MISSISSIPPI LEGISLATURE

By: Representative Bennett

To: Ways and Means

HOUSE BILL NO. 840

1 AN ACT TO AMEND SECTION 67-1-51, MISSISSIPPI CODE OF 1972, TO 2 AUTHORIZE A PERMIT TO BE ISSUED TO SHIP ISLAND CHARTER VESSELS FOR 3 THE SALE OF ALCOHOLIC BEVERAGES WHILE UNDERWAY; TO AMEND SECTION 4 99-27-23, MISSISSIPPI CODE OF 1972, REGARDING ABATEMENT OF 5 NUISANCES AND ALCOHOLIC BEVERAGES, IN CONFORMITY WITH THE 6 PROVISIONS OF THIS ACT; AND FOR RELATED PURPOSES. 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 8 SECTION 1. Section 67-1-51, Mississippi Code of 1972, is amended as follows: 9 10 67-1-51. (1) Permits which may be issued by the department shall be as follows: 11 12 Manufacturer's permit. A manufacturer's permit (a) 13 shall permit the manufacture, importation in bulk, bottling and storage of alcoholic liquor and its distribution and sale to 14 15 manufacturers holding permits under this chapter in this state and to persons outside the state who are authorized by law to purchase 16 17 the same, and to sell exclusively to the department. 18 Manufacturer's permits shall be of the following classes: 19 Class 1. Distiller's and/or rectifier's permit, which shall 20 authorize the holder thereof to operate a distillery for the H. B. No. 840 ~ OFFICIAL ~ G1/2

18/HR12/R1472 PAGE 1 (MCL\AM) 21 production of distilled spirits by distillation or redistillation 22 and/or to operate a rectifying plant for the purifying, refining, 23 mixing, blending, flavoring or reducing in proof of distilled 24 spirits and alcohol.

25 Class 2. Wine manufacturer's permit, which shall authorize 26 the holder thereof to manufacture, import in bulk, bottle and 27 store wine or vinous liquor.

28 Class 3. Native wine producer's permit, which shall 29 authorize the holder thereof to produce, bottle, store and sell 30 native wines.

31 (b) Package retailer's permit. Except as otherwise 32 provided in this paragraph and Section 67-1-52, a package 33 retailer's permit shall authorize the holder thereof to operate a store exclusively for the sale at retail in original sealed and 34 35 unopened packages of alcoholic beverages, including native wines, 36 not to be consumed on the premises where sold. Alcoholic 37 beverages shall not be sold by any retailer in any package or container containing less than fifty (50) milliliters by liquid 38 39 measure. A package retailer's permit, with prior approval from 40 the department, shall authorize the holder thereof to sample new 41 product furnished by a manufacturer's representative or his 42 employees at the permitted place of business so long as the 43 sampling otherwise complies with this chapter and applicable department regulations. Such samples may not be provided to 44 45 customers at the permitted place of business. In addition to the

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46 sale at retail of packages of alcoholic beverages, the holder of a 47 package retailer's permit is authorized to sell at retail 48 corkscrews, wine glasses, soft drinks, ice, juices, mixers and 49 other beverages commonly used to mix with alcoholic beverages. 50 Nonalcoholic beverages sold by the holder of a package retailer's 51 permit shall not be consumed on the premises where sold.

52 **On-premises retailer's permit.** Except as otherwise (C) 53 provided in subsection (5) of this section, an on-premises 54 retailer's permit shall authorize the sale of alcoholic beverages, 55 including native wines, for consumption on the licensed premises 56 only; however, a patron of the permit holder may remove one (1) 57 bottle of wine from the licensed premises if: (i) the patron 58 consumed a portion of the bottle of wine in the course of 59 consuming a meal purchased on the licensed premises; (ii) the 60 permit holder securely reseals the bottle; (iii) the bottle is 61 placed in a bag that is secured in a manner so that it will be 62 visibly apparent if the bag is opened; and (iv) a dated receipt 63 for the wine and the meal is available. Such a permit shall be 64 issued only to qualified hotels, restaurants and clubs, and to 65 common carriers with adequate facilities for serving passengers. 66 In resort areas, whether inside or outside of a municipality, the 67 department, in its discretion, may issue on-premises retailer's 68 permits to such establishments as it deems proper. An on-premises 69 retailer's permit when issued to a common carrier shall authorize the sale and serving of alcoholic beverages aboard any licensed 70

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71 vehicle while moving through any county of the state; however, the 72 sale of such alcoholic beverages shall not be permitted while such 73 vehicle is stopped in a county that has not legalized such sales.

