REPORT OF CONFERENCE COMMITTEE

MR. SPEAKER AND MR. PRESIDENT:

We, the undersigned conferees, have had under consideration the amendments to the following entitled BILL:

H. B. No. 1135: Alcoholic beverages; create delivery service permit.

We, therefore, respectfully submit the following report and recommendation:

1. That the Senate recede from its Amendment No. 1.
2. That the House and Senate adopt the following amendment:

   Amend by striking all after the enacting clause and inserting in lieu thereof the following:

   **SECTION 1.** (1) The holder of a delivery service permit under Section 67-1-51:
   
   (a) May contract with the holder of a package retailer's permit or an on-premises retailer's permit under Section 67-1-51 or the holder of a beer, light wine and light spirit product retail permit under Section 67-3-19 for the purpose of intrastate delivery of alcoholic beverages or beer, light wine and light spirit product, as authorized to be sold under the respective permits;
   
   (b) May deliver alcoholic beverages or beer, light wine and light spirit product without a delivery contract, if the permittee holds a package retailer's permit or an on-premises retailer's permit under Section 67-1-51 or a beer, light wine and...
light spirit product retail permit under Section 67-3-19, respectively;

(c) May use its own employees or independent contractors who are at least twenty-one (21) years of age to deliver such alcoholic beverages, beer, light wine or light spirit product under this section, provided all delivery agents are trained and certified consistent with the training program submitted to the division as required by subsection (2)(d) of this section. If independent contractors are used, the delivery service permittee must enter into a contract with the retailer as required by subsection (2)(c) of this section;

(d) May facilitate orders by telephone, internet or other electronic means for the sale and delivery of alcoholic beverages, beer, light wine or light spirit product under this section. The full amount of each order must be handled in a manner that gives the retail permittee control over the ultimate receipt of payment from the consumer. The retail permittee shall remain responsible for the proper remittance of all applicable taxes on the sale of the product;

(e) May deliver only sealed containers of alcoholic beverages, beer, light wine or light spirit product to an individual in Mississippi;

(f) Shall obtain from the customer a confirmation that he or she is at least twenty-one (21) years of age at the time the order is placed;
(g) Shall place a stamp, print or label on the outside of the sealed package to indicate that the sealed package contains alcoholic beverages, beer, light wine or light spirit product;

(h) Shall require the recipient, at the time of delivery, to provide valid photo identification verifying he or she is at least twenty-one (21) years of age and to sign for the delivery;

(i) Shall possess identification scanning software technology or a state-of-the-art alternative at the point of delivery to verify the recipient is at least twenty-one (21) years of age and to collect the recipient's name and date of birth. Records relating to this verification shall be maintained for at least ninety (90) days and shall be subject to review by the division;

(j) Shall return all alcoholic beverages, beer, light wine or light spirit product to the retailer if the recipient is under the age of twenty-one (21) years, appears intoxicated, fails to provide proof of identification, fails or refuses to sign for delivery, fails to complete the identification verification process or declines to accept delivery, or if any circumstances in the delivery environment indicate illegal conduct, overconsumption of alcohol, or an otherwise unsafe environment for the consumption of alcohol;

(k) May not deliver any alcoholic beverage, beer, light wine or light spirit product to any person located within a
jurisdiction that is dry for that product, as provided by the division's wet-dry map;

   (l) May not deliver any alcoholic beverage, beer, light wine or light spirit product in a jurisdiction during times prohibited for lawful sale in that jurisdiction;
   
   (m) May not deliver any alcoholic beverage, beer, light wine or light spirit product more than thirty (30) miles from the retailer's licensed premises;
   
   (n) Shall permit the division to perform an audit of the licensee's records upon request and with sufficient notification; and
   
   (o) Shall be deemed to have consented to the jurisdiction of the division or any law enforcement agency and the Mississippi courts concerning enforcement of this section and any related laws or rules.

(2) In order to receive a delivery service permit, an applicant shall:

   (a) File an application with the division;
   
   (b) Pay the privilege license tax of Five Hundred Dollars ($500.00) as provided in Section 27-71-5;
   
   (c) Provide to the division a sample contract that the applicant intends to enter into with a retailer for the delivery of alcoholic beverages, beer, light wine or light spirit product, unless the applicant is the retailer;
(d) Submit to the division an outline of an internal or external training and certification program for delivery service personnel that addresses topics such as identifying underage persons, intoxicated persons, and fake or altered identification;

(e) Provide an attestation that the applicant is at least twenty-one (21) years of age and has not been convicted of a felony in any state or federal courts;

(f) Shall provide proof of a general liability insurance policy in an amount not less than One Million Dollars ($1,000,000.00) per occurrence; and

(g) Shall be properly registered to conduct business in Mississippi.

