# Adopted AMENDMENT NO 1 PROPOSED TO

House Bill No. 1502

## **BY: Representative Yancey**

1 AMEND BY STRIKING ALL LANGUAGE AFTER THE ENACTING CLAUSE BY 2 **INSERTING THE FOLLOWING NEW LANGUAGE: " SECTION 1.** Section 3 69-25-201, Mississippi Code of 1972, is amended as follows: 4 69-25-201. (1) This article shall be known as the 5 "Mississippi Hemp \* \* \* Act." The regulation of hemp cultivation 6 and processing shall be governed exclusively by the provisions of 7 the Mississippi Hemp \* \* \* Act. A municipality, county or other 8 political subdivision of this state shall not enact, adopt or 9 enforce a rule, ordinance, order, resolution or other regulation 10 that allows, prohibits or penalizes the cultivation, production or processing of hemp in this state. 11

12 (2) The manufacture, production, distribution and sale of
 13 consumable hemp products other than beverages shall be regulated
 14 under this article. The manufacture, production, distribution and

sale of consumable hemp products that are beverages shall be 15 16 regulated under Chapter 3, Title 67, Mississippi Code of 1972. 17 SECTION 2. Section 69-25-203, Mississippi Code of 1972, is amended as follows: 18 19 69-25-203. For purposes of this article, the following words 20 and phrases shall have the meanings set forth below unless the context clearly indicates otherwise: 21 22 \* \* 23 ( \* \* \*a) "Business entity" means a nonnatural person 24 and includes nonprofit and for-profit corporations, partnerships, 25 limited liability corporations, and other legal entities 26 recognized by law. "Consumable hemp product" means a finished product 27 (b) 28 that is intended for human consumption, contains any part of the 29 hemp plant, including naturally occurring cannabinoids, compounds, 30 concentrates, extracts, isolates, or resins, and has a 31 delta-9-tetrahydrocannabinol (THC) concentration of not more than three-tenths percent (0.3%) when tested in its finished form. 32 The 33 term "consumable hemp product" does not include any product 34 containing any quantity of artificially derived cannabinoids, as 35 defined in Section 41-137-3, delta-8-tetrahydrocannabinol, delta-10-tetrahydrocannabinol, hexahydrocannabinol, 36 tetrahydrocannabinol acetate, tetrahydrocannabiphorol or 37 38 tetrahydrocannabivarin.

39 (C) "Consumable food manufacturing distributor" means any individual, partnership, corporation, cooperative association 40 or other business entity that receives raw hemp, hemp floral 41 42 material, extracts, distillates, isolates or any extracted form of 43 hemp as long as it is extracted from hemp for the manufacturing, 44 distribution and/or processing of any consumable hemp product including, but not limited to, edibles, tinctures, smokables, 45 vapables, lubricants, salves, lotions, hemp floral material, 46 47 concentrates, distillates and/or liquids. "Delta-9-tetrahydrocannabinol" means the sum of the 48 (d) 49 percentage by weight of tetrahydrocannabinol acid multiplied by 50 eight hundred seventy-seven thousandths (0.877) plus the 51 percentage by weight of delta-9-tetrahydrocannabinol. 52 "Department" means the \* \* \* State Department of (e) 53 Health. 54 (f) "Grower" means a person, business entity, joint 55 venture or cooperative that cultivates, grows or harvests hemp. 56 "Hemp" means the plant Cannabis sativa L. and any (q) 57 part of that plant, including the seeds thereof and all 58 derivatives, extracts, cannabinoids, isomers, acids, salts and 59 salts of isomers, whether growing or not, with a delta-9-tetrahydrocannabinol (THC) concentration of not more than 60 three-tenths percent (0.3%) on a dry weight basis that is grown or 61 62 processed under this article.

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(h) "Legal description of land" means Global Position
System coordinates and shall also include the metes and bounds to
include township, range, and section for the location in which
hemp is grown.

(i) <u>"Manufacturer" means a business entity that is</u>
<u>licensed by the department that manufactures or intends to</u>
<u>manufacture a consumable hemp product from unprocessed hemp or</u>
<u>hemp extract.</u>
(\*\*\*j) "Person" means any person, firm, association,

72 corporation or business entity.

73 (\*\*\*<u>k</u>) "Processor" means a person, business entity, 74 joint venture or cooperative that receives hemp for processing 75 into commodities, products or hemp seed. A processor also 76 includes any such entity that brokers and/or stores hemp.

(1) <u>"Retailer" means a dealer, other than a wholesaler,</u> whose principal business is that of selling merchandise at retail, <u>who sells consumable hemp products.</u>

80 <u>(m)</u> "State Health Officer" means the Executive Director 81 of the State Department of Health. Where applicable under the 82 provisions of this article, "State Health Officer" includes the 83 State Health Officer's designee.

84  $( * * *\underline{n})$  "State plan" means the plan contemplated by 7 85 CFR Part 990 Subpart B that a state must file for approval with 86 the United States Secretary of Agriculture.

87 (o) "THC" means delta-9-tetrahydrocannabinol.

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88 (\*\*\*<u>p</u>) "USDA" means the United States Department of 89 Agriculture.

90 (q) "Wholesaler" means a dealer whose principal
91 business is that of a wholesale dealer, and who is known to the
92 trade as such, that sells any consumable hemp products to licensed
93 retailers only for the purpose of resale.

94 SECTION 3. Section 69-25-207, Mississippi Code of 1972, is 95 amended as follows:

96 69-25-207. (1) Pursuant to the provisions of this article, 97 cultivation and processing of hemp, as defined in Section 69-25-203, are authorized in this state. Cultivation and 98 99 processing of hemp are subject to regulation by the department and 100 may only be performed by persons or business entities that hold a 101 valid license or registration issued \* \* \* under this article. 102 The \* \* \* State Health Officer shall create a State Plan (2)103 for submission to and approval by the United States Department of 104 Agriculture and the United States Secretary of Agriculture. 105 The \* \* \* State Department of Health shall promulgate such

106 reasonable regulations as necessary to implement the State Plan 107 and provisions of this article. The \* \* \* department shall be 108 authorized to promulgate any rule or regulation deemed necessary 109 for the administration of the provisions of this article in 110 compliance with any federal law, rule or regulation promulgated by 111 the United States Department of Agriculture.

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(3) The department is authorized to accept applications, and issue licenses and/or registrations for all hemp growers and hemp processors. The department shall adopt and enforce all rules and regulations related to those licenses and/or registrations.

116 (4) All hemp growers must be licensed by the department. 117 (5) All hemp processors must register with the department. All \* \* \* license holders and registered processors 118 (6) shall keep and maintain crop and/or processing records in 119 120 accordance with rules and regulations adopted and enforced by the The department may subject the required records to 121 department. 122 inspection. The department may make an inspection for the purpose 123 of ensuring compliance with:

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(a) USDA guidelines;

125 (b) Provisions of this article;

126 (c) Department rules and regulations;

127 (d) Any terms or conditions of a license issued128 hereunder;

129 (e) Registration with the department; or

130 (f) A final department order directed to the grower's131 or processor's hemp operations or activities.

