

REPORT OF CONFERENCE COMMITTEE

2

MR. PRESIDENT AND MR. SPEAKER:

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

S. B. No. 2844: Alcoholic Beverage Control Division; authorize construction of new warehouse and contracting for operations.

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

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

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

55 **SECTION 1. Definitions.** In addition to the definitions
56 provided in Section 67-1-5, which apply to this article, the
57 following terms as used in this article shall have the following
58 meanings unless otherwise required by the context:

59 (a) "Commissioner" means the Commissioner of Revenue.

60 (b) "Construction contractor" means an entity
61 contracting with the department to design and construct a
62 warehouse under this article.

63 (c) "Occasional improvements" means items of
64 maintenance, repairs, upgrades or other improvements for the
65 warehouse or its equipment that are not performed on a monthly
66 basis.



67 (d) "Regular maintenance" means monthly overhead
68 expenses, including, but not limited to, utilities, cleaning
69 services and lawn care.

70 (e) "Shipping costs" means the cost to the department
71 per case of alcoholic beverages delivered from the warehouse to
72 the permittee's premises.

73 (f) "State" means the State of Mississippi.

74 (g) "Warehouse" or "new warehouse" means a liquor
75 distribution warehouse constructed under this article.

76 (h) "Warehouse operator" or "operator" means an entity
77 contracting with the department to perform warehouse and
78 distribution operations.

79 (i) "Warehouse and distribution operations" or
80 "operations" means services provided to or on behalf of the state
81 for the management of the warehouse and the distribution of
82 alcoholic beverages. "Warehouse and distribution operations" or
83 "operations" may include shipping; however, nothing herein shall
84 preclude the department from entering into separate contracts for
85 operations and for shipping.

86 **SECTION 2. Warehouse construction.** (1) The Department of
87 Finance and Administration, using the monies available in the ABC
88 Warehouse Construction Fund created in Section 6(1) of this act
89 and such other monies as the Legislature may make available, shall
90 purchase land for and shall provide for the design and
91 construction of a warehouse for the division in the most expedient



92 and cost-effective manner practicable as determined by the
93 Executive Director of the Department of Finance and
94 Administration.

95 (2) The Department of Finance and Administration shall
96 select a suitable site for the warehouse within fifty (50) miles
97 of the new state capitol building. In selecting a site, the
98 Department of Finance and Administration shall consider the
99 feasibility of selecting state-owned land by comparing the cost of
100 preparing the state-owned land for construction to the cost of
101 acquiring other land and preparing such other land for
102 construction.

103 (3) The contract for design and construction shall provide
104 that the operator shall be consulted so that the warehouse may, so
105 far as possible, suit the preferences of the operator in
106 furtherance of effective operations. The contract shall also
107 provide that the design shall aim to fill demand for the next
108 twenty-five (25) years.

109 (4) A contract for warehouse construction shall not be
110 entered into unless the construction contractor has demonstrated:

111 (a) The qualifications, experience and management
112 personnel necessary to carry out the terms of the contract;

113 (b) The ability to comply with applicable federal and
114 state laws; and

115 (c) The ability to expedite the design and construction
116 of facilities comparable to the warehouse.



117 **SECTION 3. Warehouse and distribution operations.** (1) The
118 department shall contract for warehouse and distribution
119 operations. The shipping contract in effect on July 1, 2022,
120 shall remain in effect until the expiration of its term.

121 (2) The department shall pay regular maintenance expenses
122 and shall reimburse the operator for services performed under the
123 contract out of monies appropriated by the Legislature.

124 (3) The contract shall include the following terms:

125 (a) The department shall pay the operator cost-plus on
126 these operations at a set dollar amount per case of alcoholic
127 beverages sold. Otherwise, the contract shall not alter the
128 current cash flow of operations;

129 (b) The operator shall be allotted a monthly spending
130 limit for occasional improvements. The state may, at any time,
131 review the operator's spending. The operator shall obtain prior
132 state approval for any spending over the monthly limit set in the
133 contract. The contract shall allow the operator to pay out of
134 pocket, in which case the state will reimburse the operator on a
135 monthly basis out of monies in the ABC Warehouse Improvements Fund
136 created in Section 6(2) of this act;

137 (c) Shipping costs, where the contract encompasses
138 shipping, shall be based on a set dollar amount per case of
139 alcoholic beverages shipped from the warehouse to the permittee's
140 premises;



141 (d) The department and the operator may provide for the
142 operator's software to interface with the department's TAP system
143 in a manner allowing for information sharing in furtherance of
144 efficient operations while also protecting the security of the TAP
145 system;

146 (e) The department shall develop quality and efficiency
147 criteria for determining whether to renew a contract for warehouse
148 and distribution operations;

149 (f) The obligation of the department to proceed under
150 the contract is conditioned upon the appropriation of funds by the
151 Legislature and the receipt of state or federal funds. If the
152 funds anticipated for the continuing time fulfillment of the
153 agreement are, at any time, not forthcoming or insufficient,
154 either through the failure of the federal government to provide
155 funds or of the State of Mississippi to appropriate funds, or the
156 discontinuance or material alteration of the program under which
157 funds were provided, or if funds are not otherwise available to
158 the department, the department shall have the right, upon ten (10)
159 working days' written notice to the operator, to terminate this
160 agreement without damage, penalty, cost or other expenses to the
161 department of any kind whatsoever. The effective date of
162 termination shall be as specified in the notice of termination;

163 (g) The state and the operator as parties to the
164 contract and all terms of the contract shall be subject to and
165 governed by the laws of the state at the time the contract is



166 entered into, and any later amendments to such laws, through the
167 duration of the contract; and

168 (h) The operator shall be required to comply with any
169 duties, responsibilities, conditions or other provisions required
170 by state law during the duration of the contract, regardless of
171 whether such duties, responsibilities, conditions or other
172 provisions were required by state law at the time the contract was
173 entered into.

174 (4) The initial contract for operations shall terminate on
175 the earlier of: (a) four (4) years from the date it commences; or
176 (b) the last day of the use of the warehouse that is in service on
177 July 1, 2022. The contract may be renewed for four (4) years,
178 with another option to renew at the end of that four-year term.
179 The department shall issue requests for proposals before entering
180 any subsequent contract. Requests for proposals shall be required
181 whenever a contract is not renewed, but no less frequently than
182 every twelve (12) years.

183 (5) The contract shall provide that all employees needed for
184 operations shall be employees of the operator.

185 (6) A contract for warehouse and distribution operations
186 shall not be entered into unless the operator has demonstrated:

187 (a) The qualifications, experience and management
188 personnel necessary to carry out the terms of the contract; and

189 (b) The ability to comply with applicable federal and
190 state laws.



191 (7) A contract for operations shall not be entered into
192 unless the following requirements are met:

193 (a) In addition to fire and casualty insurance, the
194 operator provides at least Ten Million Dollars (\$10,000,000.00) of
195 liability insurance. The liability insurance shall be issued by
196 an insurance company with a rating of at least an A- according to
197 AM Best standards. In determining the adequacy of such insurance,
198 the Department of Finance and Administration shall determine
199 whether:

200 (i) The insurance is adequate to protect the state
201 from any and all actions by a third party against the operator or
202 the state as a result of the contract;

203 (ii) The insurance is adequate to protect the
204 state against any and all claims arising as a result of any
205 occurrence during the term of the contract;

206 (iii) The insurance is adequate to assure the
207 operator's ability to fulfill its contract with the state in all
208 respects, and to assure that the operator is not limited in this
209 ability because of financial liability which results from
210 judgments; and

211 (iv) The insurance is adequate to satisfy such
212 other requirements specified by the independent risk
213 management/actuarial firm.

214 (b) The sovereign immunity of the state shall not apply
215 to the operator. Neither the operator nor the operator's insurer



216 may plead the defense of sovereign immunity in any action arising
217 out of the performance of the contract.

218 (c) The operator shall post a performance bond to
219 assure the operator's faithful performance of the specifications
220 and conditions of the contract. The bond is required throughout
221 the term of the contract. The terms and conditions must be
222 approved by the department and the Department of Finance and
223 Administration, and such approval is a condition precedent to the
224 contract taking effect.

225 (d) The operator shall defend any suit or claim brought
226 against the state arising out of any act or omission in
227 operations, and shall hold the state harmless from such claim or
228 suit. The operator shall be solely responsible for the payment of
229 any legal or other costs relative to any such claim or suit. The
230 operator shall reimburse the state for any costs that it may incur
231 as a result of such claim or suit immediately upon being submitted
232 a statement therefor by the Attorney General.

233 Any suit brought or claim made arising out of any act or
234 omission in operations shall be made or brought against the
235 operator and not the state.

236 The Attorney General retains all rights and emoluments of his
237 or her office which include direction and control over any
238 litigation or claim involving the state.

239 **SECTION 4. Resumption of control by state upon contract**

240 **termination.** A plan shall be developed and certified by the



241 commissioner which demonstrates the method by which the state
242 would resume control of the warehouse upon termination of the
243 contract for operations. The plan shall be submitted for review
244 and comment to the Governor, the Lieutenant Governor, the Speaker
245 of the House, the Chairmen of the Senate Finance Committee and the
246 House Ways and Means Committee, and the Joint Legislative
247 Committee on Performance Evaluation and Expenditure Review.

248 **SECTION 5. Contract compliance officer.** (1) The
249 commissioner shall designate an employee of the department as a
250 contract compliance officer within the department who shall
251 monitor the contract between the state and the operator for
252 warehouse and distribution operations, and shall assure operator
253 compliance with its performance work statement.

254 (2) The contract compliance officer shall be responsible for
255 monitoring all aspects of the warehouse. The officer shall be
256 provided an on-site work area, shall be on site on a daily basis,
257 and shall have access to all areas of the warehouse and staff at
258 all times. The operator shall provide any and all data, reports
259 and other materials that the contract compliance officer
260 determines are necessary to carry out monitoring responsibilities
261 under this section.

262 (3) The contract compliance officer shall report at least
263 annually, or as requested, to the Governor and the Legislature.

264 **SECTION 6. Special funds.** (1) A special fund, to be
265 designated the "ABC Warehouse Construction Fund," is created



266 within the State Treasury. The fund shall be maintained by the
267 State Treasurer as a separate and special fund, separate and apart
268 from the General Fund of the state. Monies in this special fund
269 shall be used to assist the Department of Finance and
270 Administration in paying the costs associated with land
271 acquisition for, and the design, construction, furnishing and
272 equipping of, a new warehouse for its Alcoholic Beverage Control
273 Division. In addition, monies in this special fund shall be used
274 to pay the costs of relocating inventory to the new warehouse from
275 the warehouse that is in service on July 1, 2022. Unexpended
276 amounts remaining in the fund at the end of a fiscal year shall
277 not lapse into the State General Fund, and any interest earned or
278 investment earnings or interest earned on amounts in the fund
279 shall be deposited to the credit of the fund.

280 (2) A special fund, to be designated the "ABC Warehouse
281 Improvements Fund," is created within the State Treasury. The
282 fund shall be maintained by the State Treasurer as a separate and
283 special fund, separate and apart from the General Fund of the
284 state. Monies in this special fund shall be used to assist the
285 Department of Revenue in paying the costs associated with
286 occasional improvements. Unexpended amounts remaining in the fund
287 at the end of a fiscal year shall not lapse into the State General
288 Fund, and any interest earned or investment earnings or interest
289 earned on amounts in the fund shall be deposited to the credit of
290 the fund.



291 **SECTION 7. Revenue bonds.** (1) As used in this section, the
292 following words shall have the meanings ascribed herein unless the
293 context clearly requires otherwise:

294 (a) "Accreted value" of any bond means, as of any date
295 of computation, an amount equal to the sum of (i) the stated
296 initial value of such bond, plus (ii) the interest accrued thereon
297 from the issue date to the date of computation at the rate,
298 compounded semiannually, that is necessary to produce the
299 approximate yield to maturity shown for bonds of the same
300 maturity.

301 (b) "State" means the State of Mississippi.

302 (c) "Commission" means the State Bond Commission.

303 (2) (a) Monies deposited into the ABC Warehouse
304 Construction Fund created in Section 6(1) of this act shall be
305 disbursed, in the discretion of the Department of Finance and
306 Administration, to assist the Department of Revenue in paying the
307 costs associated with land acquisition for, and the design,
308 construction, furnishing and equipping of, a new warehouse for its
309 Alcoholic Beverage Control Division.

310 (b) Amounts deposited into the ABC Warehouse
311 Construction Fund created in Section 6(1) of this act shall be
312 disbursed to pay the costs of the projects described in paragraph
313 (a) of this subsection. Promptly after the commission has
314 certified, by resolution duly adopted, that the projects described
315 in paragraph (a) of this subsection have been completed,



316 abandoned, or cannot be completed in a timely fashion, any amounts
317 remaining in such special fund shall be applied to pay debt
318 service on the bonds issued under this section, in accordance with
319 the proceedings authorizing the issuance of such bonds and as
320 directed by the commission.

321 (3) For the purpose of providing for the payment of the
322 principal of and interest upon bonds issued under this section,
323 there is created a special bond sinking fund in the State
324 Treasury. The special bond sinking fund shall consist of such
325 amounts as may be paid into such fund under this act, by
326 appropriation or by other authorization by the Legislature.
327 Except as otherwise provided in this section, monies in the
328 special bond sinking fund shall be used to pay the debt service
329 requirements of the bonds issued under this section. If the
330 special bond sinking fund has a balance below the minimum amount
331 specified in the resolution providing for the issuance of the
332 bonds, or below one and one-half (1-1/2) times the amount needed
333 to pay the annual debt obligations related to the bonds issued
334 under this section, whichever is the lesser amount, the
335 Commissioner of Revenue shall transfer the deficit amount to the
336 bond sinking fund from revenue derived from the twenty-seven and
337 one-half percent (27-1/2%) markup provided for in Section
338 27-71-11. Unexpended amounts remaining in the special bond
339 sinking fund at the end of a fiscal year shall not lapse into the
340 State General Fund, and any interest earned or investment earnings



341 on amounts in the special bond sinking fund shall be deposited
342 into such sinking fund. If the special bond sinking fund has a
343 balance in excess of the amount needed to pay the debt service and
344 meet the obligations related to the bonds issued under this
345 section, as determined in the resolution providing for the
346 issuance of the bonds, the excess monies shall be transferred to
347 the State General Fund.