(3) Nothing in this section shall be construed to require a technology services company to obtain a delivery service permit if the company does not employ or contract with delivery agents but merely provides software or a digital network application that connects consumers and licensed retailers for the delivery of alcoholic beverages from the licensed retailer. However, the act of connecting consumers to licensed retailers shall serve to grant jurisdiction to the State of Mississippi.

(4) The division may enforce the requirements of this section by the same administrative proceedings that apply to other alcoholic beverage licenses or permits, including, without limitation, any disciplinary action applicable to the package retailer's permittee, on-premises retailer's permittee, retail
permittee for beer, light wine or light spirit product, or delivery service permittee resulting from any unlawful sale to a minor.

(5) The division may enforce the requirements of this section against the package retailer's permittee, on-premises retailer's permittee, retail permittee for beer, light wine or light spirit product, or delivery service permittee, and any employee or independent contractor of such permittee. If a package retailer permittee, an on-premises retailer's permittee, or a retail permittee for beer, light wine or light spirit product is also a delivery permittee, a violation of alcohol law by its employee or independent contractor during delivery will subject both the retailer permit and the delivery service permit to disciplinary action for the violation. Delivery to a minor shall be treated as furnishing to a minor and shall result in any applicable disciplinary action.

(6) Nothing in this section shall be construed to limit or otherwise diminish the ability of the division to enforce the provisions of Chapters 1 and 3, Title 67, Mississippi Code of 1972, with respect to the liability of any package retailer's permittee, on-premises retailer's permittee, retail permittee for beer, light wine or light spirit product, or delivery service permittee engaging in delivery activity authorized by this section.
(7) Nothing in this section shall be construed to authorize
the direct shipment of alcoholic beverages, light wine, beer or
light spirit product from any manufacturer or distributor holding
a permit under this chapter, or under Title 67, Chapter 3,
Mississippi Code of 1972, to consumers in this state.

SECTION 2. Section 67-1-51, Mississippi Code of 1972, as
amended by House Bill No. 1288, 2021 Regular Session, and Senate
Bill No. 2606, 2021 Regular Session, is amended as follows:

67-1-51. (1) Permits which may be issued by the department
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 as provided by this chapter.

Manufacturer's permits shall be of the following classes:

Class 1. Distiller's and/or rectifier's permit, which shall
authorize the holder thereof to operate a distillery for the
production of distilled spirits by distillation or redistillation
and/or to operate a rectifying plant for the purifying, refining,
mixing, blending, flavoring or reducing in proof of distilled
spirits and alcohol.
Class 2. Wine manufacturer's permit, which shall authorize the holder thereof to manufacture, import in bulk, bottle and store wine or vinous liquor.

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

Class 4. Native spirit producer's permit, which shall authorize the holder thereof to produce, bottle, store and sell native spirits.

(b) Package retailer's permit. Except as otherwise provided in this paragraph and Section 67-1-52, a package retailer's permit shall authorize the holder thereof to operate a store exclusively for the sale at retail in original sealed and unopened packages of alcoholic beverages, including native wines and native spirits, not to be consumed on the premises where sold. Alcoholic beverages shall not be sold by any retailer in any package or container containing less than fifty (50) milliliters by liquid measure. A package retailer's permit, with prior approval from the department, shall authorize the holder thereof to sample new product furnished by a manufacturer's representative or his employees at the permitted place of business so long as the sampling otherwise complies with this chapter and applicable department regulations. Such samples may not be provided to customers at the permitted place of business. In addition to the sale at retail of packages of alcoholic beverages, the holder of a
package retailer's permit is authorized to sell at retail corkscrews, wine glasses, soft drinks, ice, juices, mixers and other beverages commonly used to mix with alcoholic beverages. Nonalcoholic beverages sold by the holder of a package retailer's permit shall not be consumed on the premises where sold.

(c) **On-premises retailer's permit.** Except as otherwise provided in subsection (5) of this section, an on-premises retailer's permit shall authorize the sale of alcoholic beverages, including native wines and native spirits, for consumption on the licensed premises only; however, a patron of the permit holder may remove one (1) bottle of wine from the licensed premises if: (i) the patron consumed a portion of the bottle of wine in the course of consuming a meal purchased on the licensed premises; (ii) the permit holder securely reseals the bottle; (iii) the bottle is placed in a bag that is secured in a manner so that it will be visibly apparent if the bag is opened; and (iv) a dated receipt for the wine and the meal is available. Additionally, as part of a carryout order, a permit holder may sell one (1) bottle of wine to be removed from the licensed premises for every two (2) entrees ordered. Such a permit shall be issued only to qualified hotels, restaurants and clubs, and to common carriers with adequate facilities for serving passengers. In resort areas, whether inside or outside of a municipality, the department, in its discretion, may issue on-premises retailer's permits to such establishments as it deems proper. An on-premises retailer's
permit when issued to a common carrier shall authorize the sale and serving of alcoholic beverages aboard any licensed vehicle while moving through any county of the state; however, the sale of such alcoholic beverages shall not be permitted while such vehicle is stopped in a county that has not legalized such sales. If an on-premises retailer's permit is applied for by a common carrier operating solely in the water, such common carrier must, along with all other qualifications for a permit, (i) be certified to carry at least one hundred fifty (150) passengers and/or provide overnight accommodations for at least fifty (50) passengers and (ii) operate primarily in the waters within the State of Mississippi which lie adjacent to the State of Mississippi south of the three (3) most southern counties in the State of Mississippi and/or on the Mississippi River or navigable waters within any county bordering on the Mississippi River.