132 (7) All hemp growers and processors shall be subject to a
133 background investigation conducted by the Department of Public
134 Safety, which shall include both a state and federal background
135 check.

136 SECTION 4. Section 69-25-213, Mississippi Code of 1972, is 137 amended as follows: 69-25-213. (1) 138 Upon a determination by the \* \* \* State 139 Health Officer or his or her designee, the following may 140 constitute negligent violations: 141 (a) Failing to provide a legal description of land on 142 which the grower produces hemp; 143 Failing to obtain a license or other required (b) 144 authorization from the department; 145 (C) Failing to register with the department; 146 (d) Producing Cannabis sativa L. with a 147 delta-9-tetrahydrocannabinol concentration of more than \* \* \* 148 three-tenths percent (0.3%) on a dry weight basis; or 149 Any other violation of the State Plan, including (e) any rules and regulations set forth by the department. 150 151 (2)**Corrective action plan.** (a) A hemp grower shall comply 152 with a plan established by the \* \* \* State Health Officer or his 153 or her designee to correct the negligent violation, including: 154 (i) A reasonable date by which the hemp grower 155 shall correct the negligent violation; and 156 (ii) A requirement that the hemp grower shall 157 periodically report to the \* \* \* State Health Officer or his or 158 her designee regarding the compliance with the corrective plan for 159 a period of not less than the next two (2) calendar years.

(b) The department shall notify the Mississippi Bureau
of Narcotics of all corrective action plans implemented by
the \* \* \* State Health Officer or his or her designee.

163 (3) Result of negligent violation. A hemp grower that 164 negligently violates the State Plan shall not, as a result of that 165 violation, be subject to any criminal enforcement action by a 166 state, county or local government entity.

167 (4) Repeat violations. A hemp grower that negligently
168 violates the State Plan three (3) times in a five-year period
169 shall be ineligible to produce hemp for a period of five (5) years
170 beginning on the date of the third violation.

171 SECTION 5. Section 69-25-217, Mississippi Code of 1972, is 172 amended as follows:

173 69-25-217. (1) It shall be unlawful for any person or174 business entity to:

175 (a) Violate this chapter or any rules or regulations176 promulgated under this chapter;

177 (b) Fail to comply with a corrective action plan issued 178 by the **\* \* \*** <u>State Health Officer</u> under Section 69-25-213(2);

(c) Transport hemp or hemp materials in violation of Section 69-25-209 or rules or regulations adopted under this chapter;

182 (d) Cultivate or grow hemp with a

183 delta-9-tetrahydrocannabinol (THC) concentration of more than

184 three-tenths percent (0.3%) on a dry weight basis;

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185 (e) Manufacture or produce any product derived from 186 cannabis, as defined in Section 41-137-3, for sale within the 187 State of Mississippi, except as authorized under this article, 188 under Chapter 3, Title 67, Mississippi Code of 1972, or under the 189 Mississippi Medical Cannabis Act; 190 (f) Sell any product derived from cannabis, as defined 191 in Section 41-137-3, within the State of Mississippi or to 192 Mississippi consumers, except as authorized under this article, 193 under Chapter 3, Title 67, Mississippi Code of 1972, or under the 194 Mississippi Medical Cannabis Act; 195 (g) Manufacture, produce or sell any hemp product that 196 contains an artificially derived cannabinoid as defined in Section 197 41-137-3; or 198 (h) Sell any consumable hemp product to any person 199 under the age of twenty-one (21) years. 200 (2) Any person or business entity that purposely, knowingly 201 or recklessly violates this provision of this chapter relating to 202 hemp production or processing shall be quilty of a misdemeanor 203 and, upon conviction of the violation, shall be fined in an amount 204 not to exceed Five Thousand Dollars (\$5,000.00), or sentenced to 205 imprisonment in the county jail for not more than one (1) year, or 206 both such fine and imprisonment. 207 Notwithstanding subsection (2) of this section, if any (3) 208 person or entity purposely, recklessly or knowingly cultivates or

209 grows hemp with a delta-9-tetrahydrocannabinol (THC) concentration

210 of more than one percent (1%) on a dry weight basis that person or 211 entity shall be guilty of a felony punishable by imprisonment for 212 not more than five (5) years, or a fine of not more than Ten 213 Thousand Dollars (\$10,000.00), or both such fine and imprisonment. 214 (4) For purposes of this section, the terms "purposely", "knowingly" and "recklessly" have the following meanings: 215 216 "Purposefully" means a person acts purposely with (a) 217 respect to a material element of an offense if: 218 (i) The element involves the nature of his or her conduct or a result thereof, it is his or her conscious object to 219 220 engage in conduct of that nature or to cause such a result; and 221 The element involves the attendant (ii) 222 circumstances, he or she is aware of the existence of such 223 circumstances or he or she believes or hopes that they exist. "Knowingly" means a person acts knowingly with 224 (b) 225 respect to a material element of an offense if: 226 The element involves the nature of his or her (i) 227 conduct or the attendant circumstances, he or she is aware that 228 his or her conduct is of that nature or that such circumstances 229 exist; and 230 (ii) The element involves a result of his or her 231 conduct, he or she is aware that it is practically certain that 232 his or her conduct will cause such a result. 233 "Recklessly" means a person acts recklessly with (C) respect to a material element of an offense when he or she 234

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235 consciously disregards a substantial and unjustifiable risk that 236 the material element exists or will result from his or her 237 The risk must be of such a nature and degree that, conduct. 238 considering the nature and purpose of the actor's conduct and the 239 circumstances known to him or her, its disregard involves a gross 240 deviation from the standard of conduct that a law-abiding person 241 would observe in the actor's situation.

242 SECTION 6. (1) The department shall be responsible for the 243 licensing of retailers, wholesalers, manufacturers and processors 244 of consumable hemp products other than beverages, and shall begin 245 issuing licenses to such businesses on July 1, 2025. The 246 nonrefundable annual license fees to be collected by the 247 department are as follows:

248 For a consumable hemp retailer, Two Hundred Dollars (a) 249 (\$200.00);

250 (b) For a consumable hemp wholesaler, Two Hundred Fifty 251 Dollars (\$250.00);

252 (c) For a consumable hemp manufacturer, Five Hundred 253 Dollars (\$500.00); and

254 (d) For a consumable hemp processor, Two Hundred Fifty 255 Dollars (\$250.00).

256 (2) Fees collected under this section shall be deposited 257 into the State General Fund.