348 (4) (a) The commission, at one time, or from time to time,
349 may declare by resolution the necessity for issuance of revenue
350 bonds of the State of Mississippi to provide funds for all costs
351 incurred or to be incurred for the purposes described in
352 subsection (2) of this section. Upon the adoption of a resolution
353 by the Department of Finance and Administration, declaring the
354 necessity for the issuance of any part or all of the revenue bonds
355 authorized by this subsection, the Department of Finance and
356 Administration shall deliver a certified copy of its resolution or
357 resolutions to the commission. Upon receipt of such resolution,
358 the commission, in its discretion, may act as the issuing agent,
359 prescribe the form of the bonds, determine the appropriate method
360 for sale of the bonds, advertise for and accept bids or negotiate
361 the sale of the bonds, issue and sell the bonds so authorized to
362 be sold, and do any and all other things necessary and advisable
363 in connection with the issuance and sale of such bonds. The total
364 amount of bonds issued under this section shall not exceed
365 Fifty-five Million Dollars (\$55,000,000.00).



366 (b) Any investment earnings on amounts deposited into
367 the ABC Warehouse Construction Fund created in Section 6(1) of
368 this act shall be used to pay debt service on bonds issued under
369 this section, in accordance with the proceedings authorizing
370 issuance of such bonds.

371 (5) The principal of and interest on the bonds authorized
372 under this section shall be payable in the manner provided in this
373 subsection. Such bonds shall bear such date or dates, be in such
374 denomination or denominations, bear interest at such rate or rates
375 (not to exceed the limits set forth in Section 75-17-101,
376 Mississippi Code of 1972), be payable at such place or places
377 within or without the State of Mississippi, shall mature
378 absolutely at such time or times not to exceed twenty-five (25)
379 years from date of issue, be redeemable before maturity at such
380 time or times and upon such terms, with or without premium, shall
381 bear such registration privileges, and shall be substantially in
382 such form, all as shall be determined by resolution of the
383 commission.

384 (6) The bonds authorized by this section shall be signed by
385 the chairman of the commission, or by his facsimile signature, and
386 the official seal of the commission shall be affixed thereto,
387 attested by the secretary of the commission. The interest
388 coupons, if any, to be attached to such bonds may be executed by
389 the facsimile signatures of such officers. Whenever any such
390 bonds have been signed by the officials designated to sign the



391 bonds who were in office at the time of such signing, but who may
392 have ceased to be such officers before the sale and delivery of
393 such bonds, or who may not have been in office on the date such
394 bonds may bear, the signatures of such officers upon such bonds
395 and coupons shall nevertheless be valid and sufficient for all
396 purposes and have the same effect as if the person so officially
397 signing such bonds had remained in office until their delivery to
398 the purchaser, or had been in office on the date such bonds may
399 bear. However, notwithstanding anything herein to the contrary,
400 such bonds may be issued as provided in the Registered Bond Act of
401 the State of Mississippi.

402 (7) All bonds and interest coupons issued under the
403 provisions of this section have all the qualities and incidents of
404 negotiable instruments under the provisions of the Uniform
405 Commercial Code, and in exercising the powers granted by this
406 section, the commission shall not be required to and need not
407 comply with the provisions of the Uniform Commercial Code.

408 (8) The commission shall act as issuing agent for the bonds
409 authorized under this section, prescribe the form of the bonds,
410 determine the appropriate method for sale of the bonds, advertise
411 for and accept bids or negotiate the sale of the bonds, issue and
412 sell the bonds so authorized to be sold, pay all fees and costs
413 incurred in such issuance and sale, and do any and all other
414 things necessary and advisable in connection with the issuance and
415 sale of such bonds. The commission is authorized and empowered to



416 pay the costs that are incident to the sale, issuance and delivery
417 of the bonds authorized under this section from the proceeds
418 derived from the sale of such bonds. The commission may sell such
419 bonds on sealed bids at public sale or may negotiate the sale of
420 the bonds for such price as it may determine to be for the best
421 interest of the State of Mississippi. All interest accruing on
422 such bonds so issued shall be payable semiannually or annually.

423 If such bonds are sold by sealed bids at public sale, notice
424 of the sale shall be published at least one time, not less than
425 ten (10) days before the date of sale, and shall be so published
426 in one or more newspapers published or having a general
427 circulation in the City of Jackson, Mississippi, selected by the
428 commission.

429 The commission, when issuing any bonds under the authority of
430 this section, may provide that bonds, at the option of the State
431 of Mississippi, may be called in for payment and redemption at the
432 call price named therein and accrued interest on such date or
433 dates named therein.

434 (9) The bonds issued under the provisions of this section
435 shall be revenue bonds of the state, the principal of and interest
436 on which shall be payable solely from and shall be secured by the
437 special bond sinking fund created in subsection (3) of this
438 section. The bonds shall never constitute an indebtedness of the
439 state within the meaning of any state constitutional provision or
440 statutory limitation, and shall never constitute or give rise to a



441 pecuniary liability of the state, or a charge against its general
442 credit or taxing powers, and such fact shall be plainly stated on
443 the face of each such bond. The bonds shall not be considered
444 when computing any limitation of indebtedness of the state. All
445 bonds issued under the authority of this section and all interest
446 coupons applicable thereto shall be construed to be negotiable
447 instruments, despite the fact that they are payable solely from a
448 specified source.

449 (10) Upon the issuance and sale of bonds under the
450 provisions of this section, the commission shall transfer the
451 proceeds of any such sale or sales to the ABC Warehouse
452 Construction Fund created in Section 6(1) of this act. The
453 proceeds of such bonds shall be disbursed solely upon the order of
454 the Department of Finance and Administration under such
455 restrictions, if any, as may be contained in the resolution
456 providing for the issuance of the bonds.

457 (11) The bonds authorized under this section may be issued
458 without any other proceedings or the happening of any other
459 conditions or things other than those proceedings, conditions and
460 things which are specified or required by this section. Any
461 resolution providing for the issuance of bonds under the
462 provisions of this section shall become effective immediately upon
463 its adoption by the commission, and any such resolution may be
464 adopted at any regular or special meeting of the commission by a
465 majority of its members.



466 (12) The bonds authorized under the authority of this
467 section may be validated in the Chancery Court of the First
468 Judicial District of Hinds County, Mississippi, in the manner and
469 with the force and effect provided by Title 31, Chapter 13,
470 Mississippi Code of 1972, for the validation of county, municipal,
471 school district and other bonds. The notice to taxpayers required
472 by such statutes shall be published in a newspaper published or
473 having a general circulation in the City of Jackson, Mississippi.

474 (13) Any holder of bonds issued under the provisions of this
475 section or of any of the interest coupons pertaining thereto may,
476 either at law or in equity, by suit, action, mandamus or other
477 proceeding, protect and enforce any and all rights granted under
478 this section, or under such resolution, and may enforce and compel
479 performance of all duties required by this section to be
480 performed, in order to provide for the payment of bonds and
481 interest thereon.

482 (14) All bonds issued under the provisions of this section
483 shall be legal investments for trustees and other fiduciaries, and
484 for savings banks, trust companies and insurance companies
485 organized under the laws of the State of Mississippi, and such
486 bonds shall be legal securities which may be deposited with and
487 shall be received by all public officers and bodies of this state
488 and all municipalities and political subdivisions for the purpose
489 of securing the deposit of public funds.



490 (15) Bonds issued under the provisions of this section and
491 income therefrom shall be exempt from all taxation in the State of
492 Mississippi.

493 (16) The proceeds of the bonds issued under this section
494 shall be used solely for the purposes herein provided, including
495 the costs incident to the issuance and sale of such bonds.

496 (17) The State Treasurer is authorized, without further
497 process of law, to certify to the Department of Finance and
498 Administration the necessity for warrants. The Department of
499 Finance and Administration is authorized and directed to issue
500 such warrants, in such amounts as may be necessary to pay when due
501 the principal of, premium, if any, and interest on, or the
502 accreted value of, all bonds issued under this section. The State
503 Treasurer shall forward the necessary amount to the designated
504 place or places of payment of such bonds in ample time to
505 discharge such bonds, or the interest thereon, on the due dates
506 thereof.

507 (18) This section shall be deemed to be full and complete
508 authority for the exercise of the powers herein granted, but this
509 section shall not be deemed to repeal or to be in derogation of
510 any existing law of this state.

511 **SECTION 8.** Section 27-71-11, Mississippi Code of 1972, is
512 amended as follows:

513 27-71-11. (1) The * * * department shall from time to time
514 by resolution request the State Bond Commission to provide



515 sufficient funds required to maintain an adequate alcoholic
516 beverage inventory. Said funds shall be provided under the
517 provisions of Chapter 557, Laws of 1966.

518 (2) The * * * department shall add to the cost of all
519 alcoholic beverages a markup of twenty-seven and one-half percent
520 (27-1/2%), inclusive of the three percent (3%) markup imposed by
521 Section 27-71-7(2).

522 (3) In addition to other excise taxes and markups imposed in
523 this section and in Section 27-71-7, the department shall add to
524 the cost of all alcoholic beverages shipped a charge of
525 Twenty-five Cents (25¢) per case, to be deposited into the ABC
526 Warehouse Improvements Fund created in Section 6(2) of this act.
527 However, any unobligated amounts above Ten Million Dollars
528 (\$10,000,000.00) remaining in the ABC Warehouse Improvements Fund
529 at the end of a fiscal year shall be transferred to the State
530 General Fund.

531 (4) Notwithstanding the contract for warehouse and
532 distribution operations under Section 3 of this act, the
533 department shall remain responsible for purchasing and selling
534 alcoholic beverages. The * * * department shall sell alcoholic
535 beverages at uniform prices throughout the state. Pricing for all
536 alcoholic beverages shall be set by the addition of the markup and
537 taxes to the price at which the beverages were purchased by the
538 department.



539 (5) A permittee's order shall qualify for shipping when it
540 includes the minimum number of cases of alcoholic beverages as set
541 by the department. The department shall place qualifying orders
542 in a queue for shipment in the order in which the orders are made.
543 An order of fewer than the minimum number of cases, and special
544 orders, shall be added to the permittee's next qualified shipment.
545 The department shall give sufficient notice of any change in the
546 minimum number of cases for shipping and shall allow the
547 opportunity for comment.

548 (6) The department shall set a per-case shipping fee to be
549 charged to permittees. The department shall adjust the fee to
550 match, as closely as possible, the shipping costs as defined in
551 Section 1 of this act. The shipping fee charged under this
552 subsection shall be deposited to the credit of the ABC Shipping
553 Fund created in Section 27-71-29.

554 (7) The department shall charge manufacturers a bailment fee
555 of One Dollar (\$1.00) per case of alcoholic beverages stored in
556 the warehouse, to be deposited to the credit of the bond sinking
557 fund created in Section 7(3) of this act.

558 **SECTION 9.** Section 27-71-29, Mississippi Code of 1972, is
559 amended as follows:

560 27-71-29. (1) All taxes levied by this article shall be
561 paid to the Department of Revenue in cash or by personal check,
562 cashier's check, bank exchange, post office money order or express
563 money order and shall be deposited by the department in the State



564 Treasury on the same day collected, but no remittances other than
565 cash shall be a final discharge of liability for the tax herein
566 imposed and levied unless and until it has been paid in cash to
567 the department.

568 All taxes levied under Section 27-71-7(1) and received by the
569 department under this article shall be paid into the General Fund,
570 and the three percent (3%) levied under Section 27-71-7(2) and
571 received by the department under this article shall be paid into
572 the special fund in the State Treasury designated as the
573 "Alcoholism Treatment and Rehabilitation Fund" as required by law.
574 Any funds derived from the sale of alcoholic beverages in excess
575 of inventory requirements shall be paid not less often than
576 annually into the General Fund, except for a portion of the
577 twenty-seven and one-half percent (27-1/2%) markup provided for in
578 Section 27-71-11, as specified in subsection (2) of this section,
579 and except for fees charged by the department for the defraying of
580 costs associated with shipping alcoholic beverages. The revenue
581 derived from these fees shall be deposited by the department into
582 a special fund, hereby created in the State Treasury, which is
583 designated the "ABC Shipping Fund." The monies in this special
584 fund shall be earmarked for use by the department for any
585 expenditure made to ship alcoholic beverages. Any net proceeds
586 remaining in the special fund on August 1 of any fiscal year shall
587 lapse into the General Fund. "Net proceeds" in this section means



588 the total of all fees collected by the department to defray the
589 costs of shipping less the actual costs of shipping.

590 (2) If the special bond sinking fund created in Section 7(3)
591 of this act has a balance below the minimum amount specified in
592 the resolution providing for the issuance of the bonds, or below
593 one and one-half (1-1/2) times the amount needed to pay the annual
594 debt obligations related to the bonds issued under Section 7 of
595 this act, whichever is the lesser amount, the Commissioner of
596 Revenue shall transfer the deficit amount to the bond sinking fund
597 from revenue derived from the twenty-seven and one-half percent
598 (27-1/2%) markup provided for in Section 27-71-11.

599 **SECTION 10.** Section 27-65-5, Mississippi Code of 1972, is
600 amended as follows:

601 27-65-5. "Wholesaler," "jobber" or "distributor" means a
602 person doing a regularly organized wholesale or jobbing business,
603 known to the trade as such, and selling to licensed retail dealers
604 or other wholesalers for resale in the regular course of business.
605 This classification has no bearing on rates of tax due under this
606 chapter, each sale or part of sales being taxable or exempt
607 depending upon the class in which it falls.

608 "Wholesale sales" shall apply to:

609 (1) A sale of tangible personal property taxable
610 under * * * Section 27-65-17 * * * for resale in the regular line
611 of business, when made in good faith to a retailer regularly



612 selling or renting that property and when the dealer is licensed
613 under Section 27-65-27 of this chapter if located in this state.