(d) **Solicitor's permit.** A solicitor's permit shall authorize the holder thereof to act as salesman for a manufacturer or wholesaler holding a proper permit, to solicit on behalf of his employer orders for alcoholic beverages, and to otherwise promote his employer's products in a legitimate manner. Such a permit shall authorize the representation of and employment by one (1) 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.

(e) **Native wine retailer's permit.** Except as otherwise provided in subsection (5) of this section, 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 consumption or to consumers in originally sealed and unopened containers at an establishment located on the premises of or in the immediate vicinity of a native winery. When selling to consumers for on-premises consumption, a holder of a native wine retailer's permit may add to the native wine alcoholic beverages not produced on the premises, so long as the total volume of foreign beverage components does not exceed twenty percent (20%) of the mixed beverage. Hours of sale shall be the same as those authorized for on-premises permittees in the city or county in which the native wine retailer is located.

(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 and native spirits, during legal hours on the premises described in the temporary permit only. Temporary retailer's permits shall be of the following classes:
Class 1. A temporary one-day permit may be issued to bona fide nonprofit civic or charitable organizations authorizing the sale of alcoholic beverages, including native wine and native spirit, for consumption on the premises described in the temporary permit only. Class 1 permits may be issued only to applicants demonstrating to the department, by a statement signed under penalty of perjury submitted ten (10) days prior to the proposed 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) and (3), 67-1-55, 67-1-57 (excluding paragraph (e)) and 67-1-59. Class 1 permittees shall obtain all alcoholic beverages from package retailers located in the county in which the temporary permit is issued. Alcoholic beverages remaining in stock upon expiration of the temporary 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. The department, following review of the statement provided by the applicant and the requirements of the applicable statutes and regulations, may issue the permit.

Class 2. A temporary permit, not to exceed seventy (70) days, may be issued to prospective permittees seeking to transfer a permit authorized in paragraph (c) of this subsection. A Class 2 permit may be issued only to applicants demonstrating to the
department, by a statement signed under the penalty of perjury, 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 67-1-59. The department, following a preliminary review of the statement provided by the applicant and the requirements of the applicable statutes and regulations, may issue the permit.

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

Class 3. A temporary one-day permit may be issued to a retail establishment authorizing the complimentary distribution of wine, including native wine, to patrons of the retail establishment at an open house or promotional event, for consumption only on the premises described in the temporary permit. A Class 3 permit may be issued only to an applicant demonstrating to the department, by a statement signed under penalty of perjury submitted ten (10) days before the proposed date or such other time as the department may determine, that it meets the qualifications of Sections 67-1-11, 67-1-37, 67-1-51(2) and (3), 67-1-55, 67-1-57 (excluding paragraph (e)) and 67-1-59.
A Class 3 permit holder shall obtain all alcoholic beverages from the holder(s) of a package retailer's permit located in the county in which the temporary permit is issued. Wine remaining in stock upon expiration of the temporary permit may be returned by the Class 3 temporary permit holder to the package retailer for a refund of the purchase price, with consent of the package retailer, or may be kept by the Class 3 temporary permit holder exclusively for personal use and consumption, subject to all laws pertaining to the illegal sale and possession of alcoholic beverages. The department, following review of the statement provided by the applicant and the requirements of the applicable statutes and regulations, may issue the permit. No retailer may receive more than twelve (12) Class 3 temporary permits in a calendar year. A Class 3 temporary permit shall not be issued to a retail establishment that either holds a merchant permit issued under paragraph (l) of this subsection, or holds a permit issued under Chapter 3, Title 67, Mississippi Code of 1972, authorizing the holder to engage in the business of a retailer of light wine or beer.

