To: Ways and Means

By: Representative Bennett

## COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 840

AN ACT TO AMEND SECTION 67-1-51, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT IF A COMMON CARRIER OPERATING SOLELY IN THE WATER APPLIES FOR AN ON-PREMISES RETAILER'S PERMIT UNDER THE LOCAL OPTION ALCOHOLIC BEVERAGE CONTROL LAW, SUCH COMMON CARRIER MUST, 5 ALONG WITH ALL OTHER QUALIFICATIONS FOR A PERMIT, BE CERTIFIED TO 6 CARRY AT LEAST ONE HUNDRED FIFTY PASSENGERS OR PROVIDE OVERNIGHT 7 ACCOMMODATIONS FOR AT LEAST FIFTY PASSENGERS AND OPERATE PRIMARILY IN THE WATERS WITHIN THE STATE OF MISSISSIPPI WHICH LIE ADJACENT 8 9 TO THE STATE OF MISSISSIPPI SOUTH OF THE THREE MOST SOUTHERN 10 COUNTIES IN THE STATE OF MISSISSIPPI OR ON THE MISSISSIPPI RIVER 11 OR NAVIGABLE WATERS WITHIN ANY COUNTY BORDERING ON THE MISSISSIPPI 12 RIVER; TO AMEND SECTION 99-27-23, MISSISSIPPI CODE OF 1972, 13 REGARDING ABATEMENT OF NUISANCES AND ALCOHOLIC BEVERAGES, IN CONFORMITY WITH THE PROVISIONS OF THIS ACT; AND FOR RELATED 14 1.5 PURPOSES. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 16 17 **SECTION 1.** Section 67-1-51, Mississippi Code of 1972, is amended as follows: 18 19 67-1-51. (1) Permits which may be issued by the department 20 shall be as follows: 21 (a) Manufacturer's permit. A manufacturer's permit 22 shall permit the manufacture, importation in bulk, bottling and 23 storage of alcoholic liquor and its distribution and sale to

manufacturers holding permits under this chapter in this state and

- 25 to persons outside the state who are authorized by law to purchase
- 26 the same, and to sell exclusively to the department.
- 27 Manufacturer's permits shall be of the following classes:
- Class 1. Distiller's and/or rectifier's permit, which shall
- 29 authorize the holder thereof to operate a distillery for the
- 30 production of distilled spirits by distillation or redistillation
- 31 and/or to operate a rectifying plant for the purifying, refining,
- 32 mixing, blending, flavoring or reducing in proof of distilled
- 33 spirits and alcohol.
- Class 2. Wine manufacturer's permit, which shall authorize
- 35 the holder thereof to manufacture, import in bulk, bottle and
- 36 store wine or vinous liquor.
- 37 Class 3. Native wine producer's permit, which shall
- 38 authorize the holder thereof to produce, bottle, store and sell
- 39 native wines.
- 40 (b) Package retailer's permit. Except as otherwise
- 41 provided in this paragraph and Section 67-1-52, a package
- 42 retailer's permit shall authorize the holder thereof to operate a
- 43 store exclusively for the sale at retail in original sealed and
- 44 unopened packages of alcoholic beverages, including native wines,
- 45 not to be consumed on the premises where sold. Alcoholic
- 46 beverages shall not be sold by any retailer in any package or
- 47 container containing less than fifty (50) milliliters by liquid
- 48 measure. A package retailer's permit, with prior approval from
- 49 the department, shall authorize the holder thereof to sample new