614 A sale of a service taxable under Section 27-65-23 for resale
615 in the regular line of business, when made to a regular dealer in
616 that service and when the dealer is licensed under Section
617 27-65-27 of this chapter if located in this state, or a charge for
618 custom processing rendered upon merchandise for resale or rental
619 by a dealer licensed under Section 27-65-27.

620 A sale of telecommunications services taxable under Section
621 27-65-19 for resale in the regular course of business, when made
622 to a regular telecommunications provider of the service and the
623 provider is the holder of a permit issued under Section 27-65-27
624 and is located in this state or is providing telecommunications
625 services in this state.

626 A sale of specified digital product taxable under Section
627 27-65-26 for resale in the regular course of business, when made
628 to a regular dealer of specified digital products and the dealer
629 is the holder of a permit issued under Section 27-65-27 and is
630 located in this state.

631 "Wholesale sale" shall not include a transaction whereby
632 property is delivered to, and collection for the transaction is
633 made from, a person that will consume the property rather than
634 resell it even though the billing is to a retailer.

635 However, when a taxpayer sells merchandise and has paid a
636 rate equal to the retail rate of tax on the purchase price to a



637 wholesaler, the taxpayer may take credit for the tax paid to the
638 wholesaler from the tax due on the sale of the merchandise
639 specifically included in his return to the commissioner.

640 (2) A sale of tangible personal property (except sand
641 or gravel when sold by the producer thereof) or service which is
642 to become a component part of a structure or improvement erected,
643 constructed, repaired, or made only when the sale is made to a
644 contractor taxable under Section 27-65-21 of this chapter on the
645 contract in which the component materials are to be used; and only
646 when the contractor holds a material purchase certificate as
647 required by Section 27-65-21 of this chapter.

648 (3) A sale of boxes, crates, cartons, cans, bottles and
649 other packaging materials to a retailer or retail custom processor
650 for use as a container to accompany goods or services sold by the
651 retailer or custom processor where possession thereof will pass to
652 the customer at the time of sale of the goods or services
653 contained therein.

654 (4) The value of soft drinks and syrup withdrawn from
655 the business by a manufacturer for sale at retail and food or
656 drink withdrawn by a manufacturer or wholesaler to be sold through
657 full service vending machines for human consumption.

658 The quantity of property or services sold or the price at
659 which sold is immaterial in determining whether or not a sale is
660 at wholesale. Sales may be classed as wholesale, or exempt, only
661 if evidenced by proper and adequate records and invoices to



662 substantiate the wholesale rate or exemption from the tax on each
663 individual sale.

664 The substantiation of the wholesale sales must be by an
665 invoice clearly indicating the date, the name and address of the
666 vendor and vendee, the items sold and the price thereof. Such
667 proof of wholesale sales shall be filed in chronological order and
668 thus preserved for a period of three (3) years from the date of
669 sale. These records shall be subject to inspection by the
670 commissioner and his agents, at their discretion, for the
671 verification of returns filed by either the wholesaler or his
672 customers.

673 The substantiation of an exempt sale must be by an invoice
674 containing the same information as required for the wholesale
675 sales. This requirement shall apply equally to a retailer making
676 wholesale or exempt sales.

677 Any failure to comply with all the above requirements shall
678 subject the violator to the retail rate of tax on all such
679 violations.

680 **SECTION 11.** Section 27-65-25, Mississippi Code of 1972, is
681 amended as follows:

682 27-65-25. Upon every person engaging or continuing within
683 this state in the business of selling alcoholic beverages at
684 retail, the sales of which are legal under the provisions of
685 Chapter 1 of Title 67, Mississippi Code of 1972, there is hereby
686 levied, assessed and shall be collected a tax equal to seven



687 percent (7%) of the gross proceeds of the retail sales of the
688 business. * * *

689 **SECTION 12.** Section 67-1-5, Mississippi Code of 1972, is
690 amended as follows:

691 67-1-5. For the purposes of this chapter and unless
692 otherwise required by the context:

693 (a) "Alcoholic beverage" means any alcoholic liquid,
694 including wines of more than five percent (5%) of alcohol by
695 weight, capable of being consumed as a beverage by a human being,
696 but shall not include light wine, light spirit product and beer,
697 as defined in Section 67-3-3, Mississippi Code of 1972, but shall
698 include native wines and native spirits. The words "alcoholic
699 beverage" shall not include ethyl alcohol manufactured or
700 distilled solely for fuel purposes or beer of an alcoholic content
701 of more than eight percent (8%) by weight if the beer is legally
702 manufactured in this state for sale in another state.

703 (b) "Alcohol" means the product of distillation of any
704 fermented liquid, whatever the origin thereof, and includes
705 synthetic ethyl alcohol, but does not include denatured alcohol or
706 wood alcohol.

707 (c) "Distilled spirits" means any beverage containing
708 more than six percent (6%) of alcohol by weight produced by
709 distillation of fermented grain, starch, molasses or sugar,
710 including dilutions and mixtures of these beverages.



711 (d) "Wine" or "vinous liquor" means any product
712 obtained from the alcoholic fermentation of the juice of sound,
713 ripe grapes, fruits, honey or berries and made in accordance with
714 the revenue laws of the United States.

715 (e) "Person" means and includes any individual,
716 partnership, corporation, association or other legal entity
717 whatsoever.

718 (f) "Manufacturer" means any person engaged in
719 manufacturing, distilling, rectifying, blending or bottling any
720 alcoholic beverage.

721 (g) "Wholesaler" means any person, other than a
722 manufacturer, engaged in distributing or selling any alcoholic
723 beverage at wholesale for delivery within or without this state
724 when such sale is for the purpose of resale by the purchaser.

725 (h) "Retailer" means any person who sells, distributes,
726 or offers for sale or distribution, any alcoholic beverage for use
727 or consumption by the purchaser and not for resale.

728 (i) "State Tax Commission," "commission" or
729 "department" means the Department of Revenue of the State of
730 Mississippi, which shall create a division in its organization to
731 be known as the Alcoholic Beverage Control Division. Any
732 reference to the commission or the department hereafter means the
733 powers and duties of the Department of Revenue with reference to
734 supervision of the Alcoholic Beverage Control Division.



735 (j) "Division" means the Alcoholic Beverage Control
736 Division of the Department of Revenue.

737 (k) "Municipality" means any incorporated city or town
738 of this state.

739 (l) "Hotel" means an establishment within a
740 municipality, or within a qualified resort area approved as such
741 by the department, where, in consideration of payment, food and
742 lodging are habitually furnished to travelers and wherein are
743 located at least twenty (20) adequately furnished and completely
744 separate sleeping rooms with adequate facilities that persons
745 usually apply for and receive as overnight accommodations. Hotels
746 in towns or cities of more than twenty-five thousand (25,000)
747 population are similarly defined except that they must have fifty
748 (50) or more sleeping rooms. Any such establishment described in
749 this paragraph with less than fifty (50) beds shall operate one or
750 more regular dining rooms designed to be constantly frequented by
751 customers each day. When used in this chapter, the word "hotel"
752 shall also be construed to include any establishment that meets
753 the definition of "bed and breakfast inn" as provided in this
754 section.

755 (m) "Restaurant" means:

756 (i) A place which is regularly and in a bona fide
757 manner used and kept open for the serving of meals to guests for
758 compensation, which has suitable seating facilities for guests,
759 and which has suitable kitchen facilities connected therewith for



760 cooking an assortment of foods and meals commonly ordered at
761 various hours of the day; the service of such food as sandwiches
762 and salads only shall not be deemed in compliance with this
763 requirement. Except as otherwise provided in this paragraph, no
764 place shall qualify as a restaurant under this chapter unless
765 twenty-five percent (25%) or more of the revenue derived from such
766 place shall be from the preparation, cooking and serving of meals
767 and not from the sale of beverages, or unless the value of food
768 given to and consumed by customers is equal to twenty-five percent
769 (25%) or more of total revenue; or

770 (ii) Any privately owned business located in a
771 building in a historic district where the district is listed in
772 the National Register of Historic Places, where the building has a
773 total occupancy rating of not less than one thousand (1,000) and
774 where the business regularly utilizes ten thousand (10,000) square
775 feet or more in the building for live entertainment, including not
776 only the stage, lobby or area where the audience sits and/or
777 stands, but also any other portion of the building necessary for
778 the operation of the business, including any kitchen area, bar
779 area, storage area and office space, but excluding any area for
780 parking. In addition to the other requirements of this
781 subparagraph, the business must also serve food to guests for
782 compensation within the building and derive the majority of its
783 revenue from event-related fees, including, but not limited to,
784 admission fees or ticket sales to live entertainment in the



785 building, and from the rental of all or part of the facilities of
786 the business in the building to another party for a specific event
787 or function.

788 (n) "Club" means an association or a corporation:

789 (i) Organized or created under the laws of this
790 state for a period of five (5) years prior to July 1, 1966;

791 (ii) Organized not primarily for pecuniary profit
792 but for the promotion of some common object other than the sale or
793 consumption of alcoholic beverages;

794 (iii) Maintained by its members through the
795 payment of annual dues;

796 (iv) Owning, hiring or leasing a building or space
797 in a building of such extent and character as may be suitable and
798 adequate for the reasonable and comfortable use and accommodation
799 of its members and their guests;

800 (v) The affairs and management of which are
801 conducted by a board of directors, board of governors, executive
802 committee, or similar governing body chosen by the members at a
803 regular meeting held at some periodic interval; and

804 (vi) No member, officer, agent or employee of
805 which is paid, or directly or indirectly receives, in the form of
806 a salary or other compensation any profit from the distribution or
807 sale of alcoholic beverages to the club or to members or guests of
808 the club beyond such salary or compensation as may be fixed and



809 voted at a proper meeting by the board of directors or other
810 governing body out of the general revenues of the club.

811 The department may, in its discretion, waive the five-year
812 provision of this paragraph. In order to qualify under this
813 paragraph, a club must file with the department, at the time of
814 its application for a license under this chapter, two (2) copies
815 of a list of the names and residences of its members and similarly
816 file, within ten (10) days after the election of any additional
817 member, his name and address. Each club applying for a license
818 shall also file with the department at the time of the application
819 a copy of its articles of association, charter of incorporation,
820 bylaws or other instruments governing the business and affairs
821 thereof.

822 (o) "Qualified resort area" means any area or locality
823 outside of the limits of incorporated municipalities in this state
824 commonly known and accepted as a place which regularly and
825 customarily attracts tourists, vacationists and other transients
826 because of its historical, scenic or recreational facilities or
827 attractions, or because of other attributes which regularly and
828 customarily appeal to and attract tourists, vacationists and other
829 transients in substantial numbers; however, no area or locality
830 shall so qualify as a resort area until it has been duly and
831 properly approved as such by the department. The department may
832 not approve an area as a qualified resort area after July 1, 2018,
833 if any portion of such proposed area is located within two (2)



834 miles of a convent or monastery that is located in a county
835 traversed by Interstate 55 and U.S. Highway 98. A convent or
836 monastery may waive such distance restrictions in favor of
837 allowing approval by the department of an area as a qualified
838 resort area. Such waiver shall be in written form from the owner,
839 the governing body, or the appropriate officer of the convent or
840 monastery having the authority to execute such a waiver, and the
841 waiver shall be filed with and verified by the department before
842 becoming effective.

843 (i) The department may approve an area or locality
844 outside of the limits of an incorporated municipality that is in
845 the process of being developed as a qualified resort area if such
846 area or locality, when developed, can reasonably be expected to
847 meet the requisites of the definition of the term "qualified
848 resort area." In such a case, the status of qualified resort area
849 shall not take effect until completion of the development.

850 (ii) The term includes any state park which is
851 declared a resort area by the department; however, such
852 declaration may only be initiated in a written request for resort
853 area status made to the department by the Executive Director of
854 the Department of Wildlife, Fisheries and Parks, and no permit for
855 the sale of any alcoholic beverage, as defined in this chapter,
856 except an on-premises retailer's permit, shall be issued for a
857 hotel, restaurant or bed and breakfast inn in such park.