258 **SECTION 7.** (1) All labels for any product containing hemp shall be approved by the department. 259

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(2) A finalized sample of any finished hemp product shall
have a complete certificate of analysis (COA) from a testing
facility or laboratory that analyzes the safety and potency of
hemp products, and such COA shall be provided to the department.

264 (3) All products containing cannabidiol (CBD) shall be
265 tested in a testing facility and/or laboratory with a United
266 States Drug Enforcement Administration (DEA) Certification
267 (ISO17025) that analyzes the safety and potency of CBD products.
268 <u>SECTION 8.</u> (1) Consumable food manufacturing distributors

269 shall:

(a) Hold a current food manufacturing license
specializing in consumable hemp, from the Mississippi Department
of Health, or from the health department of the state within the
United States where the entity's facility resides;

(b) Have a current food manufacturing license issued by the Mississippi Department of Health, or by the health department of the state within the United States where the entity's facility resides, specializing in consumable hemp products;

(c) Have the authority to designate authorized agents for the purposes of wholesaling consumable hemp products to Mississippi licensed wholesalers or retailers;

(d) Be responsible for notifying the department of anydesignated agents; and

(e) Obtain and offer for sale anti-counterfeiting scan codes for distribution of any consumable hemp product approved by the department.

(2) Consumable food manufacturing distributors may sell to
 licensed wholesalers, licensed retailers and directly to
 consumers.

289 <u>SECTION 9.</u> (1) (a) Any entity licensed with the department 290 as provided in this article shall submit a report on a quarterly 291 basis, due by the twentieth of the following month, detailing any 292 hemp product manufactured, distributed, purchased or sold at 293 wholesale, or sold at retail.

(b) Any consumable food manufacturing distributor or
any consumable hemp manufacturer, processor, wholesaler or
retailer shall pay a minimum fine of One Thousand Dollars
(\$1,000.00) to the department for failing to report, by the
twentieth (20th) of the following month, hemp products purchased
or sold in Mississippi.

300 (c) An electronic reporting system shall be implemented301 by the department.

302 (2) Any consumable food manufacturing distributor or any
 303 consumable hemp manufacturer, processor, wholesaler or retailer
 304 shall be subject to a fine as prescribed by the department per
 305 incident for purchasing or selling any unlawful hemp product.

306 (3) Fines collected under this section shall be deposited307 into the State General Fund.

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308 SECTION 10. (1) There is imposed, levied and assessed an 309 excise tax on consumable hemp products not otherwise taxed under 310 Section 27-71-307. A manufacturer or processor shall collect and 311 remit an excise tax on forms and in a manner specified by the 312 Commissioner of Revenue. The excise tax on such consumable hemp 313 products shall be based on the sales price for which a 314 manufacturer or processor sells to a wholesaler or retailer, and 315 the rate of the excise tax shall be three percent (3%) of such 316 sales price. The proceeds of such tax shall be deposited into the 317 State General Fund.

318 (2) The excise tax imposed by this section shall apply 319 regardless of the ownership of the manufacturing or processing 320 facility to which the manufacturer or processor sells or transfers 321 the consumable hemp products, as the case may be.

322 All provisions of the sales tax law, including those (3)323 which fix damages, penalties and interest for nonpayment of taxes 324 and for noncompliance, and all other requirements and duties 325 imposed on a taxpayer, shall apply to all persons liable for taxes 326 under this section. The Commissioner of Revenue shall exercise 327 all power and authority and perform all duties with respect to 328 taxpayers under this section as are provided in the sales tax law; 329 however, in the event of conflict, this section shall control.

330 SECTION 11. Section 69-25-211, Mississippi Code of 1972, is 331 amended as follows:

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The **\* \* \*** State Health Officer or his 332 69-25-211. (1)(a) 333 or her designee may enter, at reasonable times, upon any public or private property at which hemp is being cultivated or processed 334 335 for the purpose of determining compliance with this \* \* \* article and rules adopted under it. The \* \* \* State Health Officer may 336 apply for, and any judge of a court of competent jurisdiction, may 337 338 issue a search warrant as is necessary to achieve the purposes of this **\* \* \*** article relating to things, property or places within 339 340 the court's territorial jurisdiction.

341 (b) If the \* \* \* State Health Officer or his or her 342 designee determines that emergency conditions exist requiring 343 immediate action necessary to protect public health or safety of 344 the environment, the \* \* \* State Health Officer or his or her designee may issue an order stating the existence of such 345 conditions and requiring specific actions be taken to mitigate 346 347 those conditions without providing prior notice or an adjudication 348 hearing.

349 Any person to whom such an order is issued shall (C) 350 immediately comply with that order, and may apply to the \* \* \* 351 State Health Officer for an adjudication hearing. Upon receiving an application for an adjudication hearing, the **\* \* \*** State Health 352 353 Officer shall hold the hearing as soon as practicable and not 354 later than thirty (30) days after receipt of the application. On 355 the basis of the hearing, the \* \* \* State Health Officer shall 356 continue the order in effect, revoke it, or modify it.

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(d) In addition to any other available remedies,
the \* \* <u>State Health Officer</u> or the Mississippi Attorney General
may apply to the circuit court in the county where any provision
of this \* \* <u>article</u> or an order issued under paragraph (b) of
this subsection is being violated for an injunction restraining
any person from continuing the violation.

(e) An employee of the state or any division, agency, institution thereof involved in the administration and/or enforcement of this article, shall not be subject to prosecution for violations related to possession or transportation of hemp or cannabis in conjunction with the employee's duties arising under this \* \* article.

369 (2) In addition to any other liability or penalty provided 370 by law, the department may revoke or refuse to issue or renew a 371 hemp grower license or hemp processor registration and may impose 372 a civil penalty for violations of:

(a) A license or registration requirement;
(b) License or registration terms or conditions;
(c) Department rules and regulations relating to
growing or processing hemp; or

377 (d) A final order of the department that is 378 specifically directed to the grower's or processor's hemp 379 operations or activities.

380 (3) The department may impose administrative penalties for
 381 violations under this section in \* \* \* <u>substantially the same</u>

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382 <u>manner as provided for the Department of Agriculture and Commerce</u> 383 in Section 69-25-51.

384 SECTION 12. Section 69-25-215, Mississippi Code of 1972, is 385 amended as follows:

386 69-25-215. If a hemp grower violates the State Plan, 387 including growing hemp containing a delta-9-tetrahydrocannabinol 388 (THC) concentration that exceeds three-tenths percent (0.3%) on a 389 dry \* \* \* weight basis or a tolerance range as specified by USDA, 390 with a culpable mental state greater than negligence as determined by the department, the \* \* \* <u>State Health Officer</u> shall 391 392 immediately report the violation and the hemp grower to the United 393 States Attorney General, the Mississippi Attorney General and the 394 Mississippi Public Safety Commissioner. Such violations shall 395 also be referred to the Mississippi Bureau of Narcotics for 396 investigation. The Bureau of Narcotics may detain, seize and/or 397 destroy the crop and may initiate a criminal case for any 398 violation of this article or the Mississippi Uniform Controlled 399 Substances Law. The Mississippi Attorney General shall, in person 400 or by his or her designee, prosecute all criminal actions related 401 to violations arising under this \* \* \* article relating to hemp, 402 on behalf of the state. Violations of the State Plan that involve 403 culpability greater than negligence must be reported to the United 404 States Attorney General and the Mississippi Attorney General. The 405 provisions of Section 69-25-213 shall not apply to nonnegligent 406 violations.

