MISSISSIPPI LEGISLATURE

**REGULAR SESSION 2023** 

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 $\sim$  OFFICIAL  $\sim$ 

By: Representatives Powell, Hopkins To: Ways and Means

HOUSE BILL NO. 385

1 AN ACT TO AUTHORIZE A PERSON WHO IS THE HOLDER OF A WINE 2 MANUFACTURER'S PERMIT IN THIS STATE, OR WHO IS LICENSED OR 3 PERMITTED OUTSIDE OF THE STATE TO ENGAGE IN THE ACTIVITY OF 4 MANUFACTURING, SUPPLYING, IMPORTING, DISTRIBUTING, WHOLESALING OR 5 RETAILING WINE, TO SELL AND SHIP WINE DIRECTLY TO RESIDENTS IN 6 THIS STATE, IF THE PERSON OBTAINS A DIRECT WINE SHIPPER'S PERMIT 7 FROM THE DEPARTMENT OF REVENUE; TO PROVIDE FOR THE ISSUANCE OF DIRECT WINE SHIPPER'S PERMITS; TO REQUIRE THE HOLDER OF A DIRECT 8 9 WINE SHIPPER'S PERMIT TO KEEP CERTAIN RECORDS; TO PROHIBIT THE 10 HOLDER OF A DIRECT WINE SHIPPER'S PERMIT FROM SELLING OR SHIPPING LIGHT WINE, LIGHT SPIRT PRODUCTS OR BEER OR ANY ALCOHOLIC BEVERAGE 11 12 OTHER THAN WINE; TO LIMIT THE AMOUNT OF WINE THAT A HOLDER OF A 13 DIRECT WINE SHIPPER'S PERMIT MAY SELL OR SHIP TO AN INDIVIDUAL EACH YEAR; TO PROVIDE FOR THE ANNUAL RENEWAL OF DIRECT WINE 14 15 SHIPPER'S PERMITS; TO PROVIDE THAT PERSONS PURCHASING OR RECEIVING 16 A DIRECT SHIPMENT OF WINE FROM A DIRECT WINE SHIPPER MUST BE AT 17 LEAST TWENTY-ONE YEARS OF AGE; TO PROVIDE THAT PERSONS RECEIVING A 18 DIRECT SHIPMENT OF WINE FROM A DIRECT WINE SHIPPER SHALL USE THE 19 WINE FOR PERSONAL CONSUMPTION ONLY AND MAY NOT RESELL IT; TO AUTHORIZE THE COMMISSIONER OF REVENUE TO ADOPT ANY RULES OR 20 21 REGULATIONS AS NECESSARY TO CARRY OUT THIS ACT; TO PROVIDE PENALTIES FOR VIOLATIONS OF THIS ACT; TO AMEND SECTIONS 27-71-5, 22 23 27-71-7, 27-71-15 AND 27-71-29, MISSISSIPPI CODE OF 1972, TO 24 PROVIDE THE PRIVILEGE TAX REQUIRED FOR THE ISSUANCE OF A DIRECT 25 WINE SHIPPER'S PERMIT; TO LEVY A TAX UPON THE SALES AND SHIPMENTS 26 OF WINE MADE BY A DIRECT WINE SHIPPER; TO REQUIRE A CERTAIN AMOUNT 27 OF THE TAXES LEVIED TO BE DEPOSITED INTO THE MENTAL HEALTH 28 PROGRAMS FUND; TO AMEND SECTIONS 67-1-41, 67-1-45, 67-1-53, 67-1-55, 67-1-57, 67-1-73, 97-31-47 AND 97-31-49, MISSISSIPPI CODE 29 30 OF 1972, IN CONFORMITY TO THE FOREGOING PROVISIONS OF THIS ACT; TO 31 AMEND SECTION 67-1-51, MISSISSIPPI CODE OF 1972, IN CONFORMITY TO 32 THE FOREGOING PROVISIONS OF THIS ACT; TO PROVIDE THAT A HOLDER OF 33 A PACKAGE RETAILER'S PERMIT MAY SELL AT RETAIL THROUGH THE 34 INTERNET AND SHIP WINE IN ORIGINAL SEALED AND UNOPENED PACKAGES TO

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35 RESIDENTS IN THIS STATE; TO PROVIDE THAT A HOLDER OF A PACKAGE 36 RETAILER'S PERMIT MAKING SALES OF WINE THROUGH THE INTERNET MAY 37 NOT SELL OR SHIP ANY ALCOHOLIC BEVERAGE OTHER THAN WINE OR SHIP WINE TO AN ADDRESS IN A COUNTY THAT HAS NOT VOTED IN FAVOR OF 38 39 COMING OUT FROM UNDER THE DRY LAW; TO AMEND SECTION 67-1-83, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; TO BRING FORWARD 40 41 SECTION 67-1-67, MISSISSIPPI CODE OF 1972, WHICH RELATES TO THE 42 TRANSFER OF PERMITS UNDER THE LOCAL OPTION ALCOHOLIC BEVERAGE 43 CONTROL LAW, FOR THE PURPOSES OF POSSIBLE AMENDMENT; AND FOR 44 RELATED PURPOSES.

45 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 46 SECTION 1. As used in Sections 1 through 9 of this act, the 47 following words shall have the meanings as defined in this section unless the context otherwise requires: 48

49

(a) "Department" means the Department of Revenue.

50

(b)

"Direct wine shipper" means the holder of a direct 51 wine shipper's permit issued by the department under Sections 1 52 through 9 of this act.

"Permit" means a direct wine shipper's permit 53 (C) 54 issued by the department under Sections 1 through 9 of this act.

55 (d) "Wine" means any product obtained from the 56 alcoholic fermentation of the juice of sound, ripe grapes, fruits or berries, made in accordance with the revenue laws of the United 57 58 States, and containing more than five percent (5%) of alcohol by 59 weight.

60 In addition, the definitions in Section 67-1-5 shall be 61 applicable to the terms used in Sections 1 through 9 of this act 62 unless the context otherwise requires.

63 SECTION 2. A person must hold a permit as a direct wine 64 shipper issued by the department before the person may engage in

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65 selling and shipping wine directly to a resident in this state. A
66 direct wine shipper may sell and ship wine directly to residents
67 in this state without being required to transact the sale and
68 shipment through the Alcoholic Beverage Control Division of the
69 department.

70 <u>SECTION 3.</u> To qualify for a permit, an applicant shall be: 71 (a) A holder of a Class 2 manufacturer's permit issued 72 in accordance with Section 67-1-51; or

(b) A person licensed or permitted outside of this
state to engage in the activity of manufacturing, supplying,
importing, distributing, wholesaling or retailing wine.

76 **SECTION 4.** (1) An applicant for a permit shall:

(a) Submit to the department a completed application on a form provided by the department, containing all information that is required by the department;

80 (b) Provide to the department a copy of the applicant's 81 current license or permit to engage in the activity of 82 manufacturing, supplying, importing, distributing, wholesaling or 83 retailing wine issued in this or any other state; and

84 (c) Pay to the department the tax prescribed in Section85 27-71-5.

86 (2) After a person complies with the provisions of
87 subsection (1) of this section, the department may conduct any
88 investigation as it considers necessary regarding the issuance of

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a permit, and the department shall issue a permit to the applicant
if the requirements of Sections 1 through 9 of this act are met.
SECTION 5. (1) A direct wine shipper shall:

92 (a) Ensure that all containers of wine sold and shipped
93 directly to a resident in this state are conspicuously labeled
94 with the words "CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21
95 YEARS OR OLDER REQUIRED FOR DELIVERY";

96 (b) Report to the department annually the total amount 97 of wine, by type, sold and shipped into or within the state the 98 preceding calendar year;

99 (c) Maintain for at least three (3) years all records 100 that allow the department to ascertain the truthfulness of the 101 information filed under Sections 1 through 9 of this act;

102 (d) Allow the department to perform an audit of the103 direct wine shipper's records upon request; and

104 (e) Be deemed to have consented to the jurisdiction of 105 the department or any other state agency and the state courts 106 concerning enforcement of Sections 1 through 9 of this act and any 107 related laws, rules or regulations.

108

(2) A direct wine shipper may not:

(a) Sell or ship any light wine, light spirit products
or beer that is regulated under Section 67-3-1 et seq. or any
alcoholic beverage other than wine;

(b) Sell or ship more than twenty-four (24) nine-liter cases of wine annually to any one (1) individual; or

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 4 (BS\JAB) (c) Ship wine to an address in a county that has not voted in favor of coming out from under the dry law.

116 <u>SECTION 6.</u> A direct wine shipper may annually renew his or 117 her permit, if the direct wine shipper:

118

(a) Is otherwise entitled to receive a permit;

(b) Provides to the department a copy of his or her current license or permit to engage in the activity of manufacturing, supplying, importing, distributing, wholesaling or retailing wine issued in this or any other state; and

123 (c) Pays to the department a privilege license tax as124 prescribed in Section 27-71-5.

125 <u>SECTION 7.</u> (1) To purchase and receive a direct shipment of 126 wine from a direct wine shipper, a resident of this state must be 127 at least twenty-one (21) years of age, and a person who is at 128 least twenty-one (21) years of age must sign for any wine shipped 129 from a direct wine shipper.

130 (2) A shipment of wine may be ordered or purchased from a131 direct wine shipper through a computer network.

(3) A person who receives a direct shipment of wine from a
direct wine shipper shall use the wine for personal consumption
only and may not resell it.

135 <u>SECTION 8.</u> The Commissioner of Revenue of the department may 136 adopt any rules or regulations as necessary to carry out Sections 137 1 through 9 of this act. All of the enforcement provisions of 138 Section 67-1-1 et seq. that are not in conflict with Sections 1

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 5 (BS\JAB) 139 through 9 of this act may be used by the department to enforce the 140 provisions of Sections 1 through 9 of this act.