50 product furnished by a manufacturer's representative or his 51 employees at the permitted place of business so long as the 52 sampling otherwise complies with this chapter and applicable department regulations. Such samples may not be provided to 53 54 customers at the permitted place of business. In addition to the 55 sale at retail of packages of alcoholic beverages, the holder of a package retailer's permit is authorized to sell at retail 56 57 corkscrews, wine glasses, soft drinks, ice, juices, mixers and 58 other beverages commonly used to mix with alcoholic beverages. 59 Nonalcoholic beverages sold by the holder of a package retailer's 60 permit shall not be consumed on the premises where sold. On-premises retailer's permit. Except as otherwise 61 62 provided in subsection (5) of this section, an on-premises retailer's permit shall authorize the sale of alcoholic beverages, 63 including native wines, for consumption on the licensed premises 64 65 only; however, a patron of the permit holder may remove one (1) 66 bottle of wine from the licensed premises if: (i) the patron 67 consumed a portion of the bottle of wine in the course of 68 consuming a meal purchased on the licensed premises; (ii) the 69 permit holder securely reseals the bottle; (iii) the bottle is 70 placed in a bag that is secured in a manner so that it will be 71 visibly apparent if the bag is opened; and (iv) a dated receipt 72 for the wine and the meal is available. Such a permit shall be 73 issued only to qualified hotels, restaurants and clubs, and to

common carriers with adequate facilities for serving passengers.

75	In resort areas, whether inside or outside of a municipality, the
76	department, in its discretion, may issue on-premises retailer's
77	permits to such establishments as it deems proper. An on-premises
78	retailer's permit when issued to a common carrier shall authorize
79	the sale and serving of alcoholic beverages aboard any licensed
80	vehicle while moving through any county of the state; however, the
81	sale of such alcoholic beverages shall not be permitted while such
82	vehicle is stopped in a county that has not legalized such sales.
83	If an on-premises retailer's permit is applied for by a common
84	carrier operating solely in the water, such common carrier must,
85	along with all other qualifications for a permit, (i) be certified
86	to carry at least one hundred fifty (150) passengers and/or
87	provide overnight accommodations for at least fifty (50)
88	passengers and (ii) operate primarily in the waters within the
89	State of Mississippi which lie adjacent to the State of
90	Mississippi south of the three (3) most southern counties in the
91	State of Mississippi and/or on the Mississippi River or navigable
92	waters within any county bordering on the Mississippi River.
93	(d) Solicitor's permit. A solicitor's permit shall
94	authorize the holder thereof to act as salesman for a manufacturer
95	or wholesaler holding a proper permit, to solicit on behalf of his
96	employer orders for alcoholic beverages, and to otherwise promote
97	his employer's products in a legitimate manner. Such a permit
98	shall authorize the representation of and employment by one (1)
99	principal only. However, the permittee may also, in the

- discretion of the department, be issued additional permits to
  represent other principals. No such permittee shall buy or sell
  alcoholic beverages for his own account, and no such beverage
  shall be brought into this state in pursuance of the exercise of
  such permit otherwise than through a permit issued to a wholesaler
  or manufacturer in the state.
- 106 Native wine retailer's permit. Except as otherwise 107 provided in subsection (5) of this section, a native wine 108 retailer's permit shall be issued only to a holder of a Class 3 109 manufacturer's permit, and shall authorize the holder thereof to make retail sales of native wines to consumers for on-premises 110 111 consumption or to consumers in originally sealed and unopened 112 containers at an establishment located on the premises of or in the immediate vicinity of a native winery. 113
- 114 (f) **Temporary retailer's permit**. Except as otherwise provided in subsection (5) of this section, 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.
- Temporary retailer's permits shall be of the following classes:
- 121 Class 1. A temporary one-day permit may be issued to bona 122 fide nonprofit civic or charitable organizations authorizing the 123 sale of alcoholic beverages, including native wine, for 124 consumption on the premises described in the temporary permit