858 (iii) The term includes:



859 1. The clubhouses associated with the state
860 park golf courses at the Lefleur's Bluff State Park, the John Kyle
861 State Park, the Percy Quin State Park and the Hugh White State
862 Park;

863 2. The clubhouse and associated golf course,
864 tennis courts and related facilities and swimming pool and related
865 facilities where the golf course, tennis courts and related
866 facilities and swimming pool and related facilities are adjacent
867 to one or more planned residential developments and the golf
868 course and all such developments collectively include at least
869 seven hundred fifty (750) acres and at least four hundred (400)
870 residential units;

871 3. Any facility located on property that is a
872 game reserve with restricted access that consists of at least
873 three thousand (3,000) contiguous acres with no public roads and
874 that offers as a service hunts for a fee to overnight guests of
875 the facility;

876 4. Any facility located on federal property
877 surrounding a lake and designated as a recreational area by the
878 United States Army Corps of Engineers that consists of at least
879 one thousand five hundred (1,500) acres;

880 5. Any facility that is located in a
881 municipality that is bordered by the Pearl River, traversed by
882 Mississippi Highway 25, adjacent to the boundaries of the Jackson
883 International Airport and is located in a county which has voted



884 against coming out from under the dry law; however, any such
885 facility may only be located in areas designated by the governing
886 authorities of such municipality;

887 6. Any municipality with a population in
888 excess of ten thousand (10,000) according to the latest federal
889 decennial census that is located in a county that is bordered by
890 the Pearl River and is not traversed by Interstate Highway 20,
891 with a population in excess of forty-five thousand (45,000)
892 according to the latest federal decennial census; however, the
893 governing authorities of such a municipality may by ordinance:

894 a. Specify the hours of operation of
895 facilities that offer alcoholic beverages for sale;

896 b. Specify the percentage of revenue
897 that facilities that offer alcoholic beverages for sale must
898 derive from the preparation, cooking and serving of meals and not
899 from the sale of beverages;

900 c. Designate the areas in which
901 facilities that offer alcoholic beverages for sale may be located;

902 7. The West Pearl Restaurant Tax District as
903 defined in Chapter 912, Local and Private Laws of 2007;

904 8. a. Land that is located in any county in
905 which Mississippi Highway 43 and Mississippi Highway 25 intersect
906 and:

907 A. Owned by the Pearl River Valley
908 Water Supply District, and/or



909 B. Located within the Reservoir
910 Community District, zoned commercial, east of Old Fannin Road,
911 north of Regatta Drive, south of Spillway Road, west of Hugh Ward
912 Boulevard and accessible by Old Fannin Road, Spillway Road, Spann
913 Drive and/or Lake Vista Place, and/or

914 C. Located within the Reservoir
915 Community District, zoned commercial, west of Old Fannin Road,
916 south of Spillway Road and extending to the boundary of the
917 corporate limits of the City of Flowood, Mississippi;

918 b. The board of supervisors of such
919 county, with respect to B and C of item 8.a., may by resolution or
920 other order:

921 A. Specify the hours of operation
922 of facilities that offer alcoholic beverages for sale,

923 B. Specify the percentage of
924 revenue that facilities that offer alcoholic beverages for sale
925 must derive from the preparation, cooking and serving of meals and
926 not from the sale of beverages, and

927 C. Designate the areas in which
928 facilities that offer alcoholic beverages for sale may be located;

929 9. Any facility located on property that is a
930 game reserve with restricted access that consists of at least
931 eight hundred (800) contiguous acres with no public roads, that
932 offers as a service hunts for a fee to overnight guests of the



933 facility, and has accommodations for at least fifty (50) overnight
934 guests;

935 10. Any facility that:

936 a. Consists of at least six thousand
937 (6,000) square feet being heated and cooled along with an
938 additional adjacent area that consists of at least two thousand
939 two hundred (2,200) square feet regardless of whether heated and
940 cooled,

941 b. For a fee is used to host events such
942 as weddings, reunions and conventions,

943 c. Provides lodging accommodations
944 regardless of whether part of the facility and/or located adjacent
945 to or in close proximity to the facility, and

946 d. Is located on property that consists
947 of at least thirty (30) contiguous acres;

948 11. Any facility and related property:

949 a. Located on property that consists of
950 at least one hundred twenty-five (125) contiguous acres and
951 consisting of an eighteen (18) hole golf course, and/or located in
952 a facility that consists of at least eight thousand (8,000) square
953 feet being heated and cooled,

954 b. Used for the purpose of providing
955 meals and hosting events, and



956 c. Used for the purpose of teaching
957 culinary arts courses and/or turf management and grounds keeping
958 courses, and/or outdoor recreation and leadership courses;

959 12. Any facility and related property that:

960 a. Consist of at least eight thousand
961 (8,000) square feet being heated and cooled,

962 b. For a fee is used to host events,

963 c. Is used for the purpose of culinary
964 arts courses, and/or live entertainment courses and art
965 performances, and/or outdoor recreation and leadership courses;

966 13. The clubhouse and associated golf course
967 where the golf course is adjacent to one or more residential
968 developments and the golf course and all such developments
969 collectively include at least two hundred (200) acres and at least
970 one hundred fifty (150) residential units and are located a. in a
971 county that has voted against coming out from under the dry law;
972 and b. outside of but in close proximity to a municipality in such
973 county which has voted under Section 67-1-14, after January 1,
974 2013, to come out from under the dry law;

975 14. The clubhouse and associated eighteen
976 (18) hole golf course located in a municipality traversed by
977 Interstate Highway 55 and U.S. Highway 51 that has voted to come
978 out from under the dry law;

979 15. a. Land that is planned for mixed use
980 development and consists of at least two hundred (200) contiguous



981 acres with one or more planned residential developments
982 collectively planned to include at least two hundred (200)
983 residential units when completed, and also including a facility
984 that consists of at least four thousand (4,000) square feet that
985 is not part of such land but is located adjacent to or in close
986 proximity thereto, and which land is located:

987 A. In a county that has voted to
988 come out from under the dry law,

989 B. Outside the corporate limits of
990 any municipality in such county and adjacent to or in close
991 proximity to a golf course located in a municipality in such
992 county, and

993 C. Within one (1) mile of a state
994 institution of higher learning;

995 b. The board of supervisors of such
996 county may by resolution or other order:

997 A. Specify the hours of operation
998 of facilities that offer alcoholic beverages for sale,

999 B. Specify the percentage of
1000 revenue that facilities that offer alcoholic beverages for sale
1001 must derive from the preparation, cooking and serving of meals and
1002 not from the sale of beverages, and

1003 C. Designate the areas in which
1004 facilities that offer alcoholic beverages for sale may be located;



1005 16. Any facility with a capacity of five
1006 hundred (500) people or more, to be used as a venue for private
1007 events, on a tract of land in the Southwest Quarter of Section 33,
1008 Township 2 South, Range 7 East, of a county where U.S. Highway 45
1009 and U.S. Highway 72 intersect and that has not voted to come out
1010 from under the dry law;

1011 17. One hundred five (105) contiguous acres,
1012 more or less, located in Hinds County, Mississippi, and in the
1013 City of Jackson, Mississippi, whereon are constructed a variety of
1014 buildings, improvements, grounds or objects for the purpose of
1015 holding events thereon to promote agricultural and industrial
1016 development in Mississippi;

1017 18. Land that is owned by a state institution
1018 of higher learning and:

1019 a. Located entirely within a county that
1020 has elected by majority vote not to permit the transportation,
1021 storage, sale, distribution, receipt and/or manufacture of light
1022 wine and beer pursuant to Section 67-3-7, and

1023 b. Adjacent to but outside the
1024 incorporated limits of a municipality that has elected by majority
1025 vote to permit the sale, receipt, storage and transportation of
1026 light wine and beer pursuant to Section 67-3-9.

1027 If any portion of the land described in this item 18 has been
1028 declared a qualified resort area by the department before July 1,



1029 2020, then that qualified resort area shall be incorporated into
1030 the qualified resort area created by this item 18;

1031 19. Any facility and related property:

1032 a. Used as a flea market or similar
1033 venue during a weekend (Saturday and Sunday) immediately preceding
1034 the first Monday of a month and having an annual average of at
1035 least one thousand (1,000) visitors for each such weekend and five
1036 hundred (500) vendors for Saturday of each such weekend, and

1037 b. Located in a county that has not
1038 voted to come out from under the dry law and outside of but in
1039 close proximity to a municipality located in such county and which
1040 municipality has voted to come out from under the dry law;

1041 20. Blocks 1, 2 and 3 of the original town
1042 square in any municipality with a population in excess of one
1043 thousand five hundred (1,500) according to the latest federal
1044 decennial census and which is located in:

1045 a. A county traversed by Interstate 55
1046 and Interstate 20, and

1047 b. A judicial district that has not
1048 voted to come out from under the dry law;

1049 21. Any municipality with a population in
1050 excess of two thousand (2,000) according to the latest federal
1051 decennial census and in which is located a part of White's Creek
1052 Lake and in which U.S. Highway 82 intersects with Mississippi
1053 Highway 9 and located in a county that is partially bordered on



1054 one (1) side by the Big Black River; however, the governing
1055 authorities of such a municipality may by ordinance:

1056 a. Specify the hours of operation of
1057 facilities that offer alcoholic beverages for sale;

1058 b. Specify the percentage of revenue
1059 that facilities that offer alcoholic beverages for sale must
1060 derive from the preparation, cooking and serving of meals and not
1061 from the sale of beverages; and

1062 c. Designate the areas in which
1063 facilities that offer alcoholic beverages for sale may be located;

1064 22. A restaurant located on a two-acre tract
1065 adjacent to a five-hundred-fifty-acre lake in the northeast corner
1066 of a county traversed by U.S. Interstate 55 and U.S. Highway 84;

1067 23. Any tracts of land in Oktibbeha County,
1068 situated north of Bailey Howell Drive, Lee Boulevard and Old
1069 Mayhew Road, east of George Perry Street and south of Mississippi
1070 Highway 182, and not located on the property of a state
1071 institution of higher learning; however, the board of supervisors
1072 of such county may by resolution or other order:

1073 a. Specify the hours of operation of
1074 facilities that offer alcoholic beverages for sale;

1075 b. Specify the percentage of revenue
1076 that facilities that offer alcoholic beverages for sale must
1077 derive from the preparation, cooking and serving of meals and not
1078 from the sale of beverages; and



1079 c. Designate the areas in which
1080 facilities that offer alcoholic beverages for sale may be located;

1081 24. A municipality in which Mississippi
1082 Highway 27 and Mississippi Highway 28 intersect; however, the
1083 governing authorities of such a municipality may by ordinance:

1084 a. Specify the hours of operation of
1085 facilities offering alcoholic beverages for sale;

1086 b. Specify the percentage of revenue
1087 that facilities offering alcoholic beverages for sale must derive
1088 from the preparation, cooking and serving of meals and not from
1089 the sale of beverages; and

1090 c. Designate the areas in which
1091 facilities offering alcoholic beverages for sale may be located;

1092 25. A municipality through which run
1093 Mississippi Highway 35 and Interstate 20; however, the governing
1094 authorities of such a municipality may by ordinance:

1095 a. Specify the hours of operation of
1096 facilities that offer alcoholic beverages for sale;

1097 b. Specify the percentage of revenue
1098 that facilities that offer alcoholic beverages for sale must
1099 derive from the preparation, cooking and serving of meals and not
1100 from the sale of beverages; and

1101 c. Designate the areas in which
1102 facilities that offer alcoholic beverages for sale may be located;



1103 26. A municipality in which Mississippi
1104 Highway 16 and Mississippi Highway 35 intersect; however, the
1105 governing authorities of such a municipality may by ordinance:
1106 a. Specify the hours of operation of
1107 facilities that offer alcoholic beverages for sale;
1108 b. Specify the percentage of revenue
1109 that facilities that offer alcoholic beverages for sale must
1110 derive from the preparation, cooking and serving of meals and not
1111 from the sale of beverages; and
1112 c. Designate the areas in which
1113 facilities that offer alcoholic beverages for sale may be located;

1114 27. A municipality in which U.S. Highway 82
1115 and Old Highway 61 intersect; however, the governing authorities
1116 of such a municipality may by ordinance:

1117 a. Specify the hours of operation of
1118 facilities that offer alcoholic beverages for sale;
1119 b. Specify the percentage of revenue
1120 that facilities that offer alcoholic beverages for sale must
1121 derive from the preparation, cooking and serving of meals and not
1122 from the sale of beverages; and
1123 c. Designate the areas in which
1124 facilities that offer alcoholic beverages for sale may be located;

1125 28. A municipality in which Mississippi
1126 Highway 8 meets Mississippi Highway 1; however, the governing
1127 authorities of such a municipality may by ordinance:



1128 a. Specify the hours of operation of
1129 facilities that offer alcoholic beverages for sale;
1130 b. Specify the percentage of revenue
1131 that facilities that offer alcoholic beverages for sale must
1132 derive from the preparation, cooking and serving of meals and not
1133 from the sale of beverages; and

1134 c. Designate the areas in which
1135 facilities that offer alcoholic beverages for sale may be located;

1136 29. A municipality in which U.S. Highway 82
1137 and Mississippi Highway 1 intersect; however, the governing
1138 authorities of such a municipality may by ordinance:

1139 a. Specify the hours of operation of
1140 facilities that offer alcoholic beverages for sale;

1141 b. Specify the percentage of revenue
1142 that facilities that offer alcoholic beverages for sale must
1143 derive from the preparation, cooking and serving of meals and not
1144 from the sale of beverages; and

1145 c. Designate the areas in which
1146 facilities that offer alcoholic beverages for sale may be located;

1147 30. A municipality in which Mississippi
1148 Highway 50 meets Mississippi Highway 9; however, the governing
1149 authorities of such a municipality may by ordinance:

1150 a. Specify the hours of operation of
1151 facilities that offer alcoholic beverages for sale;



1152 b. Specify the percentage of revenue
1153 that facilities that offer alcoholic beverages for sale must
1154 derive from the preparation, cooking and serving of meals and not
1155 from the sale of beverages; and

1156 c. Designate the areas in which
1157 facilities that offer alcoholic beverages for sale may be located;

1158 31. An area bounded on the north by Pearl
1159 Street, on the east by West Street, on the south by Court Street
1160 and on the west by Farish Street, within a municipality bordered
1161 on the east by the Pearl River and through which run Interstate 20
1162 and Interstate 55; however, the governing authorities of the
1163 municipality in which such area is located may by ordinance:

1164 a. Specify the hours of operation of
1165 facilities that offer alcoholic beverages for sale;

1166 b. Specify the percentage of revenue
1167 that facilities that offer alcoholic beverages for sale must
1168 derive from the preparation, cooking and serving of meals and not
1169 from the sale of beverages; and

1170 c. Designate the areas in which
1171 facilities that offer alcoholic beverages for sale may be located;

1172 32. Any facility and related property that:

1173 a. Is contracted for mixed-use
1174 development improvements consisting of office and residential
1175 space and a restaurant and lounge, partially occupying the
1176 renovated space of a four-story commercial building which



1177 previously served as a financial institution; and adjacent
1178 property to the west consisting of a single-story office building
1179 that was originally occupied by the Brotherhood of Carpenters and
1180 Joiners of American Local Number 569; and

1181 b. Is situated on a tract of land
1182 consisting of approximately one and one-tenth (1.10) acres, and
1183 the adjacent property to the west consisting of approximately 0.5
1184 acres, located in a municipality which is the seat of county
1185 government, situated south of Interstate 10, traversed by U.S.
1186 Highway 90, partially bordered on one (1) side by the Pascagoula
1187 River and having its most southern boundary bordered by the Gulf
1188 of Mexico, with a population greater than twenty-two thousand
1189 (22,000) according to the 2010 federal decennial census; however,
1190 the governing authorities of such a municipality may by ordinance:

1191 A. Specify the hours of operation
1192 of facilities that offer alcoholic beverages for sale;

1193 B. Specify the percentage of
1194 revenue that facilities that offer alcoholic beverages for sale
1195 must derive from the preparation, cooking and serving of meals and
1196 not from the sale of beverages; and

1197 C. Designate the areas within the
1198 facilities in which alcoholic beverages may be offered for sale;

1199 33. Any facility with a maximum capacity of
1200 one hundred twenty (120) people that consists of at least three
1201 thousand (3,000) square feet being heated and cooled, has a



1202 commercial kitchen, has a pavilion that consists of at least nine
1203 thousand (9,000) square feet and is located on land more
1204 particularly described as follows:

1205 All that part of the East Half of the Northwest Quarter of Section
1206 21, Township 7 South, Range 4 East, Union County, Mississippi,
1207 that lies South of Mississippi State Highway 348 right-of-way and
1208 containing 19.48 acres, more or less.