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407 **SECTION 13.** Section 69-25-219, Mississippi Code of 1972, is 408 amended as follows:

409 69-25-219. (1) Any person convicted of a felony relating to 410 a controlled substance under state or federal law before, on or 411 after \* \* June 29, 2020, shall be ineligible, during the 412 ten-year period following the date of the conviction to 413 participate in the program established under this article and to 414 produce hemp under any regulations or guidelines issued under this 415 article.

416 (2) Any person who materially falsifies any information
417 contained in an application to participate in the State Plan
418 established under this article shall be ineligible to participate
419 in the State Plan.

420 In addition to any inspection conducted, the department (3) 421 may inspect any hemp crop at any time and take a representative 422 composite sample for analysis. It shall be the duty of the 423 department to take such samples and deliver them to the State 424 Chemist for examination and analysis. It shall be the duty of the 425 State Chemist to cause as many analyses to be made of samples 426 delivered to him or her by the department as may be necessary to 427 properly implement the intent of this article. The State Chemist 428 shall make a report of such analyses to the department.

429 (4) The department shall charge growers and processors a fee430 or fees as determined by the department in a sufficient amount to

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431 cover the costs required to administer and enforce the provisions 432 of this \* \* \* article.

433 **SECTION 14.** Section 69-25-221, Mississippi Code of 1972, is 434 amended as follows:

435 69-25-221. No person shall operate as a hemp processor 436 without first having secured a surety bond pursuant to this 437 section. The \* \* \* department shall promulgate rules and 438 regulations as necessary to require hemp processors to secure a 439 surety bond. A hemp processor may file with the department, in 440 lieu of a surety bond, a certificate of deposit or irrevocable 441 letter of credit from any bank or banking corporation insured by 442 the Federal Deposit Insurance Corporation. Rules and regulations 443 required for certificates of deposit and irrevocable letters of 444 credit shall be promulgated by the \* \* \* department.

445 **SECTION 15.** Section 69-25-223, Mississippi Code of 1972, is 446 amended as follows:

447 69-25-223. (1) The provisions of this article which provide 448 authority to the \* \* \* <u>State Department of Health and the State</u> 449 <u>Health Officer</u> to administer the provisions of the "Mississippi 450 Hemp \* \* \* Act \* \* \*" shall be subject to legislative 451 appropriation or receipt of necessary funding from any private or 452 public entity for purposes of implementation.

453 (2) The provisions of this article shall not have any effect
454 upon any programs administered by Mississippi State University,
455 which shall remain exempt, as such programs related to the

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456 educational, research or testing functions performed by 457 Mississippi State Chemical Laboratory, shall continue to function 458 in accordance with the mission of the university, as approved by 459 the Board of Trustees of State Institutions of Higher Learning.

460 **SECTION 16.** Section 41-137-45, Mississippi Code of 1972, is 461 amended as follows:

462 41-137-45. (1) It shall be unlawful for any person or
463 entity to cultivate, process, transport, use, possess, purchase,
464 sell or transfer cannabis except as authorized by this chapter.

465 (2) A cardholder or medical cannabis establishment that
466 purposely or knowingly fails to provide a notice required by
467 Section 41-137-31 is guilty of a civil offense, punishable by a
468 fine of no more than One Thousand Five Hundred Dollars
469 (\$1,500.00), which may be assessed and collected by the licensing
470 agency.

471 (3) A medical cannabis establishment or an agent of a 472 medical cannabis establishment that purposely, knowingly, or 473 recklessly sells or otherwise transfers medical cannabis other 474 than to a cardholder, a nonresident cardholder, or to a medical 475 cannabis establishment or its agent as authorized under this 476 chapter is quilty of a felony punishable by a fine of not more 477 than Ten Thousand Dollars (\$10,000.00), or by commitment to the 478 custody of the Department of Corrections for not more than two (2) 479 years, or both. A person convicted under this subsection may not 480 continue to be affiliated with the medical cannabis establishment

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481 and is disqualified from further participation in the medical 482 cannabis program under this chapter.

483 A cardholder or nonresident cardholder who purposely, (4) 484 knowingly, or recklessly sells or otherwise transfers medical 485 cannabis to a person or other entity is guilty of a felony 486 punishable by a fine of not more than Three Thousand Dollars 487 (\$3,000.00), or by commitment to the custody of the Department of 488 Corrections for not more than two (2) years, or both. A person 489 convicted under this subsection is disqualified from further 490 participation in the medical cannabis program under this chapter.

491 (5) A person who purposely, knowingly, or recklessly makes a 492 false statement to a law enforcement official about any fact or 493 circumstance relating to the medical use of cannabis to avoid 494 arrest or prosecution is quilty of a misdemeanor punishable by a 495 fine of not more than One Thousand Dollars (\$1,000.00), by 496 imprisonment in the county jail for not more than ninety (90) 497 days, or both. If a person convicted of violating this subsection 498 is a cardholder, the person is disqualified from further 499 participation in the medical cannabis program under this chapter.

(6) A person who purposely submits false records or
documentation for an application for a license for a medical
cannabis establishment under this chapter is guilty of a felony
punishable by a fine of not more than Five Thousand Dollars
(\$5,000.00), or by commitment to the custody of the Department of
Corrections for not more than two (2) years, or both. A person

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506 convicted under this subsection may not continue to be affiliated 507 with the medical cannabis establishment and is disqualified from 508 further participation in the medical cannabis program under this 509 chapter.

(7) A practitioner who purposely refers patients to a specific medical cannabis establishment or to a registered designated caregiver, who advertises in a medical cannabis establishment, or who issues written certifications while holding a financial interest in a medical cannabis establishment, is guilty of a civil offense for every false certification and shall be fined up to Five Thousand Dollars (\$5,000.00) by the MDOH.

(8) Any person, including an employee or official of an agency or local government, who purposely, knowingly, or recklessly breaches the confidentiality of information obtained under this chapter is guilty of a misdemeanor punishable by a fine of not more than One Thousand Dollars (\$1,000.00), or by imprisonment for not more than one hundred eighty (180) days in the county jail, or both.