141 SECTION 9. (1) Any person who makes, participates in, transports, imports or receives a sale or shipment of wine in 142 143 violation of Sections 1 through 9 of this act is guilty of a 144 misdemeanor and, upon conviction thereof, shall be punished by a fine not exceeding One Thousand Dollars (\$1,000.00) or 145 146 imprisonment in the county jail for not more than six (6) months, 147 Each sale or shipment in violation of Sections 1 through or both. 9 of this act shall constitute a separate offense. 148

149 (2) If any holder of a direct wine shipper's permit violates
150 any provision of Sections 1 through 9 of this act, the department
151 may suspend or revoke the permit and impose civil penalties as
152 authorized under Section 67-1-1 et seq.

153 SECTION 10. Section 27-71-5, Mississippi Code of 1972, is 154 amended as follows:

155 27-71-5. (1) Upon each person approved for a permit under 156 the provisions of the Alcoholic Beverage Control Law and 157 amendments thereto, there is levied and imposed for each location 158 for the privilege of engaging and continuing in this state in the 159 business authorized by such permit, an annual privilege license 160 tax in the amount provided in the following schedule:

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

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 6 (BS\JAB) 164 (i) For a permittee with annual production of five thousand (5,000) gallons or more.....\$4,500.00 165 (ii) For a permittee with annual production under five thousand 166 (5,000) gallons \$2,800.00 167 168 Manufacturer's permit, Class 2, wine (b) 169 manufacturer.....\$1,800.00 170 (c) Manufacturer's permit, Class 3, native wine 171 manufacturer per ten thousand (10,000) gallons or part thereof 172 produced.....\$ 10.00 Manufacturer's permit, Class 4, native spirit 173 (d) 174 manufacturer per one thousand (1,000) gallons or part thereof produced.....\$ 300.00 175 176 (e) Native wine retailer's permit.....\$ 50.00 177 (f) Package retailer's permit, each.....\$ 900.00 On-premises retailer's permit, except for clubs and 178 (q) common carriers, each.....\$ 450.00 179 180 On-premises retailer's permit for wine of more than (h) five percent (5%) alcohol by weight, but not more than twenty-one 181 182 percent (21%) alcohol by weight, each.....\$ 225.00 183 On-premises retailer's permit for clubs...\$ (i) 225.00 184 (j) On-premises retailer's permit for common carriers, 185 per car, plane, or other vehicle.....\$ 120.00 186 Solicitor's permit, regardless of any other (k) provision of law, solicitor's permits shall be issued only in the 187 discretion of the department.....\$ 100.00 188

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189	(1)	Filing fee for each application except for a	n
190	employee ident	ification card\$	25.00
191	(m)	Temporary permit, Class 1, each\$	10.00
192	(n)	Temporary permit, Class 2, each\$	50.00
193	(0)	(i) Caterer's permit\$	600.00
194		(ii) Caterer's permit for holders of on-pre	mises
195	retailer's per	mit\$	150.00
196	(p)	Research permit\$	100.00
197	(q)	Temporary permit, Class 3 (wine only)\$	10.00
198	(r)	Special service permit\$	225.00
199	(s)	Merchant permit\$	225.00
200	(t)	Temporary alcoholic beverages charitable auc	tion
201	permit	\$	10.00
202	(u)	Event venue retailer's permit\$	225.00
203	(v)	Temporary theatre permit, each\$	10.00
204	(w)	Charter ship operator's permit\$	100.00
205	(x)	Distillery retailer's permit\$	450.00
206	(y)	Festival wine permit\$	10.00
207	(Z)	Charter vessel operator's permit\$	100.00
208	(aa)	Native spirit retailer's permit\$	50.00
209	(bb)	Delivery service permit\$	500.00
210	(cc)	Food truck permit\$	100.00
211	<u>(dd)</u>	Direct wine shipper's permit\$	100.00
212	In additi	on to the filing fee imposed by paragraph (1)	of
213	this subsectio	n, a fee to be determined by the Department o	f

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214 Revenue may be charged to defray costs incurred to process 215 applications. The additional fees shall be paid into the State 216 Treasury to the credit of a special fund account, which is hereby 217 created, and expenditures therefrom shall be made only to defray 218 the costs incurred by the Department of Revenue in processing 219 alcoholic beverage applications. Any unencumbered balance 220 remaining in the special fund account on June 30 of any fiscal 221 year shall lapse into the State General Fund.

All privilege taxes imposed by this section shall be paid in advance of doing business. A new permittee whose privilege tax is determined by production volume will pay the tax for the first year in accordance with department regulations. The additional privilege tax imposed for an on-premises retailer's permit based upon purchases shall be due and payable on demand.

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

230 There is imposed and shall be collected from each (2)(a) permittee, except a common carrier, solicitor, a temporary 231 232 permittee, holder of a direct wine shipper's permit or a delivery 233 service permittee, by the department, an additional license tax 234 equal to the amounts imposed under subsection (1) of this section 235 for the privilege of doing business within any municipality or county in which the licensee is located. 236

(b) (i) In addition to the tax imposed in paragraph(a) of this subsection, there is imposed and shall be collected by

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 9 (BS\JAB) 239 the department from each permittee described in subsection (1)(q), 240 (h), (i), (n) and (u) of this section, an additional license tax 241 for the privilege of doing business within any municipality or county in which the licensee is located in the amount of Two 242 243 Hundred Twenty-five Dollars (\$225.00) on purchases exceeding Five 244 Thousand Dollars (\$5,000.00) and Two Hundred Twenty-five Dollars 245 (\$225.00) for each additional purchase of Five Thousand Dollars (\$5,000.00), or fraction thereof. 246

247 In addition to the tax imposed in paragraph (ii) 248 (a) of this subsection, there is imposed and shall be collected by 249 the department from each permittee described in subsection (1)(o) 250 and (s) of this section, an additional license tax for the 251 privilege of doing business within any municipality or county in 252 which the licensee is located in the amount of Two Hundred Fifty 253 Dollars (\$250.00) on purchases exceeding Five Thousand Dollars 254 (\$5,000.00) and Two Hundred Twenty-five Dollars (\$225.00) for each 255 additional purchase of Five Thousand Dollars (\$5,000.00), or 256 fraction thereof.

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

264 (C) If the licensee is located within a municipality, 265 the department shall pay the amount of additional license tax 266 collected under this section to the municipality, and if outside a 267 municipality the department shall pay the additional license tax 268 to the county in which the licensee is located. Payments by the 269 department to the respective local government subdivisions shall 270 be made once each month for any collections during the preceding 271 month.

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

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

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

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 11 (BS\JAB) 289 county jail for a term of not more than six (6) months, or by both 290 such fine and imprisonment, in the discretion of the court.

It shall be unlawful for any person to consume alcoholic 291 (6) 292 beverages on the premises of any hotel restaurant, restaurant, 293 club or the interior of any public place defined in Chapter 1, 294 Title 67, Mississippi Code of 1972, when the owner or manager 295 thereof displays in several conspicuous places inside the 296 establishment and at the entrances of establishment a sign 297 containing the following language: NO ALCOHOLIC BEVERAGES 298 ALLOWED.

299 SECTION 11. Section 27-71-7, Mississippi Code of 1972, is 300 amended as follows:

301 27-71-7. (1) There is hereby levied and assessed an excise 302 tax upon each case of alcoholic beverages sold by the department 303 to be collected from each retail licensee at the time of sale in 304 accordance with the following schedule:

305 (a) Distilled spirits.....\$2.50 per 306 gallon

307 (b) Sparkling wine and champagne.....\$1.00 per 308 gallon

309 (c) Other wines, including native wines...\$ .35 per 310 gallon

311 (2) (a) In addition to the tax levied by subsection (1) of 312 this section, and in addition to any other markup collected, the 313 Alcoholic Beverage Control Division shall collect a markup of

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three percent (3%) on all alcoholic beverages, as defined in Section 67-1-5, Mississippi Code of 1972, which are sold by the division. The proceeds of the markup shall be collected by the division from each purchaser at the time of purchase.

318 Until June 30, 1987, the revenue derived from this (b) 319 three percent (3%) markup shall be deposited by the division in 320 the State Treasury to the credit of the "Alcoholism Treatment and Rehabilitation Fund," a special fund which is hereby created in 321 322 the State Treasury, and shall be used by the Division of Alcohol 323 and Drug Abuse of the State Department of Mental Health and public 324 or private centers or organizations solely for funding of 325 treatment and rehabilitation programs for alcoholics and alcohol 326 abusers which are sponsored by the division or public or private 327 centers or organizations in such amounts as the Legislature may appropriate to the division for use by the division or public or 328 329 private centers or organizations for such programs. Any tax 330 revenue in the fund which is not encumbered at the end of the 331 fiscal year shall lapse to the General Fund. It is the intent of 332 the Legislature that the State Department of Mental Health shall 333 continue to seek funds from other sources and shall use the funds 334 appropriated for the purposes of this section and Section 27-71-29 335 to match all federal funds which may be available for alcoholism 336 treatment and rehabilitation.

From and after July 1, 1987, the revenue derived from this three percent (3%) markup shall be deposited by the division in

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 13 (BS\JAB) 339 the State Treasury to the credit of the "Mental Health Programs 340 Fund," a special fund which is hereby created in the State 341 Treasury and shall be used by the State Department of Mental 342 Health for the service programs of the department. Any revenue in 343 the "Alcoholism Treatment and Rehabilitation Fund" which is not 344 encumbered at the end of Fiscal Year 1987 shall be deposited to 345 the credit of the "Mental Health Programs Fund."