74 Solicitor's permit. A solicitor's permit shall (d) 75 authorize the holder thereof to act as salesman for a manufacturer 76 or wholesaler holding a proper permit, to solicit on behalf of his 77 employer orders for alcoholic beverages, and to otherwise promote 78 his employer's products in a legitimate manner. Such a permit 79 shall authorize the representation of and employment by one (1) 80 principal only. However, the permittee may also, in the 81 discretion of the department, be issued additional permits to represent other principals. No such permittee shall buy or sell 82 83 alcoholic beverages for his own account, and no such beverage shall be brought into this state in pursuance of the exercise of 84 85 such permit otherwise than through a permit issued to a wholesaler 86 or manufacturer in the state.

87 Native wine retailer's permit. Except as otherwise (e) provided in subsection (5) of this section, a native wine 88 89 retailer's permit shall be issued only to a holder of a Class 3 90 manufacturer's permit, and shall authorize the holder thereof to 91 make retail sales of native wines to consumers for on-premises 92 consumption or to consumers in originally sealed and unopened containers at an establishment located on the premises of or in 93 94 the immediate vicinity of a native winery.

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H. B. No. 840 18/HR12/R1472 PAGE 4 (MCL\AM) 95 (f) **Temporary retailer's permit**. Except as otherwise 96 provided in subsection (5) of this section, a temporary retailer's 97 permit shall permit the purchase and resale of alcoholic 98 beverages, including native wines, during legal hours on the 99 premises described in the temporary permit only.

100 Temporary retailer's permits shall be of the following 101 classes:

102 Class 1. A temporary one-day permit may be issued to bona 103 fide nonprofit civic or charitable organizations authorizing the sale of alcoholic beverages, including native wine, for 104 105 consumption on the premises described in the temporary permit 106 only. Class 1 permits may be issued only to applicants demonstrating to the department, by a statement signed under 107 108 penalty of perjury submitted ten (10) days prior to the proposed 109 date or such other time as the department may determine, that they meet the qualifications of Sections 67-1-11, 67-1-37, 67-1-51(2) 110 111 and (3), 67-1-55, 67-1-57 (excluding paragraph (e)) and 67-1-59. Class 1 permittees shall obtain all alcoholic beverages from 112 113 package retailers located in the county in which the temporary 114 permit is issued. Alcoholic beverages remaining in stock upon 115 expiration of the temporary permit may be returned by the 116 permittee to the package retailer for a refund of the purchase price upon consent of the package retailer or may be kept by the 117 118 permittee exclusively for personal use and consumption, subject to all laws pertaining to the illegal sale and possession of 119

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120 alcoholic beverages. The department, following review of the 121 statement provided by the applicant and the requirements of the 122 applicable statutes and regulations, may issue the permit.

123 Class 2. A temporary permit, not to exceed seventy (70) 124 days, may be issued to prospective permittees seeking to transfer 125 a permit authorized in paragraph (c) of this subsection. A Class 126 2 permit may be issued only to applicants demonstrating to the 127 department, by a statement signed under the penalty of perjury, 128 that they meet the qualifications of Sections 67-1-5(1), (m), (n), (o), (p) or (q), 67-1-37, 67-1-51(2) and (3), 67-1-55, 67-1-57 and 129 130 67-1-59. The department, following a preliminary review of the 131 statement provided by the applicant and the requirements of the applicable statutes and regulations, may issue the permit. 132

133 Class 2 temporary permittees must purchase their alcoholic 134 beverages directly from the department or, with approval of the 135 department, purchase the remaining stock of the previous 136 permittee. If the proposed applicant of a Class 1 or Class 2 temporary permit falsifies information contained in the 137 138 application or statement, the applicant shall never again be 139 eligible for a retail alcohol beverage permit and shall be subject 140 to prosecution for perjury.

141 Class 3. A temporary one-day permit may be issued to a 142 retail establishment authorizing the complimentary distribution of 143 wine, including native wine, to patrons of the retail 144 establishment at an open house or promotional event, for

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169 the holder to engage in the business of a retailer of light wine 170 or beer.