(9) No person, other than a cannabis processing facility or its agents, complying with this chapter and the rules and regulations promulgated under it, may extract compounds from cannabis that involves a chemical extraction process using a nonhydrocarbon-based or other solvent, such as water, vegetable glycerin, vegetable oils, animal fats, steam distillation, food-grade ethanol, or hydrocarbon-based solvent carbon dioxide.

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No person may extract compounds from cannabis using ethanol in the presence or vicinity of an open flame. It shall be a felony punishable by commitment to the custody of the Mississippi Department of Corrections for up to three (3) years and a Ten Thousand Dollar (\$10,000.00) fine for any person to purposely, knowingly, or recklessly violate this subsection.

(10) A medical cannabis establishment is guilty of a civil offense for any purposeful, knowing or reckless violation of this chapter or the rules and regulations issued under this chapter where no penalty has been specified, and shall be fined not more than Five Thousand Dollars (\$5,000.00) for each such violation by its licensing agency.

543 (11) The penalties provided for under this section are in 544 addition to any other criminal, civil or administrative penalties 545 provided for under law, rule or regulation.

546 (12) In addition to peace officers within their
547 jurisdiction, all law enforcement officers of MDOH and MDOR may
548 enforce the provisions made unlawful by this chapter.

549 (13) A person or business entity that purposely, knowingly 550 or recklessly sells or otherwise transfers products derived from 551 cannabis to a person in the State of Mississippi, except as 552 authorized under this chapter, under the Mississippi Hemp Act, or 553 under Chapter 3, Title 67, Mississippi Code of 1972, is guilty of 554 a felony punishable by a fine of not more than Ten Thousand 555 Dollars (\$10,000.00), or by commitment to the custody of the

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556 <u>Department of Corrections for not more than two (2) years, or</u> 557 <u>both. A person convicted under this subsection is disqualified</u> 558 <u>from further participation in the medical cannabis program under</u> 559 <u>this chapter, the hemp program under the Mississippi Hemp Act, and</u> 560 <u>the hemp beverage program under Chapter 3 of Title 67, Mississippi</u> 561 Code of 1972.

562 <u>SECTION 17.</u> Consumable hemp product directory. (1) By 563 August 1, 2025, and annually thereafter, every manufacturer of a 564 consumable hemp product that is sold for retail sale in 565 Mississippi shall execute and deliver to the Department of Revenue 566 a certification, under penalty of perjury, on a form and in a 567 manner prescribed by the Department of Revenue, that the 568 manufacturer is compliant with this article.

569 (2) The certification form shall separately list each brand
570 name, category (e.g., edible, tincture, smokable, vapable,
571 lubricant, salve, lotion, floral material, concentrate,
572 distillate, and/or liquid), product name and flavor for each
573 consumable hemp product that is sold in Mississippi.

(3) Starting October 1, 2025, the Department of Revenue
shall maintain and make publicly available on its official website
a directory that lists all consumable hemp product manufacturers,
brand names, categories (e.g., edible, tincture, smokable,
vapable, lubricant, salve, lotion, floral material, concentrate,
distillate, and/or liquid), product names and flavors for which
certification forms have been submitted and approved by the

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581 Department of Revenue and shall update the directory at least 582 monthly to ensure accuracy. The Department of Revenue shall 583 establish a process to provide licensed retailers, distributors 584 and wholesalers notice of the initial publication of the directory 585 and changes made to the directory in the prior month.

(4) After ninety (90) calendar days following publication of the directory, consumable hemp products not listed in the directory and intended for retail sale in Mississippi are subject to seizure, forfeiture and destruction, and may not be purchased or sold for retail sale in Mississippi.

(5) Any person who sells or offers for sale a consumable hemp product for retail sale in Mississippi that is not included in the directory shall be subject to a civil penalty of up to Five Hundred Dollars (\$500.00) for each individual consumable hemp product offered for sale in violation of this section until the offending product is removed from the market or until the offending product is properly listed on the directory.

598 (6) The civil penalty collected under this section shall be599 deposited into the State General Fund.

600 <u>SECTION 18.</u> Notice required at point of sale; penalties. 601 (1) A person may not sell or offer for sale a consumable hemp 602 product in the State of Mississippi unless a clearly visible 603 notice is posted at the location where the consumable hemp product 604 is available for purchase.

605 (2) The notice shall provide that:

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(a) A consumable hemp product contains THC;

607 (b) Women who are pregnant or breastfeeding should not 608 use products that contain THC because of the risk of birth defects 609 and other developmental defects; and

610 (c) No person under the age of twenty-one (21) may 611 purchase a consumable hemp product.

(3) Any person who sells or offers for sale a consumable hemp product without proper notice as provided in this section shall be fined not less than Five Hundred Dollars (\$500.00) for the first offense and not more than One Thousand Dollars (\$1,000.00) for each subsequent offense. Each violation, and every day in which a violation occurs, constitutes a separate violation.

619 (4) Fines collected under this section shall be deposited620 into the State General Fund.

621 SECTION 19. Section 67-3-1, Mississippi Code of 1972, is 622 amended as follows:

623 67-3-1. The purpose of this chapter is to legalize <u>and</u> 624 <u>regulate</u> the <u>manufacture and</u> sale within this state of light **\* \*** 625 <u>intoxicating beverages</u> so as to prevent the illicit manufacture, 626 sale and consumption of alcoholic beverages as defined in Section 627 67-1-5, the manufacture and sale of which it is not the purpose of 628 this chapter to legalize.

629 SECTION 20. Section 67-3-3, Mississippi Code of 1972, is 630 amended as follows:

25/HR21/HB1502A.1J PAGE 26 () 631 67-3-3. When used in this chapter, unless the context632 indicates otherwise:

(a) "Commissioner" means the Commissioner of
Revenue \* \* \* of the State of Mississippi, and his authorized
agents and employees.

(b) "Person" means one or more persons, a company, acorporation, a partnership, a syndicate or an association.

638 (c) "Brewpub" shall have the meaning ascribed to such639 term in Section 27-71-301.

(d) "Beer" means a malt beverage as defined in the
Federal Alcohol Administration Act and any rules and regulations
adopted pursuant to such act of an alcoholic content of not more
than eight percent (8%) by weight.

(e) "Light wine" means wine of an alcoholic content ofnot more than five percent (5%) by weight.

646 (f) "Small craft brewery" means a person having a 647 permit under this chapter to manufacture or brew light \* \* \* 648 intoxicating beverages in this state and who manufactures or brews 649 not more than sixty thousand (60,000) barrels of light \* \* \* 650 intoxicating beverage at all breweries that such person or its 651 affiliates, subsidiary or parent company owns or controls or with 652 whom such person contracts with for the manufacture of light \* \* \* 653 intoxicating beverages. For purposes of this paragraph, 654 contract-brewed beer manufactured by a person having a permit 655 under this chapter to manufacture or brew light \* \* \* intoxicating

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656 beverages shall be included in the sixty-thousand-barrel

657 limitation.