346 (3) There is levied and assessed upon the holder of a direct 347 wine shipper's permit, a tax in the amount of thirty-four percent 348 (34%) of the sales price of each sale and shipment of wine made to a resident in this state. The holder of a direct wine shipper's 349 350 permit shall file a monthly report with the department along with 351 a copy of the invoice for each sale and shipment of wine and remit 352 any taxes due; however, no report shall be required for months in 353 which no sales or shipments were made into this state. The 354 report, together with copies of the invoices and the payment of 355 all taxes, shall be filed with the department not later than the 356 twentieth day of the month following the month in which the 357 shipment was made. Permittees who fail to timely file and pay 358 taxes as required by this subsection shall pay a late fee in the 359 amount of Fifty Dollars (\$50.00), in addition to any other penalty 360 authorized by this article. 361

361 SECTION 12. Section 27-71-15, Mississippi Code of 1972, is 362 amended as follows:

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 14 (BS\JAB) 363 27-71-15. Except as otherwise provided in Section 67-9-1 for 364 the transportation of limited amounts of alcoholic beverages for the use of an alcohol processing permittee, and in Sections 1 365 366 through 9 of this act for the sale and shipment of wine by the 367 holder of a direct wine shipper's permit, if transportation 368 requires passage through a county which has not authorized the 369 sale of alcoholic beverages, such transportation shall be by a 370 sealed vehicle. Such seal shall remain unbroken until the vehicle 371 shall reach the place of business operated by the permittee. The operator of any vehicle transporting alcoholic beverages shall 372 373 have in his possession an invoice issued by the \* \* \* department 374 at the time of the wholesale sale covering the merchandise 375 transported by the vehicle. The \* \* \* department is authorized to 376 issue regulations controlling the transportation of alcoholic 377 beverages.

When the restrictions imposed by this section and by the regulation of the **\* \* \*** <u>department</u> have not been violated, the person transporting alcoholic beverages through a county wherein the sale of alcoholic beverages is prohibited shall not be guilty of unlawful possession and such merchandise shall be immune from seizure.

384 SECTION 13. Section 27-71-29, Mississippi Code of 1972, is 385 amended as follows:

386 27-71-29. (1) All taxes levied by this article shall be 387 paid to the Department of Revenue in cash or by personal check,

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 15 (BS\JAB) 388 cashier's check, bank exchange, post office money order or express 389 money order and shall be deposited by the department in the State 390 Treasury on the same day collected, but no remittances other than 391 cash shall be a final discharge of liability for the tax herein 392 imposed and levied unless and until it has been paid in cash to 393 the department.

394 All taxes levied under Section 27-71-7(1) and received by the 395 department under this article shall be paid into the General Fund, 396 and the three percent (3%) levied under Section 27-71-7(2) and 397 received by the department under this article shall be paid into 398 the special fund in the State Treasury designated as the 399 "Alcoholism Treatment and Rehabilitation Fund" as required by law. 400 Any funds derived from the sale of alcoholic beverages in excess 401 of inventory requirements shall be paid not less often than 402 annually into the General Fund, except for a portion of the 403 twenty-seven and one-half percent (27-1/2%) markup provided for in 404 Section 27-71-11, as specified in subsection (2) of this section, 405 and except for fees charged by the department for the defraying of 406 costs associated with shipping alcoholic beverages. The revenue 407 derived from these fees shall be deposited by the department into 408 a special fund, hereby created in the State Treasury, which is designated the "ABC Shipping Fund." The monies in this special 409 410 fund shall be earmarked for use by the department for any 411 expenditure made to ship alcoholic beverages. Any net proceeds remaining in the special fund on August 1 of any fiscal year shall 412

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H. B. No. 385 23/HR31/R1073 PAGE 16 (BS\JAB) 413 lapse into the General Fund. "Net proceeds" in this section means 414 the total of all fees collected by the department to defray the 415 costs of shipping less the actual costs of shipping.

416 If the special bond sinking fund created in Section 7(3)(2)417 of Chapter 483, Laws of 2022 has a balance below the minimum 418 amount specified in the resolution providing for the issuance of 419 the bonds, or below one and one-half (1-1/2) times the amount 420 needed to pay the annual debt obligations related to the bonds 421 issued under Section 7 of Chapter 483, Laws of 2022, whichever is the lesser amount, the Commissioner of Revenue shall transfer the 422 423 deficit amount to the bond sinking fund from revenue derived from 424 the twenty-seven and one-half percent (27-1/2%) markup provided 425 for in Section 27-71-11.

426 (3) All taxes levied under Section 27-71-7(3) and received
427 by the department under this article shall be paid into the
428 General Fund, except for an amount equivalent to the three percent
429 (3%) levied under Section 27-71-7(2), which shall be paid into the
430 special fund in the State Treasury designated as the "Mental
431 Health Programs Fund" as required by law.

432 SECTION 14. Section 67-1-41, Mississippi Code of 1972, is 433 amended as follows:

434 67-1-41. (1) The department is hereby created a wholesale 435 distributor and seller of alcoholic beverages, not including malt 436 liquors, within the State of Mississippi. It is granted the right 437 to import and sell alcoholic beverages at wholesale within the

H. B. No. 385 23/HR31/R1073 PAGE 17 (BS\JAB) 438 state, and no person who is granted the right to sell, distribute 439 or receive alcoholic beverages at retail shall purchase any 440 alcoholic beverages from any source other than the department, except as authorized in subsections (4), (9) and (12) of this 441 442 section and Sections 1 through 9 of this act. The department may 443 establish warehouses, and the department may purchase alcoholic 444 beverages in such quantities and from such sources as it may deem 445 desirable and sell the alcoholic beverages to authorized 446 permittees within the state including, at the discretion of the 447 department, any retail distributors operating within any military 448 post or qualified resort areas within the boundaries of the state, 449 keeping a correct and accurate record of all such transactions and 450 exercising such control over the distribution of alcoholic 451 beverages as seem right and proper in keeping with the provisions 452 or purposes of this article.

453 (2) No person for the purpose of sale shall manufacture,
454 distill, brew, sell, possess, export, transport, distribute,
455 warehouse, store, solicit, take orders for, bottle, rectify,
456 blend, treat, mix or process any alcoholic beverage except in
457 accordance with authority granted under this article, or as
458 otherwise provided by law for native wines or native spirits.

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

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 18 (BS\JAB) 463 (4) The department may promulgate rules and regulations 464 which authorize on-premises retailers to purchase limited amounts 465 of alcoholic beverages from package retailers and for package 466 retailers to purchase limited amounts of alcoholic beverages from 467 other package retailers. The department shall develop and provide 468 forms to be completed by the on-premises retailers and the package 469 retailers verifying the transaction. The completed forms shall be 470 forwarded to the department within a period of time prescribed by 471 the department.

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

478 (6) The department shall maintain all forms to be completed
479 by applicants necessary for licensure by the department at all
480 district offices of the department.

(7) The department may promulgate rules which authorize the manufacturer of an alcoholic beverage or wine to import, transport and furnish or give a sample of alcoholic beverages or wines to the holders of package retailer's permits, on-premises retailer's permits, native wine or native spirit retailer's permits and temporary retailer's permits who have not previously purchased the brand of that manufacturer from the department. For each holder

488 of the designated permits, the manufacturer may furnish not more 489 than five hundred (500) milliliters of any brand of alcoholic 490 beverage and not more than three (3) liters of any brand of wine.

491 The department may promulgate rules disallowing open (8) 492 product sampling of alcoholic beverages or wines by the holders of 493 package retailer's permits and permitting open product sampling of 494 alcoholic beverages by the holders of on-premises retailer's 495 permits. Permitted sample products shall be plainly identified 496 "sample" and the actual sampling must occur in the presence of the 497 manufacturer's representatives during the legal operating hours of 498 on-premises retailers.

499 The department may promulgate rules and regulations that (9) 500 authorize the holder of a research permit to import and purchase 501 limited amounts of alcoholic beverages from importers, wineries 502 and distillers of alcoholic beverages or from the department. The 503 department shall develop and provide forms to be completed by the 504 research permittee verifying each transaction. The completed 505 forms shall be forwarded to the department within a period of time 506 prescribed by the department. The records and inventory of 507 alcoholic beverages shall be open to inspection at any time by the 508 Director of the Alcoholic Beverage Control Division or any duly 509 authorized agent.

(10) The department may promulgate rules facilitating a retailer's on-site pickup of alcoholic beverages sold by the department or as authorized by the department, including, but not

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517 (11) **[Through June 30, 2023]** This section shall not apply 518 to alcoholic beverages authorized to be sold by the holder of a 519 distillery retailer's permit or a festival wine permit.

520 (11) **[From and after July 1, 2023]** This section shall not 521 apply to alcoholic beverages authorized to be sold by the holder 522 of a distillery retailer's permit.

523 (a) An individual resident of this state who is at (12)524 least twenty-one (21) years of age may purchase wine from a winery 525 and have the purchase shipped into this state so long as it is 526 shipped to a package retailer permittee in Mississippi; however, 527 the permittee shall pay to the department all taxes, fees and surcharges on the wine that are imposed upon the sale of wine 528 529 shipped by the department or its warehouse operator. No credit 530 shall be provided to the permittee for any taxes paid to another 531 state as a result of the transaction. Package retailers may 532 charge a service fee for receiving and handling shipments from 533 wineries on behalf of the purchasers. The department shall 534 develop and provide forms to be completed by the package retailer 535 permittees verifying the transaction. The completed forms shall 536 be forwarded to the department within a period of time prescribed 537 by the department.