171 Caterer's permit. A caterer's permit shall permit (a) 172 the purchase of alcoholic beverages by a person engaging in 173 business as a caterer and the resale of alcoholic beverages by 174 such person in conjunction with such catering business. No person shall qualify as a caterer unless forty percent (40%) or more of 175 176 the revenue derived from such catering business shall be from the 177 serving of prepared food and not from the sale of alcoholic 178 beverages and unless such person has obtained a permit for such 179 business from the Department of Health. A caterer's permit shall 180 not authorize the sale of alcoholic beverages on the premises of 181 the person engaging in business as a caterer; however, the holder 182 of an on-premises retailer's permit may hold a caterer's permit. 183 When the holder of an on-premises retailer's permit or an 184 affiliated entity of the holder also holds a caterer's permit, the 185 caterer's permit shall not authorize the service of alcoholic beverages on a consistent, recurring basis at a separate, fixed 186 187 location owned or operated by the caterer, on-premises retailer or 188 affiliated entity and an on-premises retailer's permit shall be 189 required for the separate location. All sales of alcoholic 190 beverages by holders of a caterer's permit shall be made at the location being catered by the caterer, and, except as otherwise 191 192 provided in subsection (5) of this section, such sales may be made only for consumption at the catered location. The location being 193

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194 catered may be anywhere within a county or judicial district that 195 has voted to come out from under the dry laws or in which the 196 sale, distribution and possession of alcoholic beverages is otherwise authorized by law. Such sales shall be made pursuant to 197 198 any other conditions and restrictions which apply to sales made by 199 on-premises retail permittees. The holder of a caterer's permit 200 or his employees shall remain at the catered location as long as 201 alcoholic beverages are being sold pursuant to the permit issued 202 under this paragraph (g), and the permittee shall have at the 203 location the identification card issued by the Alcoholic Beverage 204 Control Division of the department. No unsold alcoholic beverages 205 may be left at the catered location by the permittee upon the 206 conclusion of his business at that location. Appropriate law 207 enforcement officers and Alcoholic Beverage Control Division 208 personnel may enter a catered location on private property in 209 order to enforce laws governing the sale or serving of alcoholic 210 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 department or from importers, wineries and distillers of alcoholic beverages for professional research.

H. B. No. 840 18/HR12/R1472 PAGE 9 (MCL\AM) 218 (i) Alcohol processing permit. An alcohol processing 219 permit shall authorize the holder thereof to purchase, transport 220 and possess alcoholic beverages for the exclusive use in cooking, 221 processing or manufacturing products which contain alcoholic 222 beverages as an integral ingredient. An alcohol processing permit 223 shall not authorize the sale of alcoholic beverages on the 224 premises of the person engaging in the business of cooking, 225 processing or manufacturing products which contain alcoholic 226 beverages. The amounts of alcoholic beverages allowed under an 227 alcohol processing permit shall be set by the department.

(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.

(k) **Special service permit.** A special service permit shall authorize the holder to sell commercially sealed alcoholic beverages to the operator of a commercial or private aircraft for en route consumption only by passengers. A special service permit shall be issued only to a fixed-base operator who contracts with an airport facility to provide fueling and other associated services to commercial and private aircraft.

(1) Merchant permit. Except as otherwise provided in
subsection (5) of this section, a merchant permit shall be issued
only to the owner of a spa facility, an art studio or gallery, or

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243 a cooking school, and shall authorize the holder to serve 244 complimentary by the glass wine only, including native wine, at 245 the holder's spa facility, art studio or gallery, or cooking 246 school. A merchant permit holder shall obtain all wine from the 247 holder of a package retailer's permit.

248 (m) Temporary wine charitable auction permit. Α 249 temporary permit, not to exceed five (5) days, may be issued to a 250 qualifying charitable nonprofit organization that is exempt from 251 taxation under Section 501(c)(3) or (4) of the Internal Revenue 252 Code of 1986. The permit shall authorize the holder to sell wine 253 for the limited purpose of raising funds for the organization 254 during a live or silent auction that is conducted by the 255 organization and that meets the following requirements: (i) the 256 auction is conducted in an area of the state where the sale of 257 wine is authorized; (ii) if the auction is conducted on the 258 premises of an on-premises retailer's permit holder, then the wine 259 to be auctioned must be stored separately from the wine sold, 260 stored or served on the premises, must be removed from the 261 premises immediately following the auction, and may not be 262 consumed on the premises; (iii) the permit holder may not conduct 263 more than two (2) auctions during a calendar year; (iv) the permit 264 holder may not pay a commission or promotional fee to any person 265 to arrange or conduct the auction.

