 755 The distance restrictions imposed in this subsection shall 756 not apply to the sale or storage of alcoholic beverages at a bed

757 and breakfast inn listed in the National Register of Historic

758 Places.

759 (4) No person, either individually or as a member of a firm, partnership, limited liability company or association, or as a 760 761 stockholder, officer or director in a corporation, shall own or 762 control any interest in more than one (1) package retailer's 763 permit, nor shall such person's spouse, if living in the same household of such person, any relative of such person, if living 764 765 in the same household of such person, or any other person living 766 in the same household with such person own any interest in any 767 other package retailer's permit.

768 SECTION <u>9</u>. This act shall take effect and be in force from 769 and after <u>its passage</u>.