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538 (b) The purchaser of wine that is to be shipped to a 539 package retailer's store shall be required to get the prior approval of the package retailer before any wine is shipped to the 540 package retailer. A purchaser is limited to no more than ten (10) 541 542 cases of wine per year to be shipped to a package retailer. A 543 package retailer shall notify a purchaser of wine within two (2) 544 days after receiving the shipment of wine. If the purchaser of 545 the wine does not pick up or take the wine from the package 546 retailer within thirty (30) days after being notified by the 547 package retailer, the package retailer may sell the wine as part 548 of his inventory.

549 Shipments of wine into this state under this (C) 550 section shall be made by a duly licensed carrier. It shall be the 551 duty of every common or contract carrier, and of every firm or 552 corporation that shall bring, carry or transport wine from outside 553 the state for delivery inside the state to package retailer 554 permittees on behalf of consumers, to prepare and file with the 555 department, on a schedule as determined by the department, of 556 known wine shipments containing the name of the common or contract 557 carrier, firm or corporation making the report, the period of time 558 covered by said report, the name and permit number of the winery, 559 the name and permit number of the package retailer permittee 560 receiving such wine, the weight of the package delivered to each 561 package retailer permittee, a unique tracking number, and the date of delivery. Reports received by the department shall be made 562

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H. B. No. 385 23/HR31/R1073 PAGE 22 (BS\JAB) available by the department to the public via the Mississippi Public Records Act process in the same manner as other state alcohol filings.

566 Upon the department's request, any records supporting the 567 report shall be made available to the department within a 568 reasonable time after the department makes a written request for 569 such records. Any records containing information relating to such 570 reports shall be kept and preserved for a period of two (2) years, 571 unless their destruction sooner is authorized, in writing, by the department, and shall be open and available to inspection by the 572 573 department upon the department's written request. Reports shall 574 also be made available to any law enforcement or regulatory body 575 in the state in which the railroad company, express company, 576 common or contract carrier making the report resides or does 577 business.

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

585 (d) A winery that ships wine under this section shall 586 be deemed to have consented to the jurisdiction of the courts of 587 this state, of the department, of any other state agency regarding

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588 the enforcement of this section, and of any related law, rules or 589 regulations.

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

596 If any provision of this article, or its application to (13)597 any person or circumstance, is determined by a court to be invalid or unconstitutional, the remaining provisions shall be construed 598 599 in accordance with the intent of the Legislature to further limit 600 rather than expand commerce in alcoholic beverages to protect the 601 health, safety, and welfare of the state's residents, and to 602 enhance strict regulatory control over taxation, distribution and 603 sale of alcoholic beverages through the three-tier regulatory 604 system imposed by this article upon all alcoholic beverages to 605 curb relationships and practices calculated to stimulate sales and 606 impair the state's policy favoring trade stability and the 607 promotion of temperance.

608 **SECTION 15.** Section 67-1-45, Mississippi Code of 1972, is 609 amended as follows:

610 67-1-45. No manufacturer, rectifier or distiller of
611 alcoholic beverages shall sell or attempt to sell any such
612 alcoholic beverages, except malt liquor, within the State of

H. B. No. 385 ~ OFFICIAL ~ 23/HR31/R1073 PAGE 24 (BS\JAB) Mississippi, except to the department, or as provided in Section 614 67-1-41, or pursuant to Section 67-1-51. A producer of native 615 wine or native spirit may sell native wines or native spirits, 616 respectively, to the department or to consumers at the location of 617 the native winery or native distillery or its immediate vicinity. 618 The holder of a direct wine shipper's permit may sell wines

619 directly to residents in this state as authorized by Sections 1

## 620 through 9 of this act.

Any violation of this section by any manufacturer, rectifier or distiller shall be punished by a fine of not less than Five Hundred Dollars (\$500.00), and not more than Two Thousand Dollars (\$2,000.00), to which may be added imprisonment in the county jail not to exceed six (6) months.

626 **SECTION 16.** Section 67-1-51, Mississippi Code of 1972, is 627 amended as follows:

628 67-1-51. (1) Permits which may be issued by the department 629 shall be as follows:

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

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

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637 Class 1. Distiller's and/or rectifier's permit, which shall 638 authorize the holder thereof to operate a distillery for the 639 production of distilled spirits by distillation or redistillation 640 and/or to operate a rectifying plant for the purifying, refining, 641 mixing, blending, flavoring or reducing in proof of distilled 642 spirits and alcohol.

643 Class 2. Wine manufacturer's permit, which shall authorize 644 the holder thereof to manufacture, import in bulk, bottle and 645 store wine or vinous liquor.

646 Class 3. Native wine producer's permit, which shall 647 authorize the holder thereof to produce, bottle, store and sell 648 native wines.

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

652 (b) Package retailer's permit. Except as otherwise provided in this paragraph and Section 67-1-52, a package 653 654 retailer's permit shall authorize the holder thereof to operate a 655 store exclusively for the sale at retail in original sealed and 656 unopened packages of alcoholic beverages, including native wines 657 and native spirits, not to be consumed on the premises where sold. 658 In addition, a holder of a package retailer's permit may sell at 659 retail through the Internet and ship wine in original sealed and 660 unopened packages to residents in this state and which is not to 661 be consumed on the premises where sold. A holder of a package

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 26 (BS\JAB) 662 retailer's permit making such sales of wine shall (i) ensure that 663 all containers of wine sold and shipped directly to a resident in 664 this state are conspicuously labeled with the words "CONTAINS 665 WINE: SIGNATURE OF PERSON AGE 21 YEARS OR OLDER REQUIRED FOR 666 DELIVERY" and (ii) report to the department annually the total 667 amount of wine sold and shipped within the state during the 668 preceding calendar year. A holder of a package retailer's permit 669 who sells wine through the Internet may not sell or ship any 670 alcoholic beverage other than wine or ship wine to an address in a 671 county that has not voted in favor of coming out from under the dry law. Alcoholic beverages shall not be sold by any retailer in 672 any package or container containing less than fifty (50) 673 674 milliliters by liquid measure. A package retailer's permit, with 675 prior approval from the department, shall authorize the holder 676 thereof to sample new product furnished by a manufacturer's 677 representative or his employees at the permitted place of business 678 so long as the sampling otherwise complies with this article and 679 applicable department regulations. Such samples may not be 680 provided to customers at the permitted place of business. In 681 addition to the sale at retail of packages of alcoholic beverages, 682 the holder of a package retailer's permit is authorized to sell at 683 retail corkscrews, wine glasses, soft drinks, ice, juices, mixers 684 and other beverages commonly used to mix with alcoholic beverages. 685 Nonalcoholic beverages sold by the holder of a package retailer's 686 permit shall not be consumed on the premises where sold.

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687 (C)**On-premises retailer's permit.** Except as otherwise 688 provided in subsection (5) of this section, an on-premises 689 retailer's permit shall authorize the sale of alcoholic beverages, 690 including native wines and native spirits, for consumption on the 691 licensed premises only; however, a patron of the permit holder may 692 remove one (1) bottle of wine from the licensed premises if: (i) 693 the patron consumed a portion of the bottle of wine in the course 694 of consuming a meal purchased on the licensed premises; (ii) the 695 permit holder securely reseals the bottle; (iii) the bottle is placed in a bag that is secured in a manner so that it will be 696 697 visibly apparent if the bag is opened; and (iv) a dated receipt 698 for the wine and the meal is available. Additionally, as part of 699 a carryout order, a permit holder may sell one (1) bottle of wine 700 to be removed from the licensed premises for every two (2) entrees 701 ordered. Such a permit shall be issued only to qualified hotels, 702 restaurants and clubs, small craft breweries, microbreweries, and 703 to common carriers with adequate facilities for serving 704 passengers. In resort areas, whether inside or outside of a 705 municipality, the department, in its discretion, may issue 706 on-premises retailer's permits to such establishments as it deems 707 proper. An on-premises retailer's permit when issued to a common 708 carrier shall authorize the sale and serving of alcoholic 709 beverages aboard any licensed vehicle while moving through any 710 county of the state; however, the sale of such alcoholic beverages shall not be permitted while such vehicle is stopped in a county 711

712 that has not legalized such sales. If an on-premises retailer's 713 permit is applied for by a common carrier operating solely in the 714 water, such common carrier must, along with all other 715 qualifications for a permit, (i) be certified to carry at least 716 one hundred fifty (150) passengers and/or provide overnight 717 accommodations for at least fifty (50) passengers and (ii) operate primarily in the waters within the State of Mississippi which lie 718 719 adjacent to the State of Mississippi south of the three (3) most 720 southern counties in the State of Mississippi and/or on the 721 Mississippi River or navigable waters within any county bordering 722 on the Mississippi River.

723 Solicitor's permit. A solicitor's permit shall (d) 724 authorize the holder thereof to act as salesman for a manufacturer 725 or wholesaler holding a proper permit, to solicit on behalf of his 726 employer orders for alcoholic beverages, and to otherwise promote 727 his employer's products in a legitimate manner. Such a permit 728 shall authorize the representation of and employment by one (1) 729 principal only. However, the permittee may also, in the 730 discretion of the department, be issued additional permits to 731 represent other principals. No such permittee shall buy or sell 732 alcoholic beverages for his own account, and no such beverage 733 shall be brought into this state in pursuance of the exercise of 734 such permit otherwise than through a permit issued to a wholesaler 735 or manufacturer in the state.