1209 ALSO,

1210 The Northeast 38 acres of the Southwest Quarter of Section 21,
1211 Township 7 South, Range 4 East, Union County, Mississippi.

1212 ALSO,

1213 The South 81 1/2 acres of the Southwest Quarter of Section 21,
1214 Township 7 South, Range 4 East, Union County, Mississippi; and

1215 34. A municipality in which U.S. Highway 51
1216 and Mississippi Highway 16 intersect; however, the governing
1217 authorities of such a municipality may by ordinance:

1218 a. Specify the hours of operation of
1219 facilities that offer alcoholic beverages for sale;

1220 b. Specify the percentage of revenue
1221 that facilities that offer alcoholic beverages for sale must
1222 derive from the preparation, cooking and serving of meals and not
1223 from the sale of beverages; and

1224 c. Designate the areas in which
1225 facilities that offer alcoholic beverages for sale may be located.



1226 The status of these municipalities, districts, clubhouses,
1227 facilities, golf courses and areas described in subparagraph (iii)
1228 of this paragraph (o) as qualified resort areas does not require
1229 any declaration of same by the department.

1230 (p) "Native wine" means any product, produced in
1231 Mississippi for sale, having an alcohol content not to exceed
1232 twenty-one percent (21%) by weight and made in accordance with
1233 revenue laws of the United States, which shall be obtained
1234 primarily from the alcoholic fermentation of the juice of ripe
1235 grapes, fruits, berries, honey or vegetables grown and produced in
1236 Mississippi; provided that bulk, concentrated or fortified wines
1237 used for blending may be produced without this state and used in
1238 producing native wines. The department shall adopt and promulgate
1239 rules and regulations to permit a producer to import such bulk
1240 and/or fortified wines into this state for use in blending with
1241 native wines without payment of any excise tax that would
1242 otherwise accrue thereon.

1243 (q) "Native winery" means any place or establishment
1244 within the State of Mississippi where native wine is produced, in
1245 whole or in part, for sale.

1246 (r) "Bed and breakfast inn" means an establishment
1247 within a municipality where in consideration of payment, breakfast
1248 and lodging are habitually furnished to travelers and wherein are
1249 located not less than eight (8) and not more than nineteen (19)
1250 adequately furnished and completely separate sleeping rooms with



1251 adequate facilities, that persons usually apply for and receive as
1252 overnight accommodations; however, such restriction on the minimum
1253 number of sleeping rooms shall not apply to establishments on the
1254 National Register of Historic Places. No place shall qualify as a
1255 bed and breakfast inn under this chapter unless on the date of the
1256 initial application for a license under this chapter more than
1257 fifty percent (50%) of the sleeping rooms are located in a
1258 structure formerly used as a residence.

1259 (s) "Board" shall refer to the Board of Tax Appeals of
1260 the State of Mississippi.

1261 (t) "Spa facility" means an establishment within a
1262 municipality or qualified resort area and owned by a hotel where,
1263 in consideration of payment, patrons receive from licensed
1264 professionals a variety of private personal care treatments such
1265 as massages, facials, waxes, exfoliation and hairstyling.

1266 (u) "Art studio or gallery" means an establishment
1267 within a municipality or qualified resort area that is in the sole
1268 business of allowing patrons to view and/or purchase paintings and
1269 other creative artwork.

1270 (v) "Cooking school" means an establishment within a
1271 municipality or qualified resort area and owned by a nationally
1272 recognized company that offers an established culinary education
1273 curriculum and program where, in consideration of payment, patrons
1274 are given scheduled professional group instruction on culinary
1275 techniques. For purposes of this paragraph, the definition of



1276 cooking school shall not include schools or classes offered by
1277 grocery stores, convenience stores or drugstores.

1278 (w) "Campus" means property owned by a public school
1279 district, community or junior college, college or university in
1280 this state where educational courses are taught, school functions
1281 are held, tests and examinations are administered or academic
1282 course credits are awarded; however, the term shall not include
1283 any "restaurant" or "hotel" that is located on property owned by a
1284 community or junior college, college or university in this state,
1285 and is operated by a third party who receives all revenue
1286 generated from food and alcoholic beverage sales.

1287 (x) "Native spirit" shall mean any beverage, produced
1288 in Mississippi for sale, manufactured primarily by the
1289 distillation of fermented grain, starch, molasses or sugar
1290 produced in Mississippi, including dilutions and mixtures of these
1291 beverages. In order to be classified as "native spirit" under the
1292 provisions of this chapter, at least fifty-one percent (51%) of
1293 the finished product by volume shall have been obtained from
1294 distillation of fermented grain, starch, molasses or sugar grown
1295 and produced in Mississippi.

1296 (y) "Native distillery" shall mean any place or
1297 establishment within this state where native spirit is produced in
1298 whole or in part for sale.

1299 (z) "Warehouse operator" shall have the meaning
1300 ascribed in Section 1 of this act.



1301 **SECTION 13.** Section 67-1-19, Mississippi Code of 1972, is
1302 amended as follows:

1303 67-1-19. Except as otherwise noted, the administration and
1304 enforcement of this chapter shall be vested in the Department of
1305 Revenue. There is hereby created the Alcoholic Beverage Control
1306 Division within and as a part of the Department of Revenue.

1307 **SECTION 14.** Section 67-1-33, Mississippi Code of 1972, is
1308 amended as follows:

1309 67-1-33. (1) No member of the Board of Tax Appeals,
1310 Commissioner of Revenue of the Department of Revenue, or person
1311 appointed or employed by the department under this chapter,
1312 including its warehouse operator, shall solicit, accept or receive
1313 any gift, gratuity, emolument or employment from any person
1314 subject to the provisions of this chapter, or from any officer,
1315 agent or employee thereof.

1316 (2) No member of the Board of Tax Appeals, the Commissioner
1317 of Revenue of the Department of Revenue, or person appointed or
1318 employed by the department under this chapter, including its
1319 warehouse operator, shall solicit, request from or recommend,
1320 directly or indirectly, to any person subject to the provisions of
1321 this chapter, or to any officer, agent or employee thereof, the
1322 appointment of any person to any place or position.

1323 (3) Every person subject to the provisions of this chapter,
1324 and every officer, agent or employee thereof, is hereby forbidden
1325 to offer to any member of the Board of Tax Appeals, to the



1326 Commissioner of Revenue or to any person appointed or employed by
1327 the department under this chapter, including its warehouse
1328 operator, any gift, gratuity, emolument or employment.

1329 (4) If any member of the Board of Tax Appeals, the
1330 Commissioner of Revenue or any person appointed or employed by the
1331 department under this chapter, including its warehouse operator,
1332 shall violate any of the provisions of this section, he shall be
1333 removed from the office or employment held by him.

1334 (5) Every person violating the provisions of this section
1335 shall be guilty of a misdemeanor.

1336 (6) For purposes of this provision, the terms "gift,"
1337 "gratuity," "emolument" and "employment" do not include the
1338 payment of expenses associated with social occasions afforded
1339 public servants or any other benefit that does not come within the
1340 definition of "pecuniary benefit" as defined in Section 25-4-103.

1341 **SECTION 15.** Section 67-1-41, Mississippi Code of 1972, is
1342 amended as follows:

1343 67-1-41. (1) The department is hereby created a wholesale
1344 distributor and seller of alcoholic beverages, not including malt
1345 liquors, within the State of Mississippi. It is granted the right
1346 to import and sell alcoholic beverages at wholesale within the
1347 state, and no person who is granted the right to sell, distribute
1348 or receive alcoholic beverages at retail shall purchase any
1349 alcoholic beverages from any source other than the department,
1350 except as authorized in subsections (4), (9) and (12) of this



1351 section. The department may establish warehouses, and the
1352 department may purchase alcoholic beverages in such quantities and
1353 from such sources as it may deem desirable and sell the alcoholic
1354 beverages to authorized permittees within the state including, at
1355 the discretion of the department, any retail distributors
1356 operating within any military post or qualified resort areas
1357 within the boundaries of the state, keeping a correct and accurate
1358 record of all such transactions and exercising such control over
1359 the distribution of alcoholic beverages as seem right and proper
1360 in keeping with the provisions or purposes of this chapter.

1361 (2) No person for the purpose of sale shall manufacture,
1362 distill, brew, sell, possess, export, transport, distribute,
1363 warehouse, store, solicit, take orders for, bottle, rectify,
1364 blend, treat, mix or process any alcoholic beverage except in
1365 accordance with authority granted under this chapter, or as
1366 otherwise provided by law for native wines or native spirits.

1367 (3) No alcoholic beverage intended for sale or resale shall
1368 be imported, shipped or brought into this state for delivery to
1369 any person other than as provided in this chapter, or as otherwise
1370 provided by law for native wines or native spirits.

1371 (4) The department may promulgate rules and regulations
1372 which authorize on-premises retailers to purchase limited amounts
1373 of alcoholic beverages from package retailers and for package
1374 retailers to purchase limited amounts of alcoholic beverages from
1375 other package retailers. The department shall develop and provide



1376 forms to be completed by the on-premises retailers and the package
1377 retailers verifying the transaction. The completed forms shall be
1378 forwarded to the department within a period of time prescribed by
1379 the department.

1380 (5) The department may promulgate rules which authorize the
1381 holder of a package retailer's permit to permit individual retail
1382 purchasers of packages of alcoholic beverages to return, for
1383 exchange, credit or refund, limited amounts of original sealed and
1384 unopened packages of alcoholic beverages purchased by the
1385 individual from the package retailer.

1386 (6) The department shall maintain all forms to be completed
1387 by applicants necessary for licensure by the department at all
1388 district offices of the department.

1389 (7) The department may promulgate rules which authorize the
1390 manufacturer of an alcoholic beverage or wine to import, transport
1391 and furnish or give a sample of alcoholic beverages or wines to
1392 the holders of package retailer's permits, on-premises retailer's
1393 permits, native wine or native spirit retailer's permits and
1394 temporary retailer's permits who have not previously purchased the
1395 brand of that manufacturer from the department. For each holder
1396 of the designated permits, the manufacturer may furnish not more
1397 than five hundred (500) milliliters of any brand of alcoholic
1398 beverage and not more than three (3) liters of any brand of wine.

1399 (8) The department may promulgate rules disallowing open
1400 product sampling of alcoholic beverages or wines by the holders of



1401 package retailer's permits and permitting open product sampling of
1402 alcoholic beverages by the holders of on-premises retailer's
1403 permits. Permitted sample products shall be plainly identified
1404 "sample" and the actual sampling must occur in the presence of the
1405 manufacturer's representatives during the legal operating hours of
1406 on-premises retailers.

1407 (9) The department may promulgate rules and regulations that
1408 authorize the holder of a research permit to import and purchase
1409 limited amounts of alcoholic beverages from importers, wineries
1410 and distillers of alcoholic beverages or from the department. The
1411 department shall develop and provide forms to be completed by the
1412 research permittee verifying each transaction. The completed
1413 forms shall be forwarded to the department within a period of time
1414 prescribed by the department. The records and inventory of
1415 alcoholic beverages shall be open to inspection at any time by the
1416 Director of the Alcoholic Beverage Control Division or any duly
1417 authorized agent.

1418 (10) The department may promulgate rules facilitating a
1419 retailer's on-site pickup of alcoholic beverages sold by the
1420 department or as authorized by the department, including, but not
1421 limited to, native wines and native spirits, so that those
1422 alcoholic beverages may be delivered to the retailer at the
1423 manufacturer's location instead of via shipment from the
1424 department's warehouse.



1425 (11) **[Through June 30, 2023]** This section shall not apply
1426 to alcoholic beverages authorized to be sold by the holder of a
1427 distillery retailer's permit or a festival wine permit.

1428 (11) **[From and after July 1, 2023]** This section shall not
1429 apply to alcoholic beverages authorized to be sold by the holder
1430 of a distillery retailer's permit.

1431 (12) (a) An individual resident of this state who is at
1432 least twenty-one (21) years of age may purchase wine from a winery
1433 and have the purchase shipped into this state so long as it is
1434 shipped to a package retailer permittee in Mississippi; however,
1435 the permittee shall pay to the department all taxes, fees and
1436 surcharges on the wine that are imposed upon the sale of wine
1437 shipped by the department or its warehouse operator. No credit
1438 shall be provided to the permittee for any taxes paid to another
1439 state as a result of the transaction. Package retailers may
1440 charge a service fee for receiving and handling shipments from
1441 wineries on behalf of the purchasers. The department shall
1442 develop and provide forms to be completed by the package retailer
1443 permittees verifying the transaction. The completed forms shall
1444 be forwarded to the department within a period of time prescribed
1445 by the department.

1446 (b) The purchaser of wine that is to be shipped to a
1447 package retailer's store shall be required to get the prior
1448 approval of the package retailer before any wine is shipped to the
1449 package retailer. A purchaser is limited to no more than ten (10)



1450 cases of wine per year to be shipped to a package retailer. A
1451 package retailer shall notify a purchaser of wine within two (2)
1452 days after receiving the shipment of wine. If the purchaser of
1453 the wine does not pick up or take the wine from the package
1454 retailer within thirty (30) days after being notified by the
1455 package retailer, the package retailer may sell the wine as part
1456 of his inventory.