(g) **Caterer's permit.** A caterer's permit shall permit 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 the person engaging in business as a caterer; however, the holder of an on-premises retailer's permit may hold a caterer's permit. When the holder of an on-premises retailer's permit or an affiliated entity of the holder also holds a caterer's permit, the caterer's permit shall not authorize the service of alcoholic beverages on a consistent, recurring basis at a separate, fixed location owned or operated by the caterer, on-premises retailer or affiliated entity and an on-premises retailer's permit shall be required for the separate location. All sales of alcoholic beverages by holders of a caterer's permit shall be made at the location being catered by the caterer, and, except as otherwise provided in subsection (5) of this section, such sales may be made only for consumption at the catered location. The location being 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 sale and distribution of alcoholic beverages is otherwise authorized by law. Such sales shall be made pursuant to any other conditions and restrictions which apply to sales made by on-premises retail permittees. The holder of a caterer's permit or his employees shall remain at the catered location as long as alcoholic beverages are being sold pursuant to the permit issued under this...
paragraph (g), and the permittee shall have at the location the
identification card issued by the Alcoholic Beverage Control
Division of the department. No unsold alcoholic beverages may be
left at the catered location by the permittee upon the conclusion
of his business at that location. Appropriate law enforcement
officers and Alcoholic Beverage Control Division personnel may
enter a catered location on private property in order to enforce
laws governing the sale or serving of alcoholic 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.

(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
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.
(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.

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

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

(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 and native spirits, 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 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.

(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 holder to sell alcoholic beverages, including native wines and native spirits, 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.

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

(q) **Distillery retailer's permit.** The holder of a Class 1 manufacturer's permit may obtain a distillery retailer's permit. A distillery retailer's permit shall authorize the holder thereof to sell at retail alcoholic beverages by the sealed and unopened bottle from a retail location at the distillery for off-premises consumption. The holder may only sell product manufactured by the manufacturer at the distillery described in the permit. The holder shall not sell at retail more than ten percent (10%) of the alcoholic beverages produced annually at its distillery. The holder shall not make retail sales of more than two and twenty-five one-hundredths (2.25) liters, in the aggregate, of the alcoholic beverages produced at its distillery to any one (1) individual for consumption off the premises of the distillery within a twenty-four-hour period. The hours of sale shall be the same as those hours for package retailers under this chapter. The holder of a distillery retailer's permit is not required to purchase the alcoholic beverages authorized to be sold by this paragraph from the department's liquor distribution warehouse; however, if the holder does not purchase the alcoholic beverages from the department's liquor distribution warehouse, the holder shall pay to the department all taxes, fees and surcharges on the alcoholic beverages that are imposed upon the sale of alcoholic beverages shipped by the Alcoholic Beverage Control
Division of the Department of Revenue. In addition to alcoholic beverages, the holder of a distillery retailer's permit may sell at retail promotional products from the same retail location, including shirts, hats, glasses, and other promotional products customarily sold by alcoholic beverage manufacturers.

(r) **Festival wine permit.** Any wine manufacturer or native wine producer permitted by Mississippi or any other state is eligible to obtain a Festival Wine Permit. This permit authorizes the entity to transport product manufactured by it to festivals held within the State of Mississippi and sell sealed, unopened bottles to festival participants. The holder of this permit may provide samples at no charge to participants. "Festival" means any event at which three (3) or more vendors are present at a location for the sale or distribution of goods. The holder of a Festival Wine Permit is not required to purchase the alcoholic beverages authorized to be sold by this paragraph from the department's liquor distribution warehouse. However, if the holder does not purchase the alcoholic beverages from the department's liquor distribution warehouse, the holder of this permit shall pay to the department all taxes, fees and surcharges upon the sale of alcoholic beverages shipped by the Alcoholic Beverage Control Division of the Department of Revenue. Additionally, the entity shall file all applicable reports and returns as prescribed by the department. This permit is issued...
per festival and provides authority to sell for two (2) consecutive days during the hours authorized for on-premises permittees' sales in that county or city. The holder of the permit shall be required to maintain all requirements set by Local Option Law for the service and sale of alcoholic beverages. This permit may be issued to entities participating in festivals at which a Class 1 temporary permit is in effect.

This paragraph (r) shall stand repealed from and after July 1, 2023.

(s) Charter vessel operator's permit. Subject to the provisions of this paragraph (s), a charter vessel operator's permit shall authorize the holder thereof and its employees to sell and serve alcoholic beverages to passengers of the permit holder during public tours, historical tours, ecological tours and sunset cruises provided by the permit holder. The permit shall authorize the holder to only sell alcoholic beverages, including native wines, to passengers of the charter vessel operator during public tours, historical tours, ecological tours and sunset cruises provided by the permit holder aboard the charter vessel operator for consumption during such tours and cruises on the premises of the charter vessel operator described in the permit.

For the purposes of this paragraph (s), "charter vessel operator" means a common carrier that (i) is certified to carry at least forty-nine (49) passengers, (ii) operates only in the waters within the State of Mississippi, which lie south of Interstate-10.
in the three (3) most southern counties in the State of Mississippi, and lie adjacent to the State of Mississippi south of the three (3) most southern counties in the State of Mississippi, extending not further than one (1) mile south of such counties, and (iii) provides vessel services for tours and cruises in such waters as provided in this paragraph (s).