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736 (e) Native wine retailer's permit. Except as otherwise provided in subsection (5) of this section, a native wine 737 738 retailer's permit shall be issued only to a holder of a Class 3 739 manufacturer's permit, and shall authorize the holder thereof to 740 make retail sales of native wines to consumers for on-premises 741 consumption or to consumers in originally sealed and unopened 742 containers at an establishment located on the premises of or in 743 the immediate vicinity of a native winery. When selling to 744 consumers for on-premises consumption, a holder of a native wine 745 retailer's permit may add to the native wine alcoholic beverages not produced on the premises, so long as the total volume of 746 747 foreign beverage components does not exceed twenty percent (20%) 748 of the mixed beverage. Hours of sale shall be the same as those 749 authorized for on-premises permittees in the city or county in 750 which the native wine retailer is located.

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

756 Temporary retailer's permits shall be of the following 757 classes:

758 Class 1. A temporary one-day permit may be issued to bona 759 fide nonprofit civic or charitable organizations authorizing the 760 sale of alcoholic beverages, including native wine and native

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761 spirit, for consumption on the premises described in the temporary 762 permit only. Class 1 permits may be issued only to applicants 763 demonstrating to the department, by a statement signed under 764 penalty of perjury submitted ten (10) days prior to the proposed 765 date or such other time as the department may determine, that they 766 meet the qualifications of Sections 67-1-11, 67-1-37, 67-1-51(2) 767 and (3), 67-1-55, 67-1-57 (excluding paragraph (e)) and 67-1-59. 768 Class 1 permittees shall obtain all alcoholic beverages from 769 package retailers located in the county in which the temporary 770 permit is issued. Alcoholic beverages remaining in stock upon 771 expiration of the temporary permit may be returned by the 772 permittee to the package retailer for a refund of the purchase 773 price upon consent of the package retailer or may be kept by the 774 permittee exclusively for personal use and consumption, subject to 775 all laws pertaining to the illegal sale and possession of 776 alcoholic beverages. The department, following review of the 777 statement provided by the applicant and the requirements of the 778 applicable statutes and regulations, may issue the permit.

Class 2. A temporary permit, not to exceed seventy (70) days, may be issued to prospective permittees seeking to transfer a permit authorized in paragraph (c) of this subsection. A Class 2 permit may be issued only to applicants demonstrating to the department, by a statement signed under the penalty of perjury, that they meet the qualifications of Sections 67-1-5(1), (m), (n), (o), (p) or (q), 67-1-37, 67-1-51(2) and (3), 67-1-55, 67-1-57 and

786 67-1-59. The department, following a preliminary review of the 787 statement provided by the applicant and the requirements of the 788 applicable statutes and regulations, may issue the permit.

789 Class 2 temporary permittees must purchase their alcoholic 790 beverages directly from the department or, with approval of the 791 department, purchase the remaining stock of the previous 792 permittee. If the proposed applicant of a Class 1 or Class 2 793 temporary permit falsifies information contained in the 794 application or statement, the applicant shall never again be 795 eligible for a retail alcohol beverage permit and shall be subject 796 to prosecution for perjury.

797 Class 3. A temporary one-day permit may be issued to a 798 retail establishment authorizing the complimentary distribution of 799 wine, including native wine, to patrons of the retail 800 establishment at an open house or promotional event, for 801 consumption only on the premises described in the temporary 802 permit. A Class 3 permit may be issued only to an applicant 803 demonstrating to the department, by a statement signed under 804 penalty of perjury submitted ten (10) days before the proposed 805 date or such other time as the department may determine, that it 806 meets the qualifications of Sections 67-1-11, 67-1-37, 67-1-51(2) 807 and (3), 67-1-55, 67-1-57 (excluding paragraph (e)) and 67-1-59. 808 A Class 3 permit holder shall obtain all alcoholic beverages from 809 the holder(s) of a package retailer's permit located in the county in which the temporary permit is issued. Wine remaining in stock 810

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811 upon expiration of the temporary permit may be returned by the 812 Class 3 temporary permit holder to the package retailer for a refund of the purchase price, with consent of the package 813 814 retailer, or may be kept by the Class 3 temporary permit holder 815 exclusively for personal use and consumption, subject to all laws 816 pertaining to the illegal sale and possession of alcoholic 817 beverages. The department, following review of the statement 818 provided by the applicant and the requirements of the applicable 819 statutes and regulations, may issue the permit. No retailer may receive more than twelve (12) Class 3 temporary permits in a 820 821 calendar year. A Class 3 temporary permit shall not be issued to 822 a retail establishment that either holds a merchant permit issued under paragraph (1) of this subsection, or holds a permit issued 823 824 under Chapter 3, Title 67, Mississippi Code of 1972, authorizing 825 the holder to engage in the business of a retailer of light wine 826 or beer.

827 Caterer's permit. A caterer's permit shall permit (a) the purchase of alcoholic beverages by a person engaging in 828 829 business as a caterer and the resale of alcoholic beverages by 830 such person in conjunction with such catering business. No person 831 shall qualify as a caterer unless forty percent (40%) or more of 832 the revenue derived from such catering business shall be from the 833 serving of prepared food and not from the sale of alcoholic 834 beverages and unless such person has obtained a permit for such business from the Department of Health. A caterer's permit shall 835

836 not authorize the sale of alcoholic beverages on the premises of 837 the person engaging in business as a caterer; however, the holder 838 of an on-premises retailer's permit may hold a caterer's permit. 839 When the holder of an on-premises retailer's permit or an 840 affiliated entity of the holder also holds a caterer's permit, the 841 caterer's permit shall not authorize the service of alcoholic 842 beverages on a consistent, recurring basis at a separate, fixed 843 location owned or operated by the caterer, on-premises retailer or 844 affiliated entity and an on-premises retailer's permit shall be required for the separate location. All sales of alcoholic 845 846 beverages by holders of a caterer's permit shall be made at the 847 location being catered by the caterer, and, except as otherwise provided in subsection (5) of this section, such sales may be made 848 849 only for consumption at the catered location. The location being 850 catered may be anywhere within a county or judicial district that 851 has voted to come out from under the dry laws or in which the sale 852 and distribution of alcoholic beverages is otherwise authorized by 853 law. Such sales shall be made pursuant to any other conditions 854 and restrictions which apply to sales made by on-premises retail 855 permittees. The holder of a caterer's permit or his employees 856 shall remain at the catered location as long as alcoholic 857 beverages are being sold pursuant to the permit issued under this 858 paragraph (g), and the permittee shall have at the location the 859 identification card issued by the Alcoholic Beverage Control 860 Division of the department. No unsold alcoholic beverages may be

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861 left at the catered location by the permittee upon the conclusion 862 of his business at that location. Appropriate law enforcement 863 officers and Alcoholic Beverage Control Division personnel may 864 enter a catered location on private property in order to enforce 865 laws governing the sale or serving of alcoholic beverages.

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

873 Alcohol processing permit. An alcohol processing (i) 874 permit shall authorize the holder thereof to purchase, transport 875 and possess alcoholic beverages for the exclusive use in cooking, 876 processing or manufacturing products which contain alcoholic 877 beverages as an integral ingredient. An alcohol processing permit 878 shall not authorize the sale of alcoholic beverages on the 879 premises of the person engaging in the business of cooking, 880 processing or manufacturing products which contain alcoholic 881 beverages. The amounts of alcoholic beverages allowed under an 882 alcohol processing permit shall be set by the department.

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

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886 permit. The alcoholic beverages sold from the cart must be 887 consumed within the boundaries of the golf course.

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

895 (1) Merchant permit. Except as otherwise provided in 896 subsection (5) of this section, a merchant permit shall be issued 897 only to the owner of a spa facility, an art studio or gallery, or 898 a cooking school, and shall authorize the holder to serve 899 complimentary by the glass wine only, including native wine, at 900 the holder's spa facility, art studio or gallery, or cooking 901 school. A merchant permit holder shall obtain all wine from the 902 holder of a package retailer's permit.

903 Temporary alcoholic beverages charitable auction (m) 904 permit. A temporary permit, not to exceed five (5) days, may be 905 issued to a qualifying charitable nonprofit organization that is 906 exempt from taxation under Section 501(c)(3) or (4) of the 907 Internal Revenue Code of 1986. The permit shall authorize the 908 holder to sell alcoholic beverages for the limited purpose of 909 raising funds for the organization during a live or silent auction that is conducted by the organization and that meets the following 910

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 36 (BS\JAB) 911 requirements: (i) the auction is conducted in an area of the 912 state where the sale of alcoholic beverages is authorized; (ii) if 913 the auction is conducted on the premises of an on-premises 914 retailer's permit holder, then the alcoholic beverages to be 915 auctioned must be stored separately from the alcoholic beverages 916 sold, stored or served on the premises, must be removed from the 917 premises immediately following the auction, and may not be 918 consumed on the premises; (iii) the permit holder may not conduct 919 more than two (2) auctions during a calendar year; (iv) the permit 920 holder may not pay a commission or promotional fee to any person 921 to arrange or conduct the auction.

922 Event venue retailer's permit. An event venue (n) 923 retailer's permit shall authorize the holder thereof to purchase 924 and resell alcoholic beverages, including native wines and native 925 spirits, for consumption on the premises during legal hours during 926 events held on the licensed premises if food is being served at 927 the event by a caterer who is not affiliated with or related to 928 the permittee. The caterer must serve at least three (3) entrees. 929 The permit may only be issued for venues that can accommodate two 930 hundred (200) persons or more. The number of persons a venue may accommodate shall be determined by the local fire department and 931 932 such determination shall be provided in writing and submitted 933 along with all other documents required to be provided for an 934 on-premises retailer's permit. The permittee must derive the majority of its revenue from event-related fees, including, but 935

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H. B. No. 385 23/HR31/R1073 PAGE 37 (BS\JAB) 936 not limited to, admission fees or ticket sales for live 937 entertainment in the building. "Event-related fees" do not 938 include alcohol, beer or light wine sales or any fee which may be 939 construed to cover the cost of alcohol, beer or light wine. This 940 determination shall be made on a per event basis. An event may 941 not last longer than two (2) consecutive days per week.