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     only. Class 1 permits may be issued only to applicants
     demonstrating to the department, by a statement signed under
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     penalty of perjury submitted ten (10) days prior to the proposed
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     date or such other time as the department may determine, that they
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     meet the qualifications of Sections 67-1-11, 67-1-37, 67-1-51(2)
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     and (3), 67-1-55, 67-1-57 (excluding paragraph (e)) and 67-1-59.
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     Class 1 permittees shall obtain all alcoholic beverages from
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     package retailers located in the county in which the temporary
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     permit is issued. Alcoholic beverages remaining in stock upon
     expiration of the temporary permit may be returned by the
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     permittee to the package retailer for a refund of the purchase
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     price upon consent of the package retailer or may be kept by the
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     permittee exclusively for personal use and consumption, subject to
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     all laws pertaining to the illegal sale and possession of
     alcoholic beverages. The department, following review of the
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     statement provided by the applicant and the requirements of the
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     applicable statutes and regulations, may issue the permit.
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          Class 2. A temporary permit, not to exceed seventy (70)
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     days, may be issued to prospective permittees seeking to transfer
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     a permit authorized in paragraph (c) of this subsection. A Class
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     2 permit may be issued only to applicants demonstrating to the
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     department, by a statement signed under the penalty of perjury,
     that they meet the qualifications of Sections 67-1-5(1), (m), (n),
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     (o), (p) or (q), 67-1-37, 67-1-51(2) and (3), 67-1-55, 67-1-57 and
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               The department, following a preliminary review of the
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     67-1-59.
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- statement provided by the applicant and the requirements of the applicable statutes and regulations, may issue the permit.
- 152 Class 2 temporary permittees must purchase their alcoholic
- 153 beverages directly from the department or, with approval of the
- 154 department, purchase the remaining stock of the previous
- 155 permittee. If the proposed applicant of a Class 1 or Class 2
- 156 temporary permit falsifies information contained in the
- 157 application or statement, the applicant shall never again be
- 158 eligible for a retail alcohol beverage permit and shall be subject
- 159 to prosecution for perjury.
- 160 Class 3. A temporary one-day permit may be issued to a
- 161 retail establishment authorizing the complimentary distribution of
- 162 wine, including native wine, to patrons of the retail
- 163 establishment at an open house or promotional event, for
- 164 consumption only on the premises described in the temporary
- 165 permit. A Class 3 permit may be issued only to an applicant
- 166 demonstrating to the department, by a statement signed under
- 167 penalty of perjury submitted ten (10) days before the proposed
- 168 date or such other time as the department may determine, that it
- 169 meets the qualifications of Sections 67-1-11, 67-1-37, 67-1-51(2)
- 170 and (3), 67-1-55, 67-1-57 (excluding paragraph (e)) and 67-1-59.
- 171 A Class 3 permit holder shall obtain all alcoholic beverages from
- 172 the holder(s) of a package retailer's permit located in the county
- 173 in which the temporary permit is issued. Wine remaining in stock
- 174 upon expiration of the temporary permit may be returned by the

175 Class 3 temporary permit holder to the package retailer for a 176 refund of the purchase price, with consent of the package 177 retailer, or may be kept by the Class 3 temporary permit holder exclusively for personal use and consumption, subject to all laws 178 179 pertaining to the illegal sale and possession of alcoholic 180 beverages. The department, following review of the statement provided by the applicant and the requirements of the applicable 181 182 statutes and regulations, may issue the permit. No retailer may 183 receive more than twelve (12) Class 3 temporary permits in a calendar year. A Class 3 temporary permit shall not be issued to 184 185 a retail establishment that either holds a merchant permit issued 186 under paragraph (1) of this subsection, or holds a permit issued under Chapter 3, Title 67, Mississippi Code of 1972, authorizing 187 188 the holder to engage in the business of a retailer of light wine 189 or beer.

the purchase of alcoholic beverages by a person engaging in business as a caterer and the resale of alcoholic beverages by such person in conjunction with such catering business. No person shall qualify as a caterer unless forty percent (40%) or more of the revenue derived from such catering business shall be from the serving of prepared food and not from the sale of alcoholic beverages and unless such person has obtained a permit for such business from the Department of Health. A caterer's permit shall not authorize the sale of alcoholic beverages on the premises of