(g) "Growler" means a sealed container that holds not more than one hundred twenty-eight (128) ounces of light \* \* \* <u>intoxicating beverage</u>. A growler must have a label on it stating what it contains.

662 (h) "Manufacturer" shall have the meaning ascribed to 663 such term in Section 27-71-301.

664 (i) "Contract-brewed beer" means beer brewed by a 665 manufacturer who:

(i) Makes the beer pursuant to a written contract
with another beer manufacturer, and neither entity has a
controlling interest in the other entity;

(ii) Makes the beer in accordance with a recipe
that is a trade secret of the beer manufacturer having its beer
made under contract; and

(iii) Has no right to sell the beer to any other
beer manufacturer, importer or wholesaler other than the beer
manufacturer who contracted for the beer.

(j) "Light spirit product" means a beverage of an
alcoholic content of not more than six percent (6%) by weight and
containing one or more distilled spirits, as defined in Section
678 67-1-5.

(k) "Microbrewery" means a person having a permit under
this chapter to manufacture or brew light \* \* \* <u>intoxicating</u>

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beverages in this state and who manufactures or brews not more 681 682 than three thousand (3,000) barrels of light \* \* \* intoxicating 683 beverages at its permitted location. 684 (1) "Hemp beverage" means a nonalcoholic beverage that meets the definition of "consumable hemp product" in Section 685 686 69-25-203, is sold in containers of no size other than twelve (12) 687 fluid ounces, and contains no more than five (5) milligrams of THC 688 per twelve-ounce container. 689 (m) "Intoxicating beverage" means any alcoholic 690 beverage, as defined in Section 67-1-5, or any light intoxicating 691 beverage. 692 (n) "Light intoxicating beverage" means any beer, light 693 wine, light spirit product or hemp beverage. 694 (0) "THC" means delta-9-tetrahydrocannabinol. 695 SECTION 21. Section 67-3-5, Mississippi Code of 1972, is 696 amended as follows: 697 67-3-5. (1) It shall be lawful, subject to the provisions set forth in this chapter and in Section 67-1-51, in this state to 698 699 transport, store, sell, distribute, possess, receive, deliver 700 and/or manufacture light \* \* \* intoxicating beverages, and it is 701 hereby declared that it is the legislative intent that this 702 chapter privileges the lawful sale and manufacture, within this 703 state, of such light \* \* \* intoxicating beverages. In determining 704 if a wine product is "light wine," or contains an alcoholic content of more than five percent (5%) by weight, or is not an 705

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"alcoholic beverage" as defined in the Local Option Alcoholic
Beverage Control Law, Chapter 1 of Title 67, Mississippi Code of
1972, the alcoholic content of such wine product shall be subject
to the same permitted tolerance as is allowed by the labeling
requirements for light wine provided for in Section 27-71-509.

(2) Subject to the provisions set forth in this chapter and in Section 67-1-51, it shall be lawful in this state to transport, store, sell, distribute, possess, receive, deliver and/or manufacture beer of an alcoholic content of more than eight percent (8%) by weight, if the beer is manufactured to be sold legally in another state and is transported outside of this state for retail sale.

718 SECTION 22. Section 67-3-7, Mississippi Code of 1972, is
719 amended as follows:

720 67-3-7. (1) If any county, at an election held for the 721 purpose under the election laws of the state, shall by a majority 722 vote of the duly qualified electors voting in the election 723 determine that the transportation, storage, sale, distribution, 724 receipt and/or manufacture of \* \* \* light intoxicating beverages 725 shall not be permitted in such county, then the same shall not be 726 permitted therein except as authorized under Section 67-9-1 and as 727 may be otherwise authorized in this section. An election to 728 determine whether such transportation, storage, sale, 729

729 distribution, receipt and/or manufacture of such beverages shall
730 be excluded from any county in the state, shall, on a petition of

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twenty percent (20%) or fifteen hundred (1,500), whichever number is the lesser, of the duly qualified electors of such county, be ordered by the board of supervisors of the county, for such county only. No election on the question shall be held in any one (1) county more often than once in five (5) years.

736 In counties which have elected, or may elect by a majority 737 vote of the duly qualified electors voting in the election, that 738 the transportation, storage, sale, distribution, receipt and/or 739 manufacture of **\* \* \*** light intoxicating beverages shall not be 740 permitted in the county, an election may be held in the same 741 manner as the election hereinabove provided on the question of 742 whether or not the transportation, storage, sale, distribution, 743 receipt and/or manufacture of said beverages shall be permitted in 744 such county. Such election shall be ordered by the board of 745 supervisors of such county on a petition of twenty percent (20%) or fifteen hundred (1  $\star$   $\star$   $\star$  500), whichever number is the lesser, 746 747 of the duly qualified electors of such county. No election on 748 this question can be ordered more often than once in five (5) 749 years.

750 (2) Nothing in this section shall make it unlawful to
751 possess \* \* \* light intoxicating beverages.

752 (3) Nothing in this section shall make it unlawful to: 753 (a) Sell, distribute and transport light \* \* \* 754 <u>intoxicating beverages</u> to a qualified resort area as defined in 755 Section 67-1-5;

25/HR21/HB1502A.1J PAGE 31 () 756 (b) Sell light \* \* \* intoxicating beverages at a qualified resort area as defined in Section 67-1-5 if such 757 758 light **\* \* \*** intoxicating beverages sold by a person with a permit 759 to engage in the business as a retailer of light \* \* \* 760 intoxicating beverages; 761 (C) Transport beer of an alcoholic content of more than 762 eight percent (8%) by weight if it is being transported to another 763 state for legal sale in that state; 764 Transport legally purchased light \* \* \* (d) intoxicating beverages in unopened containers; however, this 765 766 paragraph shall not apply to a retailer unless the retailer has purchased the light \* \* \* intoxicating beverages from a wholesaler 767 768 or distributor for the designated sales territory in which the 769 retailer is located and the retailer has in his possession an 770 invoice from the wholesaler or distributor for the light \* \* \* 771 intoxicating beverages; or 772 Transport homemade beer as authorized in Section (e) 773 67-3-11. 774 SECTION 23. Section 67-3-9, Mississippi Code of 1972, is amended as follows: 775 776 67-3-9. Any city in this state, having a population of not

776 67-3-9. Any city in this state, having a population of not 777 less than two thousand five hundred (2,500) according to the 778 latest federal decennial census; or any city in this state having 779 a population of not less than one thousand five hundred (1,500) 780 according to the latest federal decennial census and located