(t) **Native spirit retailer's permit.** Except as otherwise provided in subsection (5) of this section, a native spirit retailer's permit shall be issued only to a holder of a Class 4 manufacturer's permit, and shall authorize the holder thereof to make retail sales of native spirits to consumers for on-premises consumption or to consumers in originally sealed and unopened containers at an establishment located on the premises of or in the immediate vicinity of a native distillery. When selling to consumers for on-premises consumption, a holder of a native spirit retailer's permit may add to the native spirit alcoholic beverages not produced on the premises, so long as the total volume of foreign beverage components does not exceed twenty percent (20%) of the mixed beverage. Hours of sale shall be the same as those authorized for on-premises permittees in the city or county in which the native spirit retailer is located.

(u) **Delivery service permit.** Any individual, limited liability company, corporation or partnership registered to do business in this state is eligible to obtain a delivery service permit. Subject to the provisions of Section 1 of this act, this
permit authorizes the permittee, or its employee or an independent contractor acting on its behalf, to deliver alcoholic beverages, beer, light wine and light spirit product from a licensed retailer to a person in this state who is at least twenty-one (21) years of age for the individual's use and not for resale. This permit does not authorize the delivery of alcoholic beverages, beer, light wine or light spirit product to the premises of a location with a permit for the manufacture, distribution or retail sale of alcoholic beverages, beer, light wine or light spirit product. The holder of a package retailer's permit or an on-premises retailer's permit under Section 67-1-51 or of a beer, light wine and light spirit product permit under Section 67-3-19 is authorized to apply for a delivery service permit as a privilege separate from its existing retail permit.

(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 department.

(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.
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 Historic Places, is a qualified resort area and is located in a municipality having a population greater than one hundred thousand (100,000) according to the latest federal decennial census.

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

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

SECTION 3. Section 67-1-37, Mississippi Code of 1972, as
amended by Senate Bill No. 2606, 2021 Regular Session, is amended
as follows:

67-1-37. The Department of Revenue, 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.

(b) To revoke, suspend or cancel, for violation of or noncompliance with the provisions of this chapter, or the law governing the production and sale of native wines or native spirits, or any lawful rules and regulations of the department issued hereunder, or for other sufficient cause, any permit issued by it under the provisions of this chapter. The department shall also be authorized to suspend the permit of any permit holder for being out of compliance with an order for support, as defined in Section 93-11-153. The procedure for suspension of a permit for being out of compliance with an order for support, and the procedure for the reissuance or reinstatement of a permit suspended for that purpose, and the payment of any fees for the reissuance or reinstatement of a permit suspended for that purpose, shall be governed by Section 93-11-157 or Section 93-11-163, as the case may be. If there is any conflict between any provision of Section 93-11-157 or Section 93-11-163 and any provision of this chapter, the provisions of Section 93-11-157 or Section 93-11-163, as the case may be, shall 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.

(g) Subject to the provisions of subsection (3) of Section 67-1-51, to issue rules and regulations governing the issuance of retail permits for premises located near or around schools, colleges, universities, churches and other public institutions, and specifying the distances therefrom within which no such permit shall be issued. The Alcoholic Beverage Control Division shall not issue a package retailer's or on-premises retailer's permit for the sale or consumption of alcoholic beverages in or on the campus of any public school, community or junior college, college or university.
(h) To adopt and promulgate, repeal and amend, such rules, regulations, standards, requirements and orders, not inconsistent with this chapter or any law of this state or of the United States, as it deems necessary to control the manufacture, importation, transportation, distribution, delivery and sale of alcoholic liquor, whether intended for beverage or nonbeverage use in a manner not inconsistent with the provisions of this chapter or any other statute, including the native wine and native spirit laws.

(i) To call upon other administrative departments of the state, county and municipal governments, county and city police departments and upon prosecuting officers for such information and assistance as it may deem necessary in the 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.
(l) 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.

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

(n) To assign employees to posts of duty at locations where they will be most beneficial for the control of alcoholic beverages and to take any other action concerning persons employed under this chapter as authorized by law and taken in accordance with the rules, regulations and procedures of the State Personnel Board.

(o) To enforce the provisions made unlawful by Chapter 3, Title 67 and Section 97-5-49.

(p) To delegate its authority under this chapter to the Alcoholic Beverage Control Division, its director or any other officer or employee of the department that it deems appropriate.