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200 the person engaging in business as a caterer; however, the holder 201 of an on-premises retailer's permit may hold a caterer's permit. 202 When the holder of an on-premises retailer's permit or an 203 affiliated entity of the holder also holds a caterer's permit, the 204 caterer's permit shall not authorize the service of alcoholic 205 beverages on a consistent, recurring basis at a separate, fixed 206 location owned or operated by the caterer, on-premises retailer or 207 affiliated entity and an on-premises retailer's permit shall be 208 required for the separate location. All sales of alcoholic beverages by holders of a caterer's permit shall be made at the 209 210 location being catered by the caterer, and, except as otherwise 211 provided in subsection (5) of this section, such sales may be made 212 only for consumption at the catered location. The location being 213 catered may be anywhere within a county or judicial district that has voted to come out from under the dry laws or in which the 214 215 sale, distribution and possession of alcoholic beverages is 216 otherwise authorized by law. Such sales shall be made pursuant to 217 any other conditions and restrictions which apply to sales made by 218 on-premises retail permittees. The holder of a caterer's permit 219 or his employees shall remain at the catered location as long as 220 alcoholic beverages are being sold pursuant to the permit issued 221 under this paragraph (q), and the permittee shall have at the 222 location the identification card issued by the Alcoholic Beverage Control Division of the department. No unsold alcoholic beverages 223 may be left at the catered location by the permittee upon the 224

225	conclusion of his business at that location. Appropriate law
226	enforcement officers and Alcoholic Beverage Control Division
227	personnel may enter a catered location on private property in
228	order to enforce laws governing the sale or serving of alcoholic
229	beverages.

- 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.
  - 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 premises of the person engaging in the business of cooking, processing or manufacturing products which contain alcoholic beverages. The amounts of alcoholic beverages allowed under an alcohol processing permit shall be set by the department.
- 247 (j) **Hospitality cart permit.** A hospitality cart permit 248 shall authorize the sale of alcoholic beverages from a mobile cart 249 on a golf course that is the holder of an on-premises retailer's

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- 250 permit. The alcoholic beverages sold from the cart must be 251 consumed within the boundaries of the golf course.
- 252 (k) Special service permit. A special service permit
  253 shall authorize the holder to sell commercially sealed alcoholic
  254 beverages to the operator of a commercial or private aircraft for
  255 en route consumption only by passengers. A special service permit
  256 shall be issued only to a fixed-base operator who contracts with
  257 an airport facility to provide fueling and other associated
  258 services to commercial and private aircraft.
- 259 (1)Merchant permit. Except as otherwise provided in 260 subsection (5) of this section, a merchant permit shall be issued 261 only to the owner of a spa facility, an art studio or gallery, or 262 a cooking school, and shall authorize the holder to serve 263 complimentary by the glass wine only, including native wine, at 264 the holder's spa facility, art studio or gallery, or cooking 265 school. A merchant permit holder shall obtain all wine from the 266 holder of a package retailer's permit.
- 267 Temporary wine charitable auction permit. (m) Α 268 temporary permit, not to exceed five (5) days, may be issued to a 269 qualifying charitable nonprofit organization that is exempt from 270 taxation under Section 501(c)(3) or (4) of the Internal Revenue 271 Code of 1986. The permit shall authorize the holder to sell wine for the limited purpose of raising funds for the organization 272 273 during a live or silent auction that is conducted by the organization and that meets the following requirements: (i) the 274

275 auction is conducted in an area of the state where the sale of 276 wine is authorized; (ii) if the auction is conducted on the 277 premises of an on-premises retailer's permit holder, then the wine 278 to be auctioned must be stored separately from the wine sold, 279 stored or served on the premises, must be removed from the 280 premises immediately following the auction, and may not be 281 consumed on the premises; (iii) the permit holder may not conduct 282 more than two (2) auctions during a calendar year; (iv) the permit 283 holder may not pay a commission or promotional fee to any person to arrange or conduct the auction. 284

(n) Event venue retailer's permit. An event venue retailer's permit shall authorize the holder thereof to purchase and resell alcoholic beverages, including native wines, for consumption on the premises during legal hours during events held on the licensed premises if food is being served at the event by a caterer who is not affiliated with or related to the permittee. The caterer must serve at least three (3) entrees. The permit may only be issued for venues that can accommodate two hundred (200) persons or more. The number of persons a venue may accommodate shall be determined by the local fire department and such determination shall be provided in writing and submitted along with all other documents required to be provided for an on-premises retailer's permit. The permittee must derive the majority of its revenue from event-related fees, including, but not limited to, admission fees or ticket sales for live

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entertainment in the building. "Event-related fees" do not include alcohol, beer or light wine sales or any fee which may be construed to cover the cost of alcohol, beer or light wine. This determination shall be made on a per event basis. An event may not last longer than two (2) consecutive days per week.