1457 (c) Shipments of wine into this state under this
1458 section shall be made by a duly licensed carrier. It shall be the
1459 duty of every common or contract carrier, and of every firm or
1460 corporation that shall bring, carry or transport wine from outside
1461 the state for delivery inside the state to package retailer
1462 permittees on behalf of consumers, to prepare and file with the
1463 department, on a schedule as determined by the department, of
1464 known wine shipments containing the name of the common or contract
1465 carrier, firm or corporation making the report, the period of time
1466 covered by said report, the name and permit number of the winery,
1467 the name and permit number of the package retailer permittee
1468 receiving such wine, the weight of the package delivered to each
1469 package retailer permittee, a unique tracking number, and the date
1470 of delivery. Reports received by the department shall be made
1471 available by the department to the public via the Mississippi
1472 Public Records Act process in the same manner as other state
1473 alcohol filings.



1474 Upon the department's request, any records supporting the
1475 report shall be made available to the department within a
1476 reasonable time after the department makes a written request for
1477 such records. Any records containing information relating to such
1478 reports shall be kept and preserved for a period of two (2) years,
1479 unless their destruction sooner is authorized, in writing, by the
1480 department, and shall be open and available to inspection by the
1481 department upon the department's written request. Reports shall
1482 also be made available to any law enforcement or regulatory body
1483 in the state in which the railroad company, express company,
1484 common or contract carrier making the report resides or does
1485 business.

1486 Any common or contract carrier that willfully fails to make
1487 reports, as provided by this section or any of the rules and
1488 regulations of the department for the administration and
1489 enforcement of this section, is subject to a notification of
1490 violation. In the case of a continuing failure to make reports,
1491 the common or contract carrier is subject to possible license
1492 suspension and revocation at the department's discretion.

1493 (d) A winery that ships wine under this section shall
1494 be deemed to have consented to the jurisdiction of the courts of
1495 this state, of the department, of any other state agency regarding
1496 the enforcement of this section, and of any related law, rules or
1497 regulations.



1498 (e) Any person who makes, participates in, transports,
1499 imports or receives a shipment in violation of this section is
1500 guilty of a misdemeanor and, upon conviction thereof, shall be
1501 punished by a fine of One Thousand Dollars (\$1,000.00) or
1502 imprisonment in the county jail for not more than six (6) months,
1503 or both. Each shipment shall constitute a separate offense.

1504 (13) If any provision of this chapter, or its application to
1505 any person or circumstance, is determined by a court to be invalid
1506 or unconstitutional, the remaining provisions shall be construed
1507 in accordance with the intent of the Legislature to further limit
1508 rather than expand commerce in alcoholic beverages to protect the
1509 health, safety, and welfare of the state's residents, and to
1510 enhance strict regulatory control over taxation, distribution and
1511 sale of alcoholic beverages through the three-tier regulatory
1512 system imposed by this chapter upon all alcoholic beverages to
1513 curb relationships and practices calculated to stimulate sales and
1514 impair the state's policy favoring trade stability and the
1515 promotion of temperance.

1516 **SECTION 16.** Section 67-1-43, Mississippi Code of 1972, is
1517 amended as follows:

1518 67-1-43. Any authorized retail distributor who shall
1519 purchase or receive * * * alcoholic beverages from any source
1520 except from the department or its warehouse operator, unless
1521 authorized by rules and regulations of the department promulgated
1522 under Section 67-1-41, shall be guilty of a misdemeanor and upon



1523 conviction thereof shall be punished by a fine of not less than
1524 Five Hundred Dollars (\$500.00), nor more than Two Thousand Dollars
1525 (\$2,000.00), to which may be added imprisonment in the county jail
1526 for not more than six (6) months. Any authorization of such
1527 person to sell intoxicating beverages may be revoked as provided
1528 by law.

1529 **SECTION 17.** Section 67-1-51, Mississippi Code of 1972, as
1530 amended by House Bill No. 918, 2022 Regular Session, is amended as
1531 follows:

1532 67-1-51. (1) Permits which may be issued by the department
1533 shall be as follows:

1534 (a) **Manufacturer's permit.** A manufacturer's permit
1535 shall permit the manufacture, importation in bulk, bottling and
1536 storage of alcoholic liquor and its distribution and sale to
1537 manufacturers holding permits under this chapter in this state and
1538 to persons outside the state who are authorized by law to purchase
1539 the same, and to sell as provided by this chapter.

1540 Manufacturer's permits shall be of the following classes:

1541 Class 1. Distiller's and/or rectifier's permit, which shall
1542 authorize the holder thereof to operate a distillery for the
1543 production of distilled spirits by distillation or redistillation
1544 and/or to operate a rectifying plant for the purifying, refining,
1545 mixing, blending, flavoring or reducing in proof of distilled
1546 spirits and alcohol.



1547 Class 2. Wine manufacturer's permit, which shall authorize
1548 the holder thereof to manufacture, import in bulk, bottle and
1549 store wine or vinous liquor.

1550 Class 3. Native wine producer's permit, which shall
1551 authorize the holder thereof to produce, bottle, store and sell
1552 native wines.

1553 Class 4. Native spirit producer's permit, which shall
1554 authorize the holder thereof to produce, bottle, store and sell
1555 native spirits.

1556 (b) **Package retailer's permit.** Except as otherwise
1557 provided in this paragraph and Section 67-1-52, a package
1558 retailer's permit shall authorize the holder thereof to operate a
1559 store exclusively for the sale at retail in original sealed and
1560 unopened packages of alcoholic beverages, including native wines
1561 and native spirits, not to be consumed on the premises where sold.
1562 Alcoholic beverages shall not be sold by any retailer in any
1563 package or container containing less than fifty (50) milliliters
1564 by liquid measure. A package retailer's permit, with prior
1565 approval from the department, shall authorize the holder thereof
1566 to sample new product furnished by a manufacturer's representative
1567 or his employees at the permitted place of business so long as the
1568 sampling otherwise complies with this chapter and applicable
1569 department regulations. Such samples may not be provided to
1570 customers at the permitted place of business. In addition to the
1571 sale at retail of packages of alcoholic beverages, the holder of a



1572 package retailer's permit is authorized to sell at retail
1573 corkscrews, wine glasses, soft drinks, ice, juices, mixers and
1574 other beverages commonly used to mix with alcoholic beverages.
1575 Nonalcoholic beverages sold by the holder of a package retailer's
1576 permit shall not be consumed on the premises where sold.

1577 (c) **On-premises retailer's permit.** Except as otherwise
1578 provided in subsection (5) of this section, an on-premises
1579 retailer's permit shall authorize the sale of alcoholic beverages,
1580 including native wines and native spirits, for consumption on the
1581 licensed premises only; however, a patron of the permit holder may
1582 remove one (1) bottle of wine from the licensed premises if: (i)
1583 the patron consumed a portion of the bottle of wine in the course
1584 of consuming a meal purchased on the licensed premises; (ii) the
1585 permit holder securely reseals the bottle; (iii) the bottle is
1586 placed in a bag that is secured in a manner so that it will be
1587 visibly apparent if the bag is opened; and (iv) a dated receipt
1588 for the wine and the meal is available. Additionally, as part of
1589 a carryout order, a permit holder may sell one (1) bottle of wine
1590 to be removed from the licensed premises for every two (2) entrees
1591 ordered. Such a permit shall be issued only to qualified hotels,
1592 restaurants and clubs, small craft breweries, microbreweries, and
1593 to common carriers with adequate facilities for serving
1594 passengers. In resort areas, whether inside or outside of a
1595 municipality, the department, in its discretion, may issue
1596 on-premises retailer's permits to such establishments as it deems



1597 proper. An on-premises retailer's permit when issued to a common
1598 carrier shall authorize the sale and serving of alcoholic
1599 beverages aboard any licensed vehicle while moving through any
1600 county of the state; however, the sale of such alcoholic beverages
1601 shall not be permitted while such vehicle is stopped in a county
1602 that has not legalized such sales. If an on-premises retailer's
1603 permit is applied for by a common carrier operating solely in the
1604 water, such common carrier must, along with all other
1605 qualifications for a permit, (i) be certified to carry at least
1606 one hundred fifty (150) passengers and/or provide overnight
1607 accommodations for at least fifty (50) passengers and (ii) operate
1608 primarily in the waters within the State of Mississippi which lie
1609 adjacent to the State of Mississippi south of the three (3) most
1610 southern counties in the State of Mississippi and/or on the
1611 Mississippi River or navigable waters within any county bordering
1612 on the Mississippi River.

1613 (d) **Solicitor's permit.** A solicitor's permit shall
1614 authorize the holder thereof to act as salesman for a manufacturer
1615 or wholesaler holding a proper permit, to solicit on behalf of his
1616 employer orders for alcoholic beverages, and to otherwise promote
1617 his employer's products in a legitimate manner. Such a permit
1618 shall authorize the representation of and employment by one (1)
1619 principal only. However, the permittee may also, in the
1620 discretion of the department, be issued additional permits to
1621 represent other principals. No such permittee shall buy or sell



1622 alcoholic beverages for his own account, and no such beverage
1623 shall be brought into this state in pursuance of the exercise of
1624 such permit otherwise than through a permit issued to a wholesaler
1625 or manufacturer in the state.

1626 (e) **Native wine retailer's permit.** Except as otherwise
1627 provided in subsection (5) of this section, a native wine
1628 retailer's permit shall be issued only to a holder of a Class 3
1629 manufacturer's permit, and shall authorize the holder thereof to
1630 make retail sales of native wines to consumers for on-premises
1631 consumption or to consumers in originally sealed and unopened
1632 containers at an establishment located on the premises of or in
1633 the immediate vicinity of a native winery. When selling to
1634 consumers for on-premises consumption, a holder of a native wine
1635 retailer's permit may add to the native wine alcoholic beverages
1636 not produced on the premises, so long as the total volume of
1637 foreign beverage components does not exceed twenty percent (20%)
1638 of the mixed beverage. Hours of sale shall be the same as those
1639 authorized for on-premises permittees in the city or county in
1640 which the native wine retailer is located.

1641 (f) **Temporary retailer's permit.** Except as otherwise
1642 provided in subsection (5) of this section, a temporary retailer's
1643 permit shall permit the purchase and resale of alcoholic
1644 beverages, including native wines and native spirits, during legal
1645 hours on the premises described in the temporary permit only.



1646 Temporary retailer's permits shall be of the following
1647 classes:

1648 Class 1. A temporary one-day permit may be issued to bona
1649 fide nonprofit civic or charitable organizations authorizing the
1650 sale of alcoholic beverages, including native wine and native
1651 spirit, for consumption on the premises described in the temporary
1652 permit only. Class 1 permits may be issued only to applicants
1653 demonstrating to the department, by a statement signed under
1654 penalty of perjury submitted ten (10) days prior to the proposed
1655 date or such other time as the department may determine, that they
1656 meet the qualifications of Sections 67-1-11, 67-1-37, 67-1-51(2)
1657 and (3), 67-1-55, 67-1-57 (excluding paragraph (e)) and 67-1-59.
1658 Class 1 permittees shall obtain all alcoholic beverages from
1659 package retailers located in the county in which the temporary
1660 permit is issued. Alcoholic beverages remaining in stock upon
1661 expiration of the temporary permit may be returned by the
1662 permittee to the package retailer for a refund of the purchase
1663 price upon consent of the package retailer or may be kept by the
1664 permittee exclusively for personal use and consumption, subject to
1665 all laws pertaining to the illegal sale and possession of
1666 alcoholic beverages. The department, following review of the
1667 statement provided by the applicant and the requirements of the
1668 applicable statutes and regulations, may issue the permit.

1669 Class 2. A temporary permit, not to exceed seventy (70)
1670 days, may be issued to prospective permittees seeking to transfer



1671 a permit authorized in paragraph (c) of this subsection. A Class
1672 2 permit may be issued only to applicants demonstrating to the
1673 department, by a statement signed under the penalty of perjury,
1674 that they meet the qualifications of Sections 67-1-5(1), (m), (n),
1675 (o), (p) or (q), 67-1-37, 67-1-51(2) and (3), 67-1-55, 67-1-57 and
1676 67-1-59. The department, following a preliminary review of the
1677 statement provided by the applicant and the requirements of the
1678 applicable statutes and regulations, may issue the permit.

1679 Class 2 temporary permittees must purchase their alcoholic
1680 beverages directly from the department or, with approval of the
1681 department, purchase the remaining stock of the previous
1682 permittee. If the proposed applicant of a Class 1 or Class 2
1683 temporary permit falsifies information contained in the
1684 application or statement, the applicant shall never again be
1685 eligible for a retail alcohol beverage permit and shall be subject
1686 to prosecution for perjury.

1687 Class 3. A temporary one-day permit may be issued to a
1688 retail establishment authorizing the complimentary distribution of
1689 wine, including native wine, to patrons of the retail
1690 establishment at an open house or promotional event, for
1691 consumption only on the premises described in the temporary
1692 permit. A Class 3 permit may be issued only to an applicant
1693 demonstrating to the department, by a statement signed under
1694 penalty of perjury submitted ten (10) days before the proposed
1695 date or such other time as the department may determine, that it



1696 meets the qualifications of Sections 67-1-11, 67-1-37, 67-1-51(2)
1697 and (3), 67-1-55, 67-1-57 (excluding paragraph (e)) and 67-1-59.
1698 A Class 3 permit holder shall obtain all alcoholic beverages from
1699 the holder(s) of a package retailer's permit located in the county
1700 in which the temporary permit is issued. Wine remaining in stock
1701 upon expiration of the temporary permit may be returned by the
1702 Class 3 temporary permit holder to the package retailer for a
1703 refund of the purchase price, with consent of the package
1704 retailer, or may be kept by the Class 3 temporary permit holder
1705 exclusively for personal use and consumption, subject to all laws
1706 pertaining to the illegal sale and possession of alcoholic
1707 beverages. The department, following review of the statement
1708 provided by the applicant and the requirements of the applicable
1709 statutes and regulations, may issue the permit. No retailer may
1710 receive more than twelve (12) Class 3 temporary permits in a
1711 calendar year. A Class 3 temporary permit shall not be issued to
1712 a retail establishment that either holds a merchant permit issued
1713 under paragraph (1) of this subsection, or holds a permit issued
1714 under Chapter 3, Title 67, Mississippi Code of 1972, authorizing
1715 the holder to engage in the business of a retailer of light wine
1716 or beer.