266 (n) Event venue retailer's permit. An event venue
267 retailer's permit shall authorize the holder thereof to purchase

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268 and resell alcoholic beverages, including native wines, for 269 consumption on the premises during legal hours during events held 270 on the licensed premises if food is being served at the event by a 271 caterer who is not affiliated with or related to the permittee. 272 The caterer must serve at least three (3) entrees. The permit may 273 only be issued for venues that can accommodate two hundred (200) 274 persons or more. The number of persons a venue may accommodate 275 shall be determined by the local fire department and such 276 determination shall be provided in writing and submitted along 277 with all other documents required to be provided for an 278 on-premises retailer's permit. The permittee must derive the 279 majority of its revenue from event-related fees, including, but 280 not limited to, admission fees or ticket sales for live 281 entertainment in the building. "Event-related fees" do not 282 include alcohol, beer or light wine sales or any fee which may be 283 construed to cover the cost of alcohol, beer or light wine. This 284 determination shall be made on a per event basis. An event may 285 not last longer than two (2) consecutive days per week.

(o) Temporary theatre permit. A temporary theatre
permit, not to exceed five (5) days, may be issued to a charitable
nonprofit organization that is exempt from taxation under Section
501(c)(3) or (4) of the Internal Revenue Code and owns or operates
a theatre facility that features plays and other theatrical
performances and productions. Except as otherwise provided in
subsection (5) of this section, the permit shall authorize the

H. B. No. 840 **~ OFFICIAL ~** 18/HR12/R1472 PAGE 12 (MCL\AM) 293 holder to sell alcoholic beverages, including native wines, to 294 patrons of the theatre during performances and productions at the 295 theatre facility for consumption during such performances and 296 productions on the premises of the facility described in the 297 permit. A temporary theatre permit holder shall obtain all 298 alcoholic beverages from package retailers located in the county 299 in which the permit is issued. Alcoholic beverages remaining in 300 stock upon expiration of the temporary theatre permit may be 301 returned by the permittee to the package retailer for a refund of 302 the purchase price upon consent of the package retailer or may be 303 kept by the permittee exclusively for personal use and 304 consumption, subject to all laws pertaining to the illegal sale 305 and possession of alcoholic beverages.

306 Charter ship operator's permit. Subject to the (p) 307 provisions of this paragraph (p), a charter ship operator's permit 308 shall authorize the holder thereof and its employees to serve, 309 monitor, store and otherwise control the serving and availability 310 of alcoholic beverages to customers of the permit holder during 311 private charters under contract provided by the permit holder. A 312 charter ship operator's permit shall authorize such action by the 313 permit holder and its employees only as to alcoholic beverages 314 brought onto the permit holder's ship by customers of the permit 315 holder as part of such a private charter. All such alcoholic 316 beverages must be removed from the charter ship at the conclusion of each private charter. A charter ship operator's permit shall 317

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H. B. No. 840 18/HR12/R1472 PAGE 13 (MCL\AM) 318 not authorize the permit holder to sell, charge for or otherwise 319 supply alcoholic beverages to customers, except as authorized in 320 this paragraph (p). For the purposes of this paragraph (p), 321 "charter ship operator" means a common carrier that (i) is 322 certified to carry at least one hundred fifty (150) passengers 323 and/or provide overnight accommodations for at least fifty (50) 324 passengers, (ii) operates only in the waters within the State of 325 Mississippi, which lie adjacent to the State of Mississippi south 326 of the three (3) most southern counties in the State of 327 Mississippi, and (iii) provides charters under contract for tours 328 and trips in such waters.