(q) To prescribe and charge a fee to defray the costs of shipping alcoholic beverages, provided that such fee is determined in a manner provided by the department by rules and/or regulations adopted in accordance with the Mississippi Administrative Procedures Law.
SECTION 4. Section 67-1-83, Mississippi Code of 1972, as amended by House Bill No. 667, 2021 Regular Session, is amended as follows:

(1) It shall be unlawful for any permittee or any employee or agent thereof to sell or furnish any alcoholic beverage to any person who is visibly intoxicated, or to any person who is known to habitually drink alcoholic beverages to excess, or to any person who is known to be an habitual user of narcotics or other habit-forming drugs. It shall also be unlawful for the holder of any package retailer's permit to sell any alcoholic beverages except by delivery in person to the purchaser at the place of business of the permittee, unless the holder of a package retailer's permit also holds a delivery service permit or uses a delivery service permittee to effect delivery.

(2) It shall be unlawful for any permittee or any employee or agent thereof to sell or furnish any alcoholic beverage to any person to whom the department has, after investigation, decided to prohibit the sale of those beverages because of an appeal to the department so to do by the husband, wife, father, mother, brother, sister, child, or employer of the person. The interdiction in those cases shall last until removed by the department, but no person shall be held to have violated this subsection unless he has been informed by the department, by registered letter, that it is forbidden
to sell to that individual or unless that fact is otherwise known
to the permittee or * * * its employee or agent.

(3) It shall be unlawful for any holder of a package
retailer's permit, or any employee or agent thereof, engaged
solely in the business of package retail sales under this chapter
to sell or furnish any alcoholic beverage before 10:00 a.m. and
after 10:00 p.m. or to sell alcoholic beverages on Sunday and
Christmas Day.

(4) Any person who violates any of the provisions of this
section shall be guilty of a misdemeanor and, upon conviction,
shall be punished by a fine of not more than Five Hundred Dollars
($500.00) or by imprisonment in the county jail for a term of not
more than six (6) months, or by both that fine and imprisonment,
in the discretion of the court. In addition to any other
penalties prescribed by law, the commission * * * may immediately
revoke the permit of any permittee who violates the provisions of
this section.

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

67-3-5. (1) It shall be lawful, subject to the provisions
set forth in this chapter and in Section 67-1-51, in this state to
transport, store, sell, distribute, possess, receive, deliver
and/or manufacture light wine, light spirit product and beer, and
it is hereby declared that it is the legislative intent that this
chapter privileges the lawful sale and manufacture, within this
state, of such light wines, light spirit products and beer. In
determining if a wine product is "light wine," or contains an
alcoholic content of more than five percent (5%) by weight, or is
not an "alcoholic beverage" as defined in the Local Option
Alcoholic Beverage Control Law, Chapter 1 of Title 67, Mississippi
Code of 1972, the alcoholic content of such wine product shall be
subject to the same permitted tolerance as is allowed by the
labeling requirements for light wine provided for in Section
27-71-509.

2) Subject to the provisions set forth in this chapter and
in Section 67-3-25, it shall be lawful in this state to transport,
store, sell, distribute, possess, receive, deliver and/or
manufacture beer of an alcoholic content of more than eight
percent (8%) by weight, if the beer is manufactured to be sold
legally in another state and is transported outside of this state
for retail sale.

SECTION 6. Section 67-3-25, Mississippi Code of 1972, is
amended as follows:

67-3-25. (1) Any permit issued authorizing the sale or
delivery of light wines, light spirit products and/or beer for
consumption shall be construed to authorize the sale or delivery
of light wines, light spirit products and/or beer by the bottle,
by the glass or by draught, and in or from the original package.
(2) The commissioner is authorized to establish, in his discretion, dates for the expiration of permits issued under this chapter.

(3) Except as otherwise provided in this section, permits shall be issued for twelve (12) months and shall be renewed annually on the first day of the month in which the permit expires. The commissioner may issue temporary permits for less than a full year. All permits shall show the effective date and expiration date of the permit, the business location, individual or business name and mailing address of the permittee.

SECTION 7. Section 27-71-5, Mississippi Code of 1972, as amended by House Bill No. 1288, 2021 Regular Session, and Senate Bill No. 2606, 2021 Regular Session, is amended as follows:

27-71-5. (1) Upon each person approved for a permit under the provisions of the Alcoholic Beverage Control Law and amendments thereto, there is levied and imposed for each location for the privilege of engaging and continuing in this state in the business authorized by such permit, an annual privilege license tax in the amount provided in the following schedule:

(a) Except as otherwise provided in this subsection (1), manufacturer's permit, Class 1, distiller's and/or rectifier's.................................................................$4,500.00

(b) Manufacturer's permit, Class 2, wine manufacturer .........................................................$1,800.00
(c) Manufacturer's permit, Class 3, native wine

manufacturer per ten thousand (10,000) gallons or part thereof

produced.................................................................$  10.00