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781 within three (3) miles of a city or county that permits the sale, 782 receipt, storage and transportation for the purpose of sale 783 of **\* \* \*** light intoxicating beverages; or any city or town in this 784 state having a population of not less than one thousand (1,000) 785 according to the latest federal decennial census and located in a 786 county that has no city or town with a population of more than two 787 thousand five hundred (2,500); or any city, town or village that 788 is a county seat and has voted to come out from under the dry law 789 under Section 67-1-14; at an election held for the purpose, under 790 the election laws applicable to such city, may either prohibit or 791 permit, except as otherwise provided under Section 67-9-1, the 792 sale and the receipt, storage and transportation for the purpose 793 of sale of \* \* \* light intoxicating beverages. An election to 794 determine whether such sale shall be permitted in cities wherein 795 its sale is prohibited by law shall be ordered by the city or town 796 council or mayor and board of aldermen or other governing body of 797 such city or town for such city or town only, upon the 798 presentation of a petition for such city or town to such governing 799 board containing the names of twenty percent (20%) or fifteen 800 hundred (1,500), whichever number is the lesser, of the duly 801 qualified voters of such city or town asking for such election. 802 In like manner, an election to determine whether such sale shall 803 be prohibited in cities wherein its sale is permitted by law shall 804 be ordered by the city council or mayor and board of aldermen or 805 other governing board of such city for such city only, upon the

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806 presentation of a petition to such governing board containing the 807 names of twenty percent (20%) of the duly qualified voters of such 808 city asking for such election. No election on either question 809 shall be held by any one (1) city more often than once in five (5) 810 years.

811 Thirty (30) days' notice shall be given to the qualified 812 electors of such city or town in the manner prescribed by law upon the question of either permitting or prohibiting such sale, and 813 814 the notice shall contain a statement of the question to be voted on at the election. The tickets to be used in the election shall 815 816 have the following words printed thereon: "For the legal sale of 817 light wine of an alcoholic content of not more than five percent 818 (5%) by weight, light spirit product of an alcoholic content of 819 not more than six percent (6%) by weight, \* \* \* beer of an 820 alcoholic content of not more than eight percent (8%) by weight, 821 and hemp beverages of a THC concentration of not more than 822 three-tenths percent (0.3%)"; and the words "Against the legal 823 sale of light wine of an alcoholic content of not more than five 824 percent (5%) by weight, light spirit product of an alcoholic 825 content of not more than six percent (6%) by weight, \* \* \* beer of 826 an alcoholic content of not more than eight percent (8%) by 827 weight, and hemp beverages of a THC concentration of not more than three-tenths percent (0.3%)," next below. In making up his or her 828 829 ticket the voter shall make a cross (X) opposite the words of his 830 choice.

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831 If in the election a majority of the qualified electors voting in the election shall vote "For the legal sale of light 832 833 wine of an alcoholic content of not more than five percent (5%) by 834 weight, light spirit product of an alcoholic content of not more 835 than six percent (6%) by weight, \* \* \* beer of an alcoholic 836 content of not more than eight percent (8%) by weight, and hemp 837 beverages of a THC concentration of not more than three-tenths 838 percent (0.3%)," then the city or town council or mayor and board 839 of aldermen or other governing body shall pass the necessary order permitting the legal sale of such light **\* \* \*** intoxicating 840 beverages in such city or town. If in the election a majority of 841 842 the qualified electors voting in the election shall vote "Against 843 the legal sale of light wine of an alcoholic content of not more 844 than five percent (5%) by weight, light spirit product of an alcoholic content of not more than six percent (6%) by 845 846 weight, \* \* \* beer of an alcoholic content of not more than eight 847 percent (8%) by weight, and hemp beverages of a THC concentration 848 of not more than three-tenths percent (0.3%)," then the city or 849 town council or mayor and board of aldermen or other governing 850 body shall pass the necessary order prohibiting the sale of such 851 light \* \* \* intoxicating beverages in such city or town.

All laws or parts of laws in conflict with this section are hereby repealed to the extent of such conflict only, this section being cumulative and supplementary.

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855 **SECTION 24.** Section 67-3-13, Mississippi Code of 1972, is 856 amended as follows:

857 67-3-13. (1) It shall be lawful to possess \* \* \* <u>light</u> 858 <u>intoxicating beverages</u> throughout the state, unless otherwise 859 prohibited by this chapter. However, nothing herein shall be 860 construed to make lawful the possession of \* \* \* <u>light</u> 861 <u>intoxicating beverages</u> with the intent to sell except as 862 authorized by this chapter.

863 In any county or municipality in which the (2)transportation, storage, sale, distribution, receipt and/or 864 manufacture of light \* \* \* intoxicating beverages is prohibited, 865 866 it shall not be unlawful for a permitted wholesaler or distributor 867 to possess light \* \* \* intoxicating beverages when such 868 light \* \* \* intoxicating beverages are held therein solely for the 869 purpose of storage and for distribution to other counties and 870 municipalities in which transportation, storage, sale, 871 distribution, receipt and/or manufacture is lawful.

872 (3) Notwithstanding the provisions of subsections (1) and
873 (2) of this section, in any county in which transportation,
874 storage, sale, distribution, receipt and/or manufacture of
875 light \* \* <u>intoxicating beverages</u> is prohibited, it shall not be
876 unlawful:

877 (a) To receive or store light \* \* \* intoxicating
878 <u>beverages</u> at a resort area as defined in Section 67-1-5;

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879 (b) To distribute and transport light \* \* \*
880 <u>intoxicating beverages</u> to a resort area as defined in Section
881 67-1-5;

(c) To transport beer of an alcoholic content of more
than eight percent (8%) by weight if it is being transported to
another state for legal sale in that state;

885 To transport legally purchased light \* \* \* (d) 886 intoxicating beverages in unopened containers \* \* \* on a state or 887 federal highway; however, this paragraph shall not apply to a 888 retailer unless the retailer has purchased the light \* \* \* 889 intoxicating beverages from a wholesaler or distributor for the 890 designated sales territory in which the retailer is located and 891 the retailer has in his possession an invoice from the wholesaler 892 or distributor for the light \* \* \* intoxicating beverages; or

893 (e) To transport homemade beer as authorized in Section894 67-3-11.

(4) Any light \* \* \* <u>intoxicating beverages</u> found in
possession of, or sold by, a person in violation of this section
shall be seized and disposed of in the manner provided for in
Section 67-1-18.

899 SECTION 25. Section 67-3-15, Mississippi Code of 1972, is
900 amended as follows:

901 67-3-15. (1) Any person who shall brew or manufacture or 902 sell any \* \* <u>light intoxicating beverages</u> without first having 903 secured a permit and/or license from the commissioner authorizing

25/HR21/HB1502A.1J PAGE 37 () 904 the brewing or manufacture or sale of such liquor, shall be quilty of a misdemeanor and, upon conviction thereof, be punished by a 905 906 fine of not more than One Thousand Dollars (\$1,000.00) or 907 imprisonment in the county jail for not more than one (1) year, or 908 both, in the discretion of the court. Any person so convicted may 909 not apply for any permit or license issued by the commissioner 910 until five (5) years have elapsed from the date of such 911 conviction.