1717 (g) **Caterer's permit.** A caterer's permit shall permit
1718 the purchase of alcoholic beverages by a person engaging in
1719 business as a caterer and the resale of alcoholic beverages by
1720 such person in conjunction with such catering business. No person



1721 shall qualify as a caterer unless forty percent (40%) or more of
1722 the revenue derived from such catering business shall be from the
1723 serving of prepared food and not from the sale of alcoholic
1724 beverages and unless such person has obtained a permit for such
1725 business from the Department of Health. A caterer's permit shall
1726 not authorize the sale of alcoholic beverages on the premises of
1727 the person engaging in business as a caterer; however, the holder
1728 of an on-premises retailer's permit may hold a caterer's permit.
1729 When the holder of an on-premises retailer's permit or an
1730 affiliated entity of the holder also holds a caterer's permit, the
1731 caterer's permit shall not authorize the service of alcoholic
1732 beverages on a consistent, recurring basis at a separate, fixed
1733 location owned or operated by the caterer, on-premises retailer or
1734 affiliated entity and an on-premises retailer's permit shall be
1735 required for the separate location. All sales of alcoholic
1736 beverages by holders of a caterer's permit shall be made at the
1737 location being catered by the caterer, and, except as otherwise
1738 provided in subsection (5) of this section, such sales may be made
1739 only for consumption at the catered location. The location being
1740 catered may be anywhere within a county or judicial district that
1741 has voted to come out from under the dry laws or in which the sale
1742 and distribution of alcoholic beverages is otherwise authorized by
1743 law. Such sales shall be made pursuant to any other conditions
1744 and restrictions which apply to sales made by on-premises retail
1745 permittees. The holder of a caterer's permit or his employees



1746 shall remain at the catered location as long as alcoholic
1747 beverages are being sold pursuant to the permit issued under this
1748 paragraph (g), and the permittee shall have at the location the
1749 identification card issued by the Alcoholic Beverage Control
1750 Division of the department. No unsold alcoholic beverages may be
1751 left at the catered location by the permittee upon the conclusion
1752 of his business at that location. Appropriate law enforcement
1753 officers and Alcoholic Beverage Control Division personnel may
1754 enter a catered location on private property in order to enforce
1755 laws governing the sale or serving of alcoholic beverages.

1756 (h) **Research permit.** A research permit shall authorize
1757 the holder thereof to operate a research facility for the
1758 professional research of alcoholic beverages. Such permit shall
1759 authorize the holder of the permit to import and purchase limited
1760 amounts of alcoholic beverages from the department or from
1761 importers, wineries and distillers of alcoholic beverages for
1762 professional research.

1763 (i) **Alcohol processing permit.** An alcohol processing
1764 permit shall authorize the holder thereof to purchase, transport
1765 and possess alcoholic beverages for the exclusive use in cooking,
1766 processing or manufacturing products which contain alcoholic
1767 beverages as an integral ingredient. An alcohol processing permit
1768 shall not authorize the sale of alcoholic beverages on the
1769 premises of the person engaging in the business of cooking,
1770 processing or manufacturing products which contain alcoholic



1771 beverages. The amounts of alcoholic beverages allowed under an
1772 alcohol processing permit shall be set by the department.

1773 (j) **Hospitality cart permit.** A hospitality cart permit
1774 shall authorize the sale of alcoholic beverages from a mobile cart
1775 on a golf course that is the holder of an on-premises retailer's
1776 permit. The alcoholic beverages sold from the cart must be
1777 consumed within the boundaries of the golf course.

1778 (k) **Special service permit.** A special service permit
1779 shall authorize the holder to sell commercially sealed alcoholic
1780 beverages to the operator of a commercial or private aircraft for
1781 en route consumption only by passengers. A special service permit
1782 shall be issued only to a fixed-base operator who contracts with
1783 an airport facility to provide fueling and other associated
1784 services to commercial and private aircraft.

1785 (l) **Merchant permit.** Except as otherwise provided in
1786 subsection (5) of this section, a merchant permit shall be issued
1787 only to the owner of a spa facility, an art studio or gallery, or
1788 a cooking school, and shall authorize the holder to serve
1789 complimentary by the glass wine only, including native wine, at
1790 the holder's spa facility, art studio or gallery, or cooking
1791 school. A merchant permit holder shall obtain all wine from the
1792 holder of a package retailer's permit.

1793 (m) **Temporary alcoholic beverages charitable auction**
1794 **permit.** A temporary permit, not to exceed five (5) days, may be
1795 issued to a qualifying charitable nonprofit organization that is



1796 exempt from taxation under Section 501(c)(3) or (4) of the
1797 Internal Revenue Code of 1986. The permit shall authorize the
1798 holder to sell alcoholic beverages for the limited purpose of
1799 raising funds for the organization during a live or silent auction
1800 that is conducted by the organization and that meets the following
1801 requirements: (i) the auction is conducted in an area of the
1802 state where the sale of alcoholic beverages is authorized; (ii) if
1803 the auction is conducted on the premises of an on-premises
1804 retailer's permit holder, then the alcoholic beverages to be
1805 auctioned must be stored separately from the alcoholic beverages
1806 sold, stored or served on the premises, must be removed from the
1807 premises immediately following the auction, and may not be
1808 consumed on the premises; (iii) the permit holder may not conduct
1809 more than two (2) auctions during a calendar year; (iv) the permit
1810 holder may not pay a commission or promotional fee to any person
1811 to arrange or conduct the auction.

1812 (n) **Event venue retailer's permit.** An event venue
1813 retailer's permit shall authorize the holder thereof to purchase
1814 and resell alcoholic beverages, including native wines and native
1815 spirits, for consumption on the premises during legal hours during
1816 events held on the licensed premises if food is being served at
1817 the event by a caterer who is not affiliated with or related to
1818 the permittee. The caterer must serve at least three (3) entrees.
1819 The permit may only be issued for venues that can accommodate two
1820 hundred (200) persons or more. The number of persons a venue may



1821 accommodate shall be determined by the local fire department and
1822 such determination shall be provided in writing and submitted
1823 along with all other documents required to be provided for an
1824 on-premises retailer's permit. The permittee must derive the
1825 majority of its revenue from event-related fees, including, but
1826 not limited to, admission fees or ticket sales for live
1827 entertainment in the building. "Event-related fees" do not
1828 include alcohol, beer or light wine sales or any fee which may be
1829 construed to cover the cost of alcohol, beer or light wine. This
1830 determination shall be made on a per event basis. An event may
1831 not last longer than two (2) consecutive days per week.

1832 (o) **Temporary theatre permit.** A temporary theatre
1833 permit, not to exceed five (5) days, may be issued to a charitable
1834 nonprofit organization that is exempt from taxation under Section
1835 501(c)(3) or (4) of the Internal Revenue Code and owns or operates
1836 a theatre facility that features plays and other theatrical
1837 performances and productions. Except as otherwise provided in
1838 subsection (5) of this section, the permit shall authorize the
1839 holder to sell alcoholic beverages, including native wines and
1840 native spirits, to patrons of the theatre during performances and
1841 productions at the theatre facility for consumption during such
1842 performances and productions on the premises of the facility
1843 described in the permit. A temporary theatre permit holder shall
1844 obtain all alcoholic beverages from package retailers located in
1845 the county in which the permit is issued. Alcoholic beverages



1846 remaining in stock upon expiration of the temporary theatre permit
1847 may be returned by the permittee to the package retailer for a
1848 refund of the purchase price upon consent of the package retailer
1849 or may be kept by the permittee exclusively for personal use and
1850 consumption, subject to all laws pertaining to the illegal sale
1851 and possession of alcoholic beverages.

1852 (p) **Charter ship operator's permit.** Subject to the
1853 provisions of this paragraph (p), a charter ship operator's permit
1854 shall authorize the holder thereof and its employees to serve,
1855 monitor, store and otherwise control the serving and availability
1856 of alcoholic beverages to customers of the permit holder during
1857 private charters under contract provided by the permit holder. A
1858 charter ship operator's permit shall authorize such action by the
1859 permit holder and its employees only as to alcoholic beverages
1860 brought onto the permit holder's ship by customers of the permit
1861 holder as part of such a private charter. All such alcoholic
1862 beverages must be removed from the charter ship at the conclusion
1863 of each private charter. A charter ship operator's permit shall
1864 not authorize the permit holder to sell, charge for or otherwise
1865 supply alcoholic beverages to customers, except as authorized in
1866 this paragraph (p). For the purposes of this paragraph (p),
1867 "charter ship operator" means a common carrier that (i) is
1868 certified to carry at least one hundred fifty (150) passengers
1869 and/or provide overnight accommodations for at least fifty (50)
1870 passengers, (ii) operates only in the waters within the State of



1871 Mississippi, which lie adjacent to the State of Mississippi south
1872 of the three (3) most southern counties in the State of
1873 Mississippi, and (iii) provides charters under contract for tours
1874 and trips in such waters.

1875 (q) **Distillery retailer's permit.** The holder of a
1876 Class 1 manufacturer's permit may obtain a distillery retailer's
1877 permit. A distillery retailer's permit shall authorize the holder
1878 thereof to sell at retail alcoholic beverages to consumers for
1879 on-premises consumption, or to consumers by the sealed and
1880 unopened bottle from a retail location at the distillery for
1881 off-premises consumption. The holder may only sell product
1882 manufactured by the manufacturer at the distillery described in
1883 the permit. However, when selling to consumers for on-premises
1884 consumption, a holder of a distillery retailer's permit may add
1885 other beverages, alcoholic or not, so long as the total volume of
1886 other beverage components containing alcohol does not exceed
1887 twenty percent (20%). Hours of sale shall be the same as those
1888 authorized for on-premises permittees in the city or county in
1889 which the distillery retailer is located.

1890 The holder shall not sell at retail more than ten percent
1891 (10%) of the alcoholic beverages produced annually at its
1892 distillery. The holder shall not make retail sales of more than
1893 two and twenty-five one-hundredths (2.25) liters, in the
1894 aggregate, of the alcoholic beverages produced at its distillery
1895 to any one (1) individual for consumption off the premises of the



1896 distillery within a twenty-four-hour period. The hours of sale
1897 shall be the same as those hours for package retailers under this
1898 chapter. The holder of a distillery retailer's permit is not
1899 required to purchase the alcoholic beverages authorized to be sold
1900 by this paragraph from the department's liquor distribution
1901 warehouse; however, if the holder does not purchase the alcoholic
1902 beverages from the department's liquor distribution warehouse, the
1903 holder shall pay to the department all taxes, fees and surcharges
1904 on the alcoholic beverages that are imposed upon the sale of
1905 alcoholic beverages shipped by the * * * department or its
1906 warehouse operator. In addition to alcoholic beverages, the
1907 holder of a distillery retailer's permit may sell at retail
1908 promotional products from the same retail location, including
1909 shirts, hats, glasses, and other promotional products customarily
1910 sold by alcoholic beverage manufacturers.

1911 (r) **Festival Wine Permit.** Any wine manufacturer or
1912 native wine producer permitted by Mississippi or any other state
1913 is eligible to obtain a Festival Wine Permit. This permit
1914 authorizes the entity to transport product manufactured by it to
1915 festivals held within the State of Mississippi and sell sealed,
1916 unopened bottles to festival participants. The holder of this
1917 permit may provide samples at no charge to participants.
1918 "Festival" means any event at which three (3) or more vendors are
1919 present at a location for the sale or distribution of goods. The
1920 holder of a Festival Wine Permit is not required to purchase the



1921 alcoholic beverages authorized to be sold by this paragraph from
1922 the department's liquor distribution warehouse. However, if the
1923 holder does not purchase the alcoholic beverages from the
1924 department's liquor distribution warehouse, the holder of this
1925 permit shall pay to the department all taxes, fees and surcharges
1926 on the alcoholic beverages sold at such festivals that are imposed
1927 upon the sale of alcoholic beverages shipped by the Alcoholic
1928 Beverage Control Division of the Department of Revenue.
1929 Additionally, the entity shall file all applicable reports and
1930 returns as prescribed by the department. This permit is issued
1931 per festival and provides authority to sell for two (2)
1932 consecutive days during the hours authorized for on-premises
1933 permittees' sales in that county or city. The holder of the
1934 permit shall be required to maintain all requirements set by Local
1935 Option Law for the service and sale of alcoholic beverages. This
1936 permit may be issued to entities participating in festivals at
1937 which a Class 1 temporary permit is in effect.

1938 This paragraph (r) shall stand repealed from and after July
1939 1, 2023.

1940 (s) **Charter vessel operator's permit.** Subject to the
1941 provisions of this paragraph (s), a charter vessel operator's
1942 permit shall authorize the holder thereof and its employees to
1943 sell and serve alcoholic beverages to passengers of the permit
1944 holder during public tours, historical tours, ecological tours and
1945 sunset cruises provided by the permit holder. The permit shall



1946 authorize the holder to only sell alcoholic beverages, including
1947 native wines, to passengers of the charter vessel operator during
1948 public tours, historical tours, ecological tours and sunset
1949 cruises provided by the permit holder aboard the charter vessel
1950 operator for consumption during such tours and cruises on the
1951 premises of the charter vessel operator described in the permit.
1952 For the purposes of this paragraph (s), "charter vessel operator"
1953 means a common carrier that (i) is certified to carry at least
1954 forty-nine (49) passengers, (ii) operates only in the waters
1955 within the State of Mississippi, which lie south of Interstate 10
1956 in the three (3) most southern counties in the State of
1957 Mississippi, and lie adjacent to the State of Mississippi south of
1958 the three (3) most southern counties in the State of Mississippi,
1959 extending not further than one (1) mile south of such counties,
1960 and (iii) provides vessel services for tours and cruises in such
1961 waters as provided in this paragraph (s).