(d) Manufacturer's permit, Class 4, native spirit

manufacturer per one thousand (1,000) gallons or part thereof

produced.................................................................$  300.00

(* * *e) Native wine retailer's permit.......$ 50.00

(* * *f) Package retailer's permit, each.....$ 900.00

(* * *g) On-premises retailer's permit, except for

clubs and common carriers, each.................................$ 450.00

(* * *h) On-premises retailer's permit for wine of

more than five percent (5%) alcohol by weight, but not more than

twenty-one percent (21%) alcohol by weight, each............$ 225.00

(* * *i) On-premises retailer's permit for clubs$ 225.00

(* * *j) On-premises retailer's permit for common

 carriers, per car, plane, or other vehicle...............$ 120.00

(* * *k) Solicitor's permit, regardless of any other

 provision of law, solicitor's permits shall be issued only in the

discretion of the department.................................$ 100.00

(* * *l) Filing fee for each application except for an

 employee identification card...........................................$ 25.00

(* * *m) Temporary permit, Class 1, each.....$ 10.00

(* * *n) Temporary permit, Class 2, each.....$ 50.00

(* * *o) (i) Caterer's permit.........................$ 600.00
(ii) Caterer's permit for holders of on-premises retailer's permit.................................$ 150.00
( * * p) Research permit..............................$ 100.00
( * * q) Temporary permit, Class 3
(wine only).........................................................$ 10.00
( * * r) Special service permit...........................$ 225.00
( * * s) Merchant permit.................................$ 225.00
( * * t) Temporary alcoholic beverages charitable auction permit.............................................$ 10.00
( * * u) Event venue retailer's permit...........$ 225.00
( * * v) Temporary theatre permit, each.........$ 10.00
( * * w) Charter ship operator's permit...........$ 100.00
( * * x) Distillery retailer's permit..............$ 450.00
( * * y) Festival wine permit..........................$ 10.00
(z) Charter vessel operator's permit.............$ 100.00
(aa) Native spirit retailer's permit.............$ 50.00
(bb) Delivery service permit......................$ 500.00

If a person approved for a manufacturer's permit, Class 1, distiller's permit produces a product with at least fifty-one percent (51%) of the finished product by volume being obtained from alcoholic fermentation of grapes, fruits, berries, honey and/or vegetables grown and produced in Mississippi, and produces all of the product by using not more than one (1) still having a maximum capacity of one hundred fifty (150) liters, the annual privilege license tax for such a permit shall be Ten Dollars.
($10.00) per ten thousand (10,000) gallons or part thereof produced. Bulk, concentrated or fortified ingredients used for blending may be produced outside this state and used in producing such a product.

In addition to the filing fee imposed by paragraph (* * * *) of this subsection, a fee to be determined by the Department of Revenue may be charged to defray costs incurred to process applications. The additional fees shall be paid into the State Treasury to the credit of a special fund account, which is hereby created, and expenditures therefrom shall be made only to defray the costs incurred by the Department of Revenue in processing alcoholic beverage applications. Any unencumbered balance remaining in the special fund account on June 30 of any fiscal year shall lapse into the State General Fund.

All privilege taxes imposed by this section shall be paid in advance of doing business. The additional privilege tax imposed for an on-premises retailer's permit based upon purchases shall be due and payable on demand.

Paragraph (* * * y) of this subsection shall stand repealed from and after July 1, 2023.

(2) (a) There is imposed and shall be collected from each permittee, except a common carrier, solicitor * * * a temporary permittee or a delivery service permittee, by the department, an additional license tax equal to the amounts imposed under subsection (1) of this section for the privilege of doing business
within any municipality or county in which the licensee is located.

(b) (i) In addition to the tax imposed in paragraph (a) of this subsection, there is imposed and shall be collected by the department from each permittee described in subsection (1)(f), (g), (h), (m) and (t) of this section, an additional license tax for the privilege of doing business within any municipality or county in which the licensee is located in the amount of Two Hundred Twenty-five Dollars ($225.00) on purchases exceeding Five Thousand Dollars ($5,000.00) and Two Hundred Twenty-five Dollars ($225.00) for each additional purchase of Five Thousand Dollars ($5,000.00), or fraction thereof.

(ii) In addition to the tax imposed in paragraph (a) of this subsection, there is imposed and shall be collected by the department from each permittee described in subsection (1)(n) and (r) of this section, an additional license tax for the privilege of doing business within any municipality or county in which the licensee is located in the amount of Two Hundred Fifty Dollars ($250.00) on purchases exceeding Five Thousand Dollars ($5,000.00) and Two Hundred Twenty-five Dollars ($225.00) for each additional purchase of Five Thousand Dollars ($5,000.00), or fraction thereof.