 $(\circ)$ 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 holder to sell alcoholic beverages, including native wines, to patrons of the theatre during performances and productions at the theatre facility for consumption during such performances and productions on the premises of the facility described in the permit. A temporary theatre permit holder shall obtain all alcoholic beverages from package retailers located in the county in which the permit is issued. Alcoholic beverages remaining in stock upon expiration of the temporary theatre permit may be returned by the permittee to the package retailer for a refund of the purchase price upon consent of the package retailer or may be kept by the permittee exclusively for personal use and consumption, subject to all laws pertaining to the illegal sale and possession of alcoholic beverages.

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325	(p) Charter ship operator's permit. Subject to the
326	provisions of this paragraph (p), a charter ship operator's permit
327	shall authorize the holder thereof and its employees to serve,
328	monitor, store and otherwise control the serving and availability
329	of alcoholic beverages to customers of the permit holder during
330	private charters under contract provided by the permit holder. A
331	charter ship operator's permit shall authorize such action by the
332	permit holder and its employees only as to alcoholic beverages
333	brought onto the permit holder's ship by customers of the permit
334	holder as part of such a private charter. All such alcoholic
335	beverages must be removed from the charter ship at the conclusion
336	of each private charter. A charter ship operator's permit shall
337	not authorize the permit holder to sell, charge for or otherwise
338	supply alcoholic beverages to customers, except as authorized in
339	this paragraph (p). For the purposes of this paragraph (p),
340	"charter ship operator" means a common carrier that (i) is
341	certified to carry at least one hundred fifty (150) passengers
342	and/or provide overnight accommodations for at least fifty (50)
343	passengers, (ii) operates only in the waters within the State of
344	Mississippi, which lie adjacent to the State of Mississippi south
345	of the three (3) most southern counties in the State of
346	Mississippi, and (iii) provides charters under contract for tours
347	and trips in such waters.

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

Except as otherwise provided in this subsection, no (3) authority shall be granted to any person to manufacture, sell or 353 store for sale any intoxicating liquor as specified in this 354 chapter within four hundred (400) feet of any church, school, 355 kindergarten or funeral home. However, within an area zoned 356 commercial or business, such minimum distance shall be not less 357 than one hundred (100) feet.

A church or funeral home may waive the distance restrictions imposed in this subsection in favor of allowing issuance by the department of a permit, pursuant to subsection (1) of this section, to authorize activity relating to the manufacturing, sale or storage of alcoholic beverages which would otherwise be prohibited under the minimum distance criterion. Such waiver shall be in written form from the owner, the governing body, or the appropriate officer of the church or funeral home having the authority to execute such a waiver, and the waiver shall be filed 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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- 373 Historic Places, is a qualified resort area and is located in a
  374 municipality having a population greater than one hundred thousand
  375 (100,000) according to the latest federal decennial census.
- 376 No person, either individually or as a member of a firm, 377 partnership, limited liability company or association, or as a 378 stockholder, officer or director in a corporation, shall own or 379 control any interest in more than one (1) package retailer's 380 permit, nor shall such person's spouse, if living in the same 381 household of such person, any relative of such person, if living 382 in the same household of such person, or any other person living 383 in the same household with such person own any interest in any 384 other package retailer's permit.
  - (5) (a) In addition to any other authority granted under this section, the holder of a permit issued under subsection (1)(c), (e), (f), (g), (l), (n) and/or (o) of this section may sell or otherwise provide alcoholic beverages and/or wine to a patron of the permit holder in the manner authorized in the permit and the patron may remove an open glass, cup or other container of the alcoholic beverage and/or wine from the licensed premises and may possess and consume the alcoholic beverage or wine outside of the licensed premises if: (i) the licensed premises is located within a leisure and recreation district created under Section 67-1-101 and (ii) the patron remains within the boundaries of the leisure and recreation district while in possession of the alcoholic beverage or wine.

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398	(b) Nothing in this subsection shall be construed to
399	allow a person to bring any alcoholic beverages into a permitted
400	premises except to the extent otherwise authorized by this
401	chapter.

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

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

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