942 Temporary theatre permit. A temporary theatre  $(\circ)$ permit, not to exceed five (5) days, may be issued to a charitable 943 944 nonprofit organization that is exempt from taxation under Section 945 501(c)(3) or (4) of the Internal Revenue Code and owns or operates 946 a theatre facility that features plays and other theatrical 947 performances and productions. Except as otherwise provided in 948 subsection (5) of this section, the permit shall authorize the 949 holder to sell alcoholic beverages, including native wines and 950 native spirits, to patrons of the theatre during performances and 951 productions at the theatre facility for consumption during such 952 performances and productions on the premises of the facility 953 described in the permit. A temporary theatre permit holder shall 954 obtain all alcoholic beverages from package retailers located in 955 the county in which the permit is issued. Alcoholic beverages 956 remaining in stock upon expiration of the temporary theatre permit 957 may be returned by the permittee to the package retailer for a 958 refund of the purchase price upon consent of the package retailer 959 or may be kept by the permittee exclusively for personal use and

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960 consumption, subject to all laws pertaining to the illegal sale 961 and possession of alcoholic beverages.

962 Charter ship operator's permit. Subject to the (p) 963 provisions of this paragraph (p), a charter ship operator's permit 964 shall authorize the holder thereof and its employees to serve, 965 monitor, store and otherwise control the serving and availability 966 of alcoholic beverages to customers of the permit holder during 967 private charters under contract provided by the permit holder. A 968 charter ship operator's permit shall authorize such action by the 969 permit holder and its employees only as to alcoholic beverages 970 brought onto the permit holder's ship by customers of the permit 971 holder as part of such a private charter. All such alcoholic 972 beverages must be removed from the charter ship at the conclusion 973 of each private charter. A charter ship operator's permit shall not authorize the permit holder to sell, charge for or otherwise 974 975 supply alcoholic beverages to customers, except as authorized in 976 this paragraph (p). For the purposes of this paragraph (p), 977 "charter ship operator" means a common carrier that (i) is 978 certified to carry at least one hundred fifty (150) passengers 979 and/or provide overnight accommodations for at least fifty (50) 980 passengers, (ii) operates only in the waters within the State of 981 Mississippi, which lie adjacent to the State of Mississippi south 982 of the three (3) most southern counties in the State of 983 Mississippi, and (iii) provides charters under contract for tours 984 and trips in such waters.

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985 (a) Distillery retailer's permit. The holder of a 986 Class 1 manufacturer's permit may obtain a distillery retailer's 987 permit. A distillery retailer's permit shall authorize the holder 988 thereof to sell at retail alcoholic beverages to consumers for 989 on-premises consumption, or to consumers by the sealed and 990 unopened bottle from a retail location at the distillery for 991 off-premises consumption. The holder may only sell product 992 manufactured by the manufacturer at the distillery described in 993 the permit. However, when selling to consumers for on-premises consumption, a holder of a distillery retailer's permit may add 994 995 other beverages, alcoholic or not, so long as the total volume of 996 other beverage components containing alcohol does not exceed 997 twenty percent (20%). Hours of sale shall be the same as those 998 authorized for on-premises permittees in the city or county in 999 which the distillery retailer is located.

The holder shall not sell at retail more than ten percent 1000 1001 (10%) of the alcoholic beverages produced annually at its 1002 distillery. The holder shall not make retail sales of more than 1003 two and twenty-five one-hundredths (2.25) liters, in the 1004 aggregate, of the alcoholic beverages produced at its distillery 1005 to any one (1) individual for consumption off the premises of the 1006 distillery within a twenty-four-hour period. The hours of sale 1007 shall be the same as those hours for package retailers under this 1008 The holder of a distillery retailer's permit is not article. required to purchase the alcoholic beverages authorized to be sold 1009

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 40 (BS\JAB) 1010 by this paragraph from the department's liquor distribution warehouse; however, if the holder does not purchase the alcoholic 1011 beverages from the department's liquor distribution warehouse, the 1012 1013 holder shall pay to the department all taxes, fees and surcharges 1014 on the alcoholic beverages that are imposed upon the sale of 1015 alcoholic beverages shipped by the department or its warehouse operator. In addition to alcoholic beverages, the holder of a 1016 1017 distillery retailer's permit may sell at retail promotional 1018 products from the same retail location, including shirts, hats, 1019 glasses, and other promotional products customarily sold by 1020 alcoholic beverage manufacturers.

1021 Festival wine permit. Any wine manufacturer or (r) 1022 native wine producer permitted by Mississippi or any other state is eligible to obtain a Festival Wine Permit. 1023 This permit 1024 authorizes the entity to transport product manufactured by it to 1025 festivals held within the State of Mississippi and sell sealed, 1026 unopened bottles to festival participants. The holder of this permit may provide samples at no charge to participants. 1027 1028 "Festival" means any event at which three (3) or more vendors are 1029 present at a location for the sale or distribution of goods. The 1030 holder of a Festival Wine Permit is not required to purchase the 1031 alcoholic beverages authorized to be sold by this paragraph from 1032 the department's liquor distribution warehouse. However, if the 1033 holder does not purchase the alcoholic beverages from the department's liquor distribution warehouse, the holder of this 1034

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H. B. No. 385 23/HR31/R1073 PAGE 41 (BS\JAB) 1035 permit shall pay to the department all taxes, fees and surcharges 1036 on the alcoholic beverages sold at such festivals that are imposed upon the sale of alcoholic beverages shipped by the Alcoholic 1037 Beverage Control Division of the Department of Revenue. 1038 1039 Additionally, the entity shall file all applicable reports and 1040 returns as prescribed by the department. This permit is issued per festival and provides authority to sell for two (2) 1041 1042 consecutive days during the hours authorized for on-premises 1043 permittees' sales in that county or city. The holder of the 1044 permit shall be required to maintain all requirements set by Local 1045 Option Law for the service and sale of alcoholic beverages. This 1046 permit may be issued to entities participating in festivals at 1047 which a Class 1 temporary permit is in effect.

1048 This paragraph (r) shall stand repealed from and after July 1049 1, 2023.

1050 (s) Charter vessel operator's permit. Subject to the 1051 provisions of this paragraph (s), a charter vessel operator's 1052 permit shall authorize the holder thereof and its employees to 1053 sell and serve alcoholic beverages to passengers of the permit 1054 holder during public tours, historical tours, ecological tours and 1055 sunset cruises provided by the permit holder. The permit shall 1056 authorize the holder to only sell alcoholic beverages, including 1057 native wines, to passengers of the charter vessel operator during 1058 public tours, historical tours, ecological tours and sunset 1059 cruises provided by the permit holder aboard the charter vessel

1060 operator for consumption during such tours and cruises on the 1061 premises of the charter vessel operator described in the permit. 1062 For the purposes of this paragraph (s), "charter vessel operator" 1063 means a common carrier that (i) is certified to carry at least 1064 forty-nine (49) passengers, (ii) operates only in the waters 1065 within the State of Mississippi, which lie south of Interstate 10 1066 in the three (3) most southern counties in the State of 1067 Mississippi, and lie adjacent to the State of Mississippi south of 1068 the three (3) most southern counties in the State of Mississippi, extending not further than one (1) mile south of such counties, 1069 1070 and (iii) provides vessel services for tours and cruises in such 1071 waters as provided in this paragraph (s).

1072 Native spirit retailer's permit. Except as (t) 1073 otherwise provided in subsection (5) of this section, a native 1074 spirit retailer's permit shall be issued only to a holder of a Class 4 manufacturer's permit, and shall authorize the holder 1075 1076 thereof to make retail sales of native spirits to consumers for on-premises consumption or to consumers in originally sealed and 1077 1078 unopened containers at an establishment located on the premises of 1079 or in the immediate vicinity of a native distillery. When selling 1080 to consumers for on-premises consumption, a holder of a native 1081 spirit retailer's permit may add to the native spirit alcoholic 1082 beverages not produced on the premises, so long as the total 1083 volume of foreign beverage components does not exceed twenty 1084 percent (20%) of the mixed beverage. Hours of sale shall be the

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H. B. No. 385 23/HR31/R1073 PAGE 43 (BS\JAB) 1085 same as those authorized for on-premises permittees in the city or 1086 county in which the native spirit retailer is located.

1087 (u) Delivery service permit. Any individual, limited 1088 liability company, corporation or partnership registered to do 1089 business in this state is eligible to obtain a delivery service 1090 permit. Subject to the provisions of Section 67-1-51.1, this 1091 permit authorizes the permittee, or its employee or an independent contractor acting on its behalf, to deliver alcoholic beverages, 1092 1093 beer, light wine and light spirit product from a licensed retailer 1094 to a person in this state who is at least twenty-one (21) years of 1095 age for the individual's use and not for resale. This permit does 1096 not authorize the delivery of alcoholic beverages, beer, light 1097 wine or light spirit product to the premises of a location with a permit for the manufacture, distribution or retail sale of 1098 1099 alcoholic beverages, beer, light wine or light spirit product. 1100 The holder of a package retailer's permit or an on-premises 1101 retailer's permit under Section 67-1-51 or of a beer, light wine and light spirit product permit under Section 67-3-19 is 1102 1103 authorized to apply for a delivery service permit as a privilege 1104 separate from its existing retail permit.