(iii) Any person who has paid the additional privilege license tax imposed by this paragraph, and whose permit is renewed, may add any unused fraction of Five Thousand Dollars
($5,000.00) purchases to the first Five Thousand Dollars
($5,000.00) purchases authorized by the renewal permit, and no
additional license tax will be required until purchases exceed the
sum of the two (2) figures.

(c) If the licensee is located within a municipality,
the department shall pay the amount of additional license tax
collected under this section to the municipality, and if outside a
municipality the department shall pay the additional license tax
to the county in which the licensee is located. Payments by the
department to the respective local government subdivisions shall
be made once each month for any collections during the preceding
month.

(3) When an application for any permit, other than for
renewal of a permit, has been rejected by the department, such
decision shall be final. Appeal may be made in the manner
provided by Section 67-1-39. Another application from an
applicant who has been denied a permit shall not be reconsidered
within a twelve-month period.

(4) The number of permits issued by the department shall not
be restricted or limited on a population basis; however, the
foregoing limitation shall not be construed to preclude the right
of the department to refuse to issue a permit because of the
undesirability of the proposed location.

(5) If any person shall engage or continue in any business
which is taxable under this section without having paid the tax as
provided in this section, the person shall be liable for the full
amount of the tax plus a penalty thereon equal to the amount
thereof, and, in addition, shall be punished by a fine of not more
than One Thousand Dollars ($1,000.00), or by imprisonment in the
county jail for a term of not more than six (6) months, or by both
such fine and imprisonment, in the discretion of the court.

(6) It shall be unlawful for any person to consume alcoholic
beverages on the premises of any hotel restaurant, restaurant,
club or the interior of any public place defined in Chapter 1,
Title 67, Mississippi Code of 1972, when the owner or manager
thereof displays in several conspicuous places inside the
establishment and at the entrances of establishment a sign
containing the following language: NO ALCOHOLIC BEVERAGES
ALLOWED.

SECTION 8. If any section, paragraph, sentence, clause,
phrase or any part of this act is declared by a court of competent
jurisdiction to be invalid or of no effect, the remaining
sections, paragraphs, sentences, clauses, phrases or parts thereof
shall be in no manner affected thereby but shall remain in full
force and effect.

SECTION 9. Section 1 of this act shall be codified as a new
section in Chapter 1, Title 67, Mississippi Code of 1972.

SECTION 10. This act shall take effect and be in force from
and after July 1, 2021.
Further, amend by striking the title in its entirety and inserting in lieu thereof the following:

AN ACT TO CREATE A DELIVERY SERVICE PERMIT TO ALLOW THE HOLDER TO CONTRACT FOR THE DELIVERY OF ALCOHOLIC BEVERAGES, BEER, LIGHT WINE OR LIGHT SPIRIT PRODUCT FROM A LICENSED RETAILER TO A CONSUMER; TO ALLOW A LICENSED RETAILER TO DELIVER ALCOHOLIC BEVERAGES, BEER, LIGHT WINE OR LIGHT SPIRIT PRODUCT TO A CONSUMER IF THE RETAILER ALSO HOLDS A DELIVERY SERVICE PERMIT; TO SPECIFY CONDITIONS OF DELIVERY PURSUANT TO THE PERMIT; TO SET OUT APPLICATION REQUIREMENTS FOR THE PERMIT; TO SPECIFY THE ENFORCEMENT POWERS OF THE ALCOHOLIC BEVERAGE CONTROL DIVISION OF THE DEPARTMENT OF REVENUE; TO AMEND SECTION 67-1-51, MISSISSIPPI CODE OF 1972, TO INCLUDE THE DELIVERY SERVICE PERMIT AMONG THE ALCOHOL PERMITS ISSUED BY THE DEPARTMENT OF REVENUE; TO PROVIDE THAT THE HOLDER OF A PACKAGE RETAILER'S PERMIT OR AN ON-PREMISES RETAILER'S PERMIT UNDER SECTION 67-1-51 OR OF A BEER, LIGHT WINE AND LIGHT SPIRIT PRODUCT RETAILER'S PERMIT UNDER SECTION 67-3-19 IS AUTHORIZED TO APPLY FOR A DELIVERY SERVICE PERMIT AS A PRIVILEGE SEPARATE FROM ITS EXISTING RETAIL PERMIT; TO AMEND SECTIONS 67-1-37, 67-1-83, 67-3-5, 67-3-25 AND 27-71-5, MISSISSIPPI CODE OF 1972, IN CONFORMITY TO THE ABOVE; AND FOR RELATED PURPOSES.

CONFERENCE FOR THE HOUSE

X (SIGNED)
Lamar
X (SIGNED)
Zuber
X (SIGNED)
Powell

CONFERENCE FOR THE SENATE

X (SIGNED)
Harkins
X (SIGNED)
Carter
X (SIGNED)
Thompson