329 (q) Ship Island charter vessel permit. A Ship Island 330 charter vessel permit shall authorize the holder of the permit and 331 its employees to sell, serve, monitor, store and otherwise control 332 the serving and availability of alcoholic beverages to customers 333 of the permit holder during private charters under contract 334 provided by the permit holder. Alcoholic beverages may not be 335 sold or served on the vessel except when the vessel is underway. 336 For the purposes of this paragraph (q), "Ship Island charter vessel" means a common carrier that (i) is certified to carry at 337 338 least one (1) passenger, (ii) operates only in the waters within 339 the State of Mississippi that lie adjacent to the state south of 340 Harrison County, and (iii) provides charter vessel transportation 341 from Harrison County to Ship Island under contract for tours and 342 trips.

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

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

353 A church or funeral home may waive the distance restrictions 354 imposed in this subsection in favor of allowing issuance by the 355 department of a permit, pursuant to subsection (1) of this 356 section, to authorize activity relating to the manufacturing, sale 357 or storage of alcoholic beverages which would otherwise be 358 prohibited under the minimum distance criterion. Such waiver 359 shall be in written form from the owner, the governing body, or 360 the appropriate officer of the church or funeral home having the 361 authority to execute such a waiver, and the waiver shall be filed 362 with and verified by the department before becoming effective.

The distance restrictions imposed in this subsection shall not apply to the sale or storage of alcoholic beverages at a bed and breakfast inn listed in the National Register of Historic Places or to the sale or storage of alcoholic beverages in a historic district that is listed in the National Register of

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371 No person, either individually or as a member of a firm, (4) 372 partnership, limited liability company or association, or as a 373 stockholder, officer or director in a corporation, shall own or 374 control any interest in more than one (1) package retailer's 375 permit, nor shall such person's spouse, if living in the same 376 household of such person, any relative of such person, if living 377 in the same household of such person, or any other person living 378 in the same household with such person own any interest in any 379 other package retailer's permit.

380 (5) In addition to any other authority granted under (a) 381 this section, the holder of a permit issued under subsection 382 (1)(c), (e), (f), (g), (1), (n) and/or (o) of this section may 383 sell or otherwise provide alcoholic beverages and/or wine to a 384 patron of the permit holder in the manner authorized in the permit 385 and the patron may remove an open glass, cup or other container of 386 the alcoholic beverage and/or wine from the licensed premises and 387 may possess and consume the alcoholic beverage or wine outside of 388 the licensed premises if: (i) the licensed premises is located 389 within a leisure and recreation district created under Section 390 67-1-101 and (ii) the patron remains within the boundaries of the 391 leisure and recreation district while in possession of the 392 alcoholic beverage or wine.

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H. B. No. 840 18/HR12/R1472 PAGE 16 (MCL\AM) 393 (b) Nothing in this subsection shall be construed to 394 allow a person to bring any alcoholic beverages into a permitted 395 premises except to the extent otherwise authorized by this 396 chapter.

397 SECTION 2. Section 99-27-23, Mississippi Code of 1972, is 398 amended as follows:

399 99-27-23. Except as authorized in Section 67-1-51(1)(q), any 400 club, vessel or boat, place or room where liquors are found, kept 401 or possessed on any boat or vessel used in any of the waters of 402 this state in conveying any intoxicating liquors or any person 403 with intoxicating liquor in their possession or under their 404 control into or in this state shall be deemed to be a common 405 nuisance and may be abated by writ of injunction issued out of a 406 court of equity upon a bill filed in the name of the state by the 407 attorney general or any district or county attorney whose duty 408 requires him to prosecute criminal cases on behalf of the state, 409 in the county where the nuisance is maintained, or by any citizen 410 or citizens of such county, such bill to be filed in the county in 411 which the nuisance exists. And all rules of evidence and the 412 practice and procedure that pertain to courts of equity generally 413 in this state may be invoked and applied in any injunction 414 procedure hereunder. Upon the abatement of any such place as a 415 nuisance the person found to be the possessor or owner of such 416 liquor may be required by the court to enter into a good and 417 sufficient bond in such amount as may be deemed proper by the

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418 court, to be conditioned that the obligor therein will not violate 419 any of the prohibition laws of the State of Mississippi for a 420 period not to exceed two years from the date thereof. The failure 421 to make such bond shall be a contempt of court and for such 422 contempt the person or party shall be confined in the county jail 423 until such bond is made, but not longer than two years. Said bond 424 shall be approved by the clerk of the court where the proceedings 425 were had and shall be filed as a part of the record of such case. 426 SECTION 3. This act shall take effect and be in force from 427 and after July 1, 2018.