(v) Food truck permit. A food truck permit shall authorize the holder of an on-premises retailer's permit to use a food truck to sell alcoholic beverages off its premises to guests who must consume the beverages in open containers. For the purposes of this paragraph (v), "food truck" means a fully encased

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 44 (BS\JAB) 1110 food service establishment on a motor vehicle or on a trailer that a motor vehicle pulls to transport, and from which a vendor, 1111 1112 standing within the frame of the establishment, prepares, cooks, 1113 sells and serves food for immediate human consumption. The term 1114 "food truck" does not include a food cart that is not motorized. 1115 Food trucks shall maintain such distance requirements from 1116 schools, churches, kindergartens and funeral homes as are required 1117 for on-premises retailer's permittees under this article, and all sales must be made within a valid leisure and recreation district 1118 established under Section 67-1-101. Food trucks cannot sell or 1119 1120 serve alcoholic beverages unless also offering food prepared and cooked within the food truck, and permittees must maintain a 1121 1122 twenty-five percent (25%) food sale revenue requirement based on the food sold from the food truck alone. The hours allowed for 1123 1124 sale shall be the same as those for on-premises retailer's 1125 permittees in the location. This permit will not be required for 1126 the holder of a caterer's permit issued under this article to cater an event as allowed by law. Permittees must provide notice 1127 1128 of not less than forty-eight (48) hours to the department of each 1129 location at which alcoholic beverages will be sold.

1130 <u>(w) Direct wine shipper's permit. A direct wine</u> 1131 <u>shipper's permit shall authorize the holder to sell and ship a</u> 1132 <u>limited amount of wine directly to residents in this state in</u> 1133 <u>accordance with the provisions of Sections 1 through 9 of this</u> 1134 <u>act, without being required to transact the sale and shipment of</u>

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1135 <u>those wines through the Alcoholic Beverage Control Division of the</u> 1136 department.

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

1140 (3) (a) Except as otherwise provided in this subsection, no 1141 authority shall be granted to any person to manufacture, sell or 1142 store for sale any intoxicating liquor as specified in this 1143 article within four hundred (400) feet of any church, school, 1144 kindergarten or funeral home. However, within an area zoned commercial or business, such minimum distance shall be not less 1145 than one hundred (100) feet. 1146

1147 A church or funeral home may waive the distance (b) restrictions imposed in this subsection in favor of allowing 1148 1149 issuance by the department of a permit, pursuant to subsection (1) 1150 of this section, to authorize activity relating to the 1151 manufacturing, sale or storage of alcoholic beverages which would otherwise be prohibited under the minimum distance criterion. 1152 1153 Such waiver shall be in written form from the owner, the governing 1154 body, or the appropriate officer of the church or funeral home 1155 having the authority to execute such a waiver, and the waiver 1156 shall be filed with and verified by the department before becoming effective. 1157

1158 (c) The distance restrictions imposed in this 1159 subsection shall not apply to the sale or storage of alcoholic

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 46 (BS\JAB) beverages at a bed and breakfast inn listed in the National Register of Historic Places or to the sale or storage of alcoholic beverages in a historic district that is listed in the National Register of Historic Places, is a qualified resort area and is located in a municipality having a population greater than one hundred thousand (100,000) according to the latest federal decennial census.

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

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

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

(g) The distance restrictions imposed in this subsection shall not apply to the sale or storage of alcoholic

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 47 (BS\JAB) 1185 beverages at a licensed premises in a building located at or near 1186 the intersection of Ward and Tate Streets and adjacent properties 1187 in the City of Senatobia, Mississippi.

The distance restrictions imposed in this 1188 (h) 1189 subsection shall not apply to the sale or storage of alcoholic 1190 beverages at a theatre facility that features plays and other theatrical performances and productions and (i) is capable of 1191 1192 seating more than seven hundred fifty (750) people, (ii) is owned 1193 by a municipality which has a population greater than ten thousand (10,000) according to the latest federal decennial census, (iii) 1194 was constructed prior to 1930, (iv) is on the National Register of 1195 1196 Historic Places, and (v) is located in a historic district.

1197 No person, either individually or as a member of a firm, (4)partnership, limited liability company or association, or as a 1198 1199 stockholder, officer or director in a corporation, shall own or 1200 control any interest in more than one (1) package retailer's 1201 permit, nor shall such person's spouse, if living in the same 1202 household of such person, any relative of such person, if living 1203 in the same household of such person, or any other person living 1204 in the same household with such person own any interest in any 1205 other package retailer's permit.

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

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 48 (BS\JAB) 1210 patron of the permit holder in the manner authorized in the permit 1211 and the patron may remove an open glass, cup or other container of the alcoholic beverage and/or wine from the licensed premises and 1212 may possess and consume the alcoholic beverage or wine outside of 1213 1214 the licensed premises if: (i) the licensed premises is located 1215 within a leisure and recreation district created under Section 1216 67-1-101 and (ii) the patron remains within the boundaries of the 1217 leisure and recreation district while in possession of the 1218 alcoholic beverage or wine.

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

1223 **SECTION 17.** Section 67-1-53, Mississippi Code of 1972, is 1224 amended as follows:

1225 67 - 1 - 53. (1) Application for permits shall be in such form 1226 and shall contain such information as shall be required by the 1227 regulations of the \* \* \* department; however, no regulation of 1228 the \* \* \* department shall require personal financial information 1229 from any officer of a corporation applying for an on-premises 1230 retailer's permit to sell alcoholic beverages unless such officer 1231 owns ten percent (10%) or more of the stock of such corporation. 1232 Every applicant for each type of permit authorized by (2)

1233 Section 67-1-51 shall give notice of such application by 1234 publication for two (2) consecutive issues in a newspaper of

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1235 general circulation published in the city or town in which 1236 applicant's place of business is located. However, in instances where no newspaper is published in the city or town, then the 1237 1238 notice shall be published in a newspaper of general circulation 1239 published in the county where the applicant's business is located. 1240 If no newspaper is published in the county, the notice shall be published in a qualified newspaper which is published in the 1241 1242 closest neighboring county and circulated in the county of 1243 applicant's residence. The notice shall be printed in ten-point 1244 black face type and shall set forth the type of permit to be 1245 applied for, the exact location of the place of business, the name 1246 of the owner or owners thereof, and if operating under an assumed 1247 name, the trade name together with the names of all owners, and if a corporation, the names and titles of all officers. The cost of 1248 1249 such notice shall be borne by the applicant. The provisions of 1250 this subsection (2) shall not apply to applicants for a direct 1251 wine shipper's permit under Sections 1 through 9 of this act. 1252 Each application or filing made under this section shall (3) 1253 include the social security number(s) of the applicant in 1254 accordance with Section 93-11-64, Mississippi Code of 1972. 1255 SECTION 18. Section 67-1-55, Mississippi Code of 1972, is 1256 amended as follows: 1257 67-1-55. No permit of any type shall be issued by the \* \* \*

1258 <u>department</u> until the applicant has first filed with the **\* \* \*** 1259 <u>department</u> a sworn statement disclosing all persons who are

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1260 financially involved in the operation of the business for which 1261 the permit is sought. If an applicant is an individual, he will swear that he owns one hundred percent (100%) of the business for 1262 1263 which he is seeking a permit. If the applicant is a partnership, 1264 all partners and their addresses shall be disclosed and the extent 1265 of their interest in the partnership shall be disclosed. If the 1266 applicant is a corporation, the total stock in the corporation shall be disclosed and each shareholder and his address and the 1267 1268 amount of stock in the corporation owned by him shall be 1269 disclosed. If the applicant is a limited liability company, each 1270 member and their addresses shall be disclosed and the extent of 1271 their interest in the limited liability company shall be 1272 disclosed. If the applicant is a trust, the trustee and all 1273 beneficiaries and their addresses shall be disclosed. If the 1274 applicant is a combination of any of the above, all information 1275 required to be disclosed above shall be required.

1276 All the disclosures shall be in writing and kept on file at 1277 the **\* \*** <u>department</u> and shall be available to the public.

Every applicant must, when applying for a renewal of his permit, disclose any change in the ownership of the business or any change in the beneficiaries of the income from the business.

Any person who willfully fails to fully disclose the information required by this section, or who gives false information, shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined a sum not to exceed Five Hundred Dollars

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 51 (BS\JAB) 1285 (\$500.00) or imprisoned for not more than one (1) year, or both, 1286 and the person or applicant shall never again be eligible for any 1287 permit pertaining to alcoholic beverages.

1288 The provisions of this section shall not apply to applicants 1289 for a direct wine shipper's permit under Sections 1 through 9 of 1290 this act.

1291 SECTION 19. Section 67-1-57, Mississippi Code of 1972, is 1292 amended as follows:

1293 67-1-57. Before a permit is issued the department shall 1294 satisfy itself:

1295 (a) That the applicant, if an individual, or if a 1296 partnership, each of the members of the partnership, or if a 1297 corporation, each of its principal officers and directors, or if a limited liability company, each member of the limited liability 1298 1299 company, is of good moral character and, in addition, enjoys a reputation of being a peaceable, law-abiding citizen of the 1300 1301 community in which he resides, and is generally fit for the trust 1302 to be reposed in him, is not less than twenty-one (21) years of 1303 age, and has not been convicted of a felony in any state or 1304 federal court.

(b) That, except in the case of an application for a solicitor's permit, the applicant is the true and actual owner of the business for which the permit is desired, and that he intends to carry on the business authorized for himself and not as the agent of any other person, and that he intends to superintend in

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 52 (BS\JAB) 1310 person the management of the business or that he will designate a 1311 manager to manage the business for him. Except for managers 1312 employed by the holder of a direct wine shipper's permit, all 1313 managers must be approved by the department prior to completing 1314 any managerial tasks on behalf of the permittee and must possess 1315 all of the qualifications required of a permittee; however, a felony conviction, other than a crime of violence, does not 1316 1317 automatically disqualify a person from being approved as a manager 1318 if the person was released from incarceration at least three (3) 1319 years prior to application for approval as a manager. A felony 1320 conviction, other than a crime of violence, may be considered by 1321 the department in determining whether all other qualifications are 1322 met.