1962 (t) **Native spirit retailer's permit.** Except as
1963 otherwise provided in subsection (5) of this section, a native
1964 spirit retailer's permit shall be issued only to a holder of a
1965 Class 4 manufacturer's permit, and shall authorize the holder
1966 thereof to make retail sales of native spirits to consumers for
1967 on-premises consumption or to consumers in originally sealed and
1968 unopened containers at an establishment located on the premises of
1969 or in the immediate vicinity of a native distillery. When selling
1970 to consumers for on-premises consumption, a holder of a native



1971 spirit retailer's permit may add to the native spirit alcoholic
1972 beverages not produced on the premises, so long as the total
1973 volume of foreign beverage components does not exceed twenty
1974 percent (20%) of the mixed beverage. Hours of sale shall be the
1975 same as those authorized for on-premises permittees in the city or
1976 county in which the native spirit retailer is located.

1977 (u) **Delivery service permit.** Any individual, limited
1978 liability company, corporation or partnership registered to do
1979 business in this state is eligible to obtain a delivery service
1980 permit. Subject to the provisions of Section 67-1-51.1, this
1981 permit authorizes the permittee, or its employee or an independent
1982 contractor acting on its behalf, to deliver alcoholic beverages,
1983 beer, light wine and light spirit product from a licensed retailer
1984 to a person in this state who is at least twenty-one (21) years of
1985 age for the individual's use and not for resale. This permit does
1986 not authorize the delivery of alcoholic beverages, beer, light
1987 wine or light spirit product to the premises of a location with a
1988 permit for the manufacture, distribution or retail sale of
1989 alcoholic beverages, beer, light wine or light spirit product.
1990 The holder of a package retailer's permit or an on-premises
1991 retailer's permit under Section 67-1-51 or of a beer, light wine
1992 and light spirit product permit under Section 67-3-19 is
1993 authorized to apply for a delivery service permit as a privilege
1994 separate from its existing retail permit.



1995 (v) **Food truck permit.** A food truck permit shall
1996 authorize the holder of an on-premises retailer's permit to use a
1997 food truck to sell alcoholic beverages off its premises to guests
1998 who must consume the beverages in open containers. For the
1999 purposes of this paragraph (v), "food truck" means a fully encased
2000 food service establishment on a motor vehicle or on a trailer that
2001 a motor vehicle pulls to transport, and from which a vendor,
2002 standing within the frame of the establishment, prepares, cooks,
2003 sells and serves food for immediate human consumption. The term
2004 "food truck" does not include a food cart that is not motorized.
2005 Food trucks shall maintain such distance requirements from
2006 schools, churches, kindergartens and funeral homes as are required
2007 for on-premises retailer's permittees under this chapter, and all
2008 sales must be made within a valid leisure and recreation district
2009 established under Section 67-1-101. Food trucks cannot sell or
2010 serve alcoholic beverages unless also offering food prepared and
2011 cooked within the food truck, and permittees must maintain a
2012 twenty-five percent (25%) food sale revenue requirement based on
2013 the food sold from the food truck alone. The hours allowed for
2014 sale shall be the same as those for on-premises retailer's
2015 permittees in the location. This permit will not be required for
2016 the holder of a caterer's permit issued under this chapter to
2017 cater an event as allowed by law. Permittees must provide notice
2018 of not less than forty-eight (48) hours to the department of each
2019 location at which alcoholic beverages will be sold.



2020 (2) Except as otherwise provided in subsection (4) of this
2021 section, retail permittees may hold more than one (1) retail
2022 permit, at the discretion of the department.

2023 (3) (a) Except as otherwise provided in this subsection, no
2024 authority shall be granted to any person to manufacture, sell or
2025 store for sale any intoxicating liquor as specified in this
2026 chapter within four hundred (400) feet of any church, school,
2027 kindergarten or funeral home. However, within an area zoned
2028 commercial or business, such minimum distance shall be not less
2029 than one hundred (100) feet.

2030 (b) A church or funeral home may waive the distance
2031 restrictions imposed in this subsection in favor of allowing
2032 issuance by the department of a permit, pursuant to subsection (1)
2033 of this section, to authorize activity relating to the
2034 manufacturing, sale or storage of alcoholic beverages which would
2035 otherwise be prohibited under the minimum distance criterion.
2036 Such waiver shall be in written form from the owner, the governing
2037 body, or the appropriate officer of the church or funeral home
2038 having the authority to execute such a waiver, and the waiver
2039 shall be filed with and verified by the department before becoming
2040 effective.

2041 (c) The distance restrictions imposed in this
2042 subsection shall not apply to the sale or storage of alcoholic
2043 beverages at a bed and breakfast inn listed in the National
2044 Register of Historic Places or to the sale or storage of alcoholic



2045 beverages in a historic district that is listed in the National
2046 Register of Historic Places, is a qualified resort area and is
2047 located in a municipality having a population greater than one
2048 hundred thousand (100,000) according to the latest federal
2049 decennial census.

2050 (d) The distance restrictions imposed in this
2051 subsection shall not apply to the sale or storage of alcoholic
2052 beverages at a qualified resort area as defined in Section
2053 67-1-5(o)(iii)32.

2054 (e) The distance restrictions imposed in this
2055 subsection shall not apply to the sale or storage of alcoholic
2056 beverages at a licensed premises in a building formerly owned by a
2057 municipality and formerly leased by the municipality to a
2058 municipal school district and used by the municipal school
2059 district as a district bus shop facility.

2060 (f) The distance restrictions imposed in this
2061 subsection shall not apply to the sale or storage of alcoholic
2062 beverages at a licensed premises in a building consisting of at
2063 least five thousand (5,000) square feet and located approximately
2064 six hundred (600) feet from the intersection of Mississippi
2065 Highway 15 and Mississippi Highway 4.

2066 (g) The distance restrictions imposed in this
2067 subsection shall not apply to the sale or storage of alcoholic
2068 beverages at a licensed premises in a building located at or near



2069 the * * * intersection of Ward and Tate Streets and adjacent
2070 properties in the City of Senatobia, Mississippi.

2071 (h) The distance restrictions imposed in this
2072 subsection shall not apply to the sale or storage of alcoholic
2073 beverages at a theatre facility that features plays and other
2074 theatrical performances and productions and (i) is capable of
2075 seating more than seven hundred fifty (750) people, (ii) is owned
2076 by a municipality which has a population greater than ten thousand
2077 (10,000) according to the latest federal decennial census, (iii)
2078 was constructed prior to 1930, (iv) is on the National Register of
2079 Historic Places, and (v) is located in a historic district.

2080 (4) No person, either individually or as a member of a firm,
2081 partnership, limited liability company or association, or as a
2082 stockholder, officer or director in a corporation, shall own or
2083 control any interest in more than one (1) package retailer's
2084 permit, nor shall such person's spouse, if living in the same
2085 household of such person, any relative of such person, if living
2086 in the same household of such person, or any other person living
2087 in the same household with such person own any interest in any
2088 other package retailer's permit.

2089 (5) (a) In addition to any other authority granted under
2090 this section, the holder of a permit issued under subsection
2091 (1) (c), (e), (f), (g), (l), (n) and/or (o) of this section may
2092 sell or otherwise provide alcoholic beverages and/or wine to a
2093 patron of the permit holder in the manner authorized in the permit



2094 and the patron may remove an open glass, cup or other container of
2095 the alcoholic beverage and/or wine from the licensed premises and
2096 may possess and consume the alcoholic beverage or wine outside of
2097 the licensed premises if: (i) the licensed premises is located
2098 within a leisure and recreation district created under Section
2099 67-1-101 and (ii) the patron remains within the boundaries of the
2100 leisure and recreation district while in possession of the
2101 alcoholic beverage or wine.

2102 (b) Nothing in this subsection shall be construed to
2103 allow a person to bring any alcoholic beverages into a permitted
2104 premises except to the extent otherwise authorized by this
2105 chapter.

2106 **SECTION 18.** Sections 1 through 6 of this act shall be
2107 codified as a new article in Title 67, Chapter 1, Mississippi Code
2108 of 1972.

2109 **SECTION 19.** This act shall take effect and be in force from
2110 and after July 1, 2022.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO DIRECT THE DEPARTMENT OF FINANCE AND ADMINISTRATION
2 TO PROVIDE FOR THE CONSTRUCTION OF A NEW WAREHOUSE FOR THE
3 DEPARTMENT OF REVENUE'S ALCOHOLIC BEVERAGE CONTROL DIVISION IN THE
4 JACKSON, MISSISSIPPI, METROPOLITAN AREA; TO PROVIDE THAT LAND
5 ACQUISITION AND WAREHOUSE DESIGN AND CONSTRUCTION SHALL BE FUNDED
6 WITH MONIES FROM THE ABC WAREHOUSE CONSTRUCTION FUND AND SUCH
7 OTHER MONIES AS THE LEGISLATURE MAY MAKE AVAILABLE; TO PROVIDE
8 REQUIREMENTS FOR THE CONTRACT FOR THE DESIGN AND CONSTRUCTION OF
9 THE WAREHOUSE; TO DIRECT THE DEPARTMENT OF REVENUE TO CONTRACT FOR
10 WAREHOUSE AND DISTRIBUTION OPERATIONS; TO PROVIDE THAT THE



11 DEPARTMENT SHALL PAY REGULAR MAINTENANCE EXPENSES AND SHALL
12 REIMBURSE THE OPERATOR FOR SERVICES PERFORMED UNDER THE CONTRACT
13 OUT OF MONIES APPROPRIATED BY THE LEGISLATURE; TO PROVIDE
14 REQUIREMENTS FOR THE CONTRACT FOR WAREHOUSE AND DISTRIBUTION
15 OPERATIONS; TO SET THE TERM OF THE CONTRACT AND PROVIDE UP TO TWO
16 OPTIONAL RENEWALS BEFORE A REQUEST FOR PROPOSALS SHALL BE
17 REQUIRED; TO REQUIRE THE COMMISSIONER OF REVENUE TO DEVELOP A PLAN
18 DEMONSTRATING THE METHOD BY WHICH THE STATE WOULD RESUME CONTROL
19 OF THE WAREHOUSE UPON TERMINATION OF THE CONTRACT; TO REQUIRE THAT
20 THE PLAN BE SUBMITTED FOR REVIEW AND COMMENT TO THE GOVERNOR AND
21 THE LEGISLATURE; TO PROVIDE THAT THE COMMISSIONER OF REVENUE SHALL
22 DESIGNATE AN EXISTING DEPARTMENT EMPLOYEE AS A CONTRACT COMPLIANCE
23 OFFICER TO MONITOR THE CONTRACT FOR WAREHOUSE AND DISTRIBUTION
24 OPERATIONS AND SHALL ASSURE OPERATOR COMPLIANCE WITH ITS
25 PERFORMANCE WORK STATEMENT; TO REQUIRE THE CONTRACT COMPLIANCE
26 OFFICER TO REPORT AT LEAST ANNUALLY, OR AS REQUESTED, TO THE
27 GOVERNOR AND THE LEGISLATURE; TO CREATE THE ABC WAREHOUSE
28 CONSTRUCTION FUND AS A SPECIAL FUND IN THE STATE TREASURY TO
29 ASSIST THE DEPARTMENT OF FINANCE AND ADMINISTRATION IN PAYING THE
30 COSTS ASSOCIATED WITH LAND ACQUISITION FOR, AND THE DESIGN,
31 CONSTRUCTION, FURNISHING AND EQUIPPING OF, THE WAREHOUSE; TO
32 CREATE THE ABC WAREHOUSE IMPROVEMENTS FUND AS A SPECIAL FUND IN
33 THE STATE TREASURY TO ASSIST THE DEPARTMENT OF REVENUE IN PAYING
34 THE COSTS ASSOCIATED WITH OCCASIONAL MAINTENANCE, REPAIRS,
35 UPGRADES AND OTHER IMPROVEMENTS FOR THE WAREHOUSE AND ITS
36 EQUIPMENT; TO AUTHORIZE THE ISSUANCE OF REVENUE BONDS IN THE
37 AMOUNT OF \$55,000,000.00 FOR THE ABC WAREHOUSE CONSTRUCTION FUND;
38 TO CREATE A SPECIAL BOND SINKING FUND FOR THE PURPOSE OF PAYING
39 THE DEBT SERVICE OF BONDS ISSUED UNDER THIS ACT; TO AMEND SECTION
40 27-71-11, MISSISSIPPI CODE OF 1972, IN CONFORMITY TO THE ABOVE,
41 AND TO ADD A \$0.25 CHARGE TO THE COST OF EACH CASE OF ALCOHOLIC
42 BEVERAGES SHIPPED BY THE DEPARTMENT OR ITS WAREHOUSE OPERATOR, TO
43 BE DEPOSITED INTO THE ABC WAREHOUSE IMPROVEMENTS FUND; TO
44 PERIODICALLY SUSPEND THE CHARGE WHEN THE AMOUNT IN THE ABC
45 WAREHOUSE IMPROVEMENTS FUND REACHES CERTAIN THRESHOLDS; TO AMEND
46 SECTIONS 27-65-5 AND 27-65-25, MISSISSIPPI CODE OF 1972, TO REMOVE
47 THE SALES TAX ON WHOLESALE PURCHASES OF ALCOHOLIC BEVERAGES; TO
48 AMEND SECTIONS 67-1-5, 67-1-19, 67-1-33, 67-1-41 AND 67-1-43,
49 MISSISSIPPI CODE OF 1972, IN CONFORMITY TO THE ABOVE; TO AMEND
50 SECTION 67-1-51, MISSISSIPPI CODE OF 1972, AS AMENDED BY HOUSE
51 BILL NO. 918, 2022 REGULAR SESSION, IN CONFORMITY TO THE ABOVE,
52 AND TO REVISE CERTAIN DISTANCE RESTRICTIONS; AND FOR RELATED
53 PURPOSES.



X (SIGNED)
Harkins

X (SIGNED)
Johnson

X (SIGNED)
Carter

X (SIGNED)
Lamar

X (SIGNED)
Powell

X (SIGNED)
Zuber