That the applicant for a package retailer's permit, 1323 (C) 1324 if an individual, is a resident of the State of Mississippi. If 1325 the applicant is a partnership, each member of the partnership 1326 must be a resident of the state. If the applicant is a limited 1327 liability company, each member of the limited liability company 1328 must be a resident of the state. If the applicant is a 1329 corporation, the designated manager of the corporation must be a 1330 resident of the state.

(d) That the place for which the permit is to be issued is an appropriate one considering the character of the premises and the surrounding neighborhood.

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H. B. No. 385 23/HR31/R1073 PAGE 53 (BS\JAB) (e) That the place for which the permit is to be issued is within the corporate limits of an incorporated municipality or qualified resort area or club which comes within the provisions of this article.

(f) That the applicant is not indebted to the state for any taxes, fees or payment of penalties imposed by any law of the State of Mississippi or by any rule or regulation of the \* \* \* department.

(g) That the applicant is not in the habit of using alcoholic beverages to excess and is not physically or mentally incapacitated, and that the applicant has the ability to read and write the English language.

(h) That the \* \* \* <u>department</u> does not believe and has
no reason to believe that the applicant will sell or knowingly
permit any agent, servant or employee to unlawfully sell liquor in
a dry area or in any other manner contrary to law.

(i) That the applicant is not residentially domiciled with any person whose permit or license has been cancelled for cause within the twelve (12) months next preceding the date of the present application for a permit.

(j) That the \* \* \* <u>department</u> has not, in the exercise of its discretion which is reserved and preserved to it, refused to grant permits under the restrictions of this section, as well as under any other pertinent provision of this article.

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 54 (BS\JAB) 1358 (k) That there are not sufficient legal reasons to deny 1359 a permit on the ground that the premises for which the permit is sought has previously been operated, used or frequented for any 1360 purpose or in any manner that is lewd, immoral or offensive to 1361 1362 public decency. In the granting or withholding of any permit to 1363 sell alcoholic beverages at retail, the \* \* \* department in 1364 forming its conclusions may give consideration to any 1365 recommendations made in writing by the district or county attorney 1366 or county, circuit or chancery judge of the county, or the sheriff 1367 of the county, or the mayor or chief of police of an incorporated 1368 city or town wherein the applicant proposes to conduct his 1369 business and to any recommendations made by representatives of 1370 the **\* \* \*** department.

That the applicant and the applicant's key 1371 (1)1372 employees, as determined by the \* \* \* department, do not have a 1373 disqualifying criminal record. In order to obtain a criminal 1374 record history check, the applicant shall submit to the commission a set of fingerprints from any local law enforcement agency for 1375 1376 each person for whom the records check is required. The \* \* \* 1377 department shall forward the fingerprints to the Mississippi 1378 Department of Public Safety. If no disqualifying record is 1379 identified at the state level, the Department of Public Safety 1380 shall forward the fingerprints to the Federal Bureau of 1381 Investigation for a national criminal history record check. Costs 1382 for processing the set or sets of fingerprints shall be borne by

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the applicant. The department may waive the fingerprint 1384 requirement in the case of an applicant for a direct wine shipper's permit. The \* \* \* department shall not deny employment 1385 1386 to an employee of the applicant prior to the identification of a 1387 disqualifying record or other disqualifying information.

1383

1388 SECTION 20. Section 67-1-73, Mississippi Code of 1972, is amended as follows: 1389

1390 67-1-73. (1) Except as otherwise provided in subsection (3) 1391 of this section, every manufacturer, including native wine or 1392 native spirit producers, within or without the state, and every 1393 other shipper of alcoholic beverages who sells any alcoholic 1394 beverage, including native wine or native spirit, within the 1395 state, shall, at the time of making such sale, file with the department a copy of the invoice of such sale showing in detail 1396 1397 the kind of alcoholic beverage sold, the quantities of each, the 1398 size of the container and the weight of the contents, the 1399 alcoholic content, and the name and address of the person to whom 1400 sold.

1401 (2) Except as otherwise provided in subsection (3) of this section, every person transporting alcoholic beverages, including 1402 1403 native wine or native spirit, within this state to a point within 1404 this state, whether such transportation originates within or without this state, shall, within five (5) days after delivery of 1405 1406 such shipment, furnish the department a copy of the bill of lading 1407 or receipt, showing the name or consignor or consignee, date,

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1408 place received, destination, and quantity of alcoholic beverages 1409 delivered. Upon failure to comply with the provisions of this 1410 section, such person shall be deemed guilty of a misdemeanor and, 1411 upon conviction thereof, shall be fined in the sum of Fifty 1412 Dollars (\$50.00) for each offense.

1413 (3) Information regarding the sales, shipment, delivery and
1414 transportation of wine in this state by the holder of a direct
1415 wine shipper's permit under Sections 1 through 9 of this act shall
1416 be in such form and content as prescribed by the department.
1417 SECTION 21. Section 97-31-47, Mississippi Code of 1972, is

1418 amended as follows:

1419 97-31-47. It shall be unlawful for any transportation 1420 company, or any agent, employee, or officer of such company, or 1421 any other person, or corporation to transport into or deliver in 1422 this state in any manner or by any means any spirituous, vinous, 1423 malt, or other intoxicating liquors or drinks, or for any such 1424 person, company, or corporation to transport any spirituous, malt, vinous, or intoxicating liquors or drinks from one place within 1425 1426 this state to another place within the state, or from one (1) 1427 point within this state to any point without the state, except in 1428 cases where this chapter \* \* \*, Section 67-9-1, or Sections 1 1429 through 9 of this act authorizes the transportation.

1430 SECTION 22. Section 97-31-49, Mississippi Code of 1972, is 1431 amended as follows:

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 57 (BS\JAB) 1432 97-31-49. Except as otherwise provided in Sections 1 through 1433 9 of this act, it shall be unlawful for any person, firm or 1434 corporation in this state, in person, by letter, circular, or 1435 other printed or written matter, or in any other manner, to 1436 solicit or take order in this state for any liquors, bitters or 1437 drinks prohibited by the laws of this state to be sold, bartered, or otherwise disposed of. The inhibition of this section shall 1438 1439 apply to such liquors, bitters and drinks, whether the parties 1440 intend that the same shall be shipped into this state from outside 1441 of the state, or from one (1) point in this state to another point 1442 in this state. If such order be in writing, parol evidence thereof is admissible without producing or accounting for the 1443 absence of the original; and the taking or soliciting of such 1444 orders is within the inhibition of this section, although the 1445 1446 orders are subject to approval by some other person, and no part 1447 of the price is paid, nor any part of the goods is delivered when 1448 the order is taken.

1449 SECTION 23. Section 67-1-83, Mississippi Code of 1972, is 1450 amended as follows:

1451 67-1-83. (1) It shall be unlawful for any permittee orany 1452 employee or agent thereof to sell or furnish any alcoholic 1453 beverage to any person who is visibly intoxicated, or to any 1454 person who is known to habitually drink alcoholic beverages to 1455 excess, or to any person who is known to be an habitual user of 1456 narcotics or other habit-forming drugs. It shall also be unlawful

1457 for the holder of any package retailer's permit to sell any 1458 alcoholic beverages except by delivery in person to the purchaser 1459 at the place of business of the permittee, unless the holder of a 1460 package retailer's permit also holds a delivery service permit or 1461 uses a delivery service permittee to effect delivery.

1462 (2) It shall be unlawful for any permittee or any employee 1463 or agent thereof to sell or furnish any alcoholic beverage to any 1464 person to whom the department has, after investigation, decided to 1465 prohibit the sale of those beverages because of an appeal to the 1466 department so to do by the husband, wife, father, mother, brother, 1467 sister, child, or employer of the person. The interdiction in 1468 those cases shall last until removed by the department, but no 1469 person shall be held to have violated this subsection unless he 1470 has been informed by the department, by registered letter, that it is forbidden to sell to that individual or unless that fact is 1471 1472 otherwise known to the permittee or its employee or agent.

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

1479 (4) Any person who violates any of the provisions of this
1480 section shall be guilty of a misdemeanor and, upon conviction,
1481 shall be punished by a fine of not more than Five Hundred Dollars

H. B. No. 385 **~ OFFICIAL ~** 23/HR31/R1073 PAGE 59 (BS\JAB) (\$500.00) or by imprisonment in the county jail for a term of not more than six (6) months, or by both that fine and imprisonment, in the discretion of the court. In addition to any other penalties prescribed by law, the commission may immediately revoke the permit of any permittee who violates the provisions of this section.

1488 SECTION 24. Section 67-1-67, Mississippi Code of 1972, is 1489 brought forward as follows:

1490 67-1-67. No permit shall be transferred by the permittee to 1491 any other person or any other place except with the written 1492 consent of the commission upon a regular application therefor in 1493 writing and upon consideration thereof as provided in this article 1494 for an original application for a permit. The commission shall not approve the transfer of the permit of any person against whom 1495 1496 there is pending in the courts or before the commission any charge 1497 of keeping a disorderly house, or of violating this article or the 1498 laws against gambling in this state or against whom there is pending any proceedings for the revocation, suspension or 1499 1500 cancellation of the permit.

1501 SECTION 25. This act shall take effect and be in force from 1502 and after July 1, 2023.

H. B. No. 385 23/HR31/R1073 PAGE 60 (BS\JAB) T: Alcoholic beverages; allow direct sales and shipments of wine to be made to residents in this state.