912 (2) This section shall not apply to beer authorized to be913 made pursuant to Section 67-3-11.

914 (3) Any light \* \* \* <u>intoxicating beverages</u> found in 915 possession of, or sold by, a person in violation of this section 916 shall be seized and disposed of in the manner provided for in 917 Section 67-1-18.

918 **SECTION 26.** Section 67-3-17, Mississippi Code of 1972, is 919 amended as follows:

920 67-3-17. (1) Any person desiring to engage in any business 921 taxable under Sections 27-71-303 through 27-71-317, \* \* \* either 922 as a retailer, or as a wholesaler or distributor, or as a 923 manufacturer, of light \* \* \* intoxicating beverages, shall file 924 with the commissioner an application for a permit allowing him to 925 engage in such business. The application for a permit shall 926 contain a statement showing the name of the business, and if a partnership, firm, association or limited liability company, the 927 928 name of each partner or member, and if a corporation the names of

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929 two (2) principal officers, the post office address, and the 930 nature of business in which engaged. In case any business is 931 conducted at two (2) or more separate places, a separate permit 932 for each place of business shall be required. The commissioner 933 shall prescribe the form of the application and designate who is 934 required to sign the application. The application shall be signed 935 under penalty of perjury.

936 The application shall include a statement that the (2)937 applicant will not, except as otherwise authorized in this 938 chapter, allow any alcoholic beverages as defined in Section 939 67-1-5, any beer having an alcoholic content of more than eight 940 percent (8%) by weight, any spirit product having an alcoholic 941 content of more than six percent (6%) by weight, \* \* \* any wine 942 having an alcoholic content of more than five percent (5%) by 943 weight, or any beverage having a THC concentration of more than 944 three-tenths percent (0.3%) to be kept, stored or secreted in or 945 on the premises described in such permit or license, and that the 946 applicant will not otherwise violate any law of this state, or 947 knowingly allow any other person to violate any such law, while in 948 or on such premises.

949 (3) Each application or filing made under this section shall
950 include the social security number(s) of the applicant in
951 accordance with Section 93-11-64, Mississippi Code of 1972.

952 SECTION 27. Section 67-3-19, Mississippi Code of 1972, is 953 amended as follows:

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954 67-3-19. Where application is made for a permit to engage in 955 the business of a retailer of light **\* \* \*** <u>intoxicating beverages</u>, 956 the applicant shall show in his application that he possesses the 957 following qualifications:

958 (a) Applicant must be a person at least twenty-one (21)
959 years of age, of good moral character and a resident of the State
960 of Mississippi.

961 (b) Applicant shall not have been convicted of a 962 felony, or of pandering or of keeping or maintaining a house of 963 prostitution, or have been convicted within two (2) years of the 964 date of his application of any violation of the laws of this state 965 or the laws of the United States relating to alcoholic liquor.

966 (c) Applicant shall not have had revoked, except for a 967 violation of Section 67-3-52, within two (2) years next preceding 968 his application, any license or permit issued to him pursuant to 969 the laws of this state, or any other state, to sell alcoholic 970 liquor of any kind.

971 (d) Applicant shall be the owner of the premises for972 which the permit is sought or the holder of an existing lease973 thereon.

974 (e) Applicant shall not be residentially domiciled with
975 any person whose permit has been revoked for cause, except for a
976 violation of Section 67-3-52, within two (2) years next preceding
977 the date of the present application for a permit.

25/HR21/HB1502A.1J PAGE 40 () 978 (f) The applicant has not had any license or permit to 979 sell \* \* \* light intoxicating beverages at retail revoked, within 980 five (5) years next preceding his application, due to a violation 981 of Section 67-3-52.

982 Applicant shall not employ any person whose permit (q) 983 has been revoked when such person owned or operated the business 984 on the premises for which a permit is sought or allow such person 985 to have any financial interest in the business of the applicant, 986 until such person is qualified to obtain a permit in his own name.

987 The applicant is not indebted to the State of (h) 988 Mississippi for any taxes.

989 If applicant is a partnership, all members of the (i) 990 partnership must be qualified to obtain a permit. Each member of 991 the partnership must be a resident of the State of Mississippi.

992 If applicant is a corporation, all officers and (ij) 993 directors thereof, and any stockholder owning more than five 994 percent (5%) of the stock of such corporation, and the person or 995 persons who shall conduct and manage the licensed premises for the 996 corporation shall possess all the qualifications required herein 997 for any individual permittee. However, the requirements as to 998 residence shall not apply to officers, directors and stockholders 999 of such corporation.

1000 Any misstatement or concealment of fact in an application 1001 shall be grounds for denial of the application or for revocation of the permit issued thereon. 1002

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1003 The commissioner may refuse to issue a permit to an applicant 1004 for a place that is frequented by known criminals, prostitutes, or 1005 other law violators or troublemakers who disturb the peace and 1006 quietude of the community and frequently require the assistance of 1007 peace officers to apprehend such law violators or to restore 1008 order. The burden of proof of establishing the foregoing shall 1009 rest upon the commissioner.

1010 SECTION 28. Section 67-3-22, Mississippi Code of 1972, is
1011 amended as follows:

1012 67-3-22. (1) The production limits for a brewpub shall be 1013 based upon production as determined by the Department of Revenue 1014 pursuant to Section 27-71-307, **\* \* \*** and a brewpub shall not 1015 manufacture more than seventy-five thousand (75,000) gallons of 1016 light **\* \* \*** <u>intoxicating beverage</u> per calendar year.

1017 (2) Light \* \* <u>intoxicating beverages</u> produced at a brewpub 1018 shall not be sold at a price less than it cost to manufacture such 1019 light \* \* <u>intoxicating beverages</u>.

1020 (3) A brewpub shall be required to offer for sale
1021 light \* \* <u>intoxicating beverages</u> normally carried on the
1022 inventory of wholesalers or distributors of light \* \* \*

1023 intoxicating beverages.

1024 **SECTION 29.** Section 67-3-25, Mississippi Code of 1972, is 1025 amended as follows:

1026 67-3-25. (1) Any permit issued authorizing the sale or 1027 delivery of light \* \* \* intoxicating beverages for consumption

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1029 light \* \* \* intoxicating beverages by the bottle, by the glass or 1030 by draught, and in or from the original package.

1031 (2) The commissioner is authorized to establish, in his 1032 discretion, dates for the expiration of permits issued under this 1033 chapter.

1034 Except as otherwise provided in this section, permits (3) 1035 shall be issued for twelve (12) months and shall be renewed 1036 annually on the first day of the month in which the permit 1037 expires. The commissioner may issue temporary permits for less 1038 than a full year. All permits shall show the effective date and 1039 expiration date of the permit, the business location, individual 1040 or business name and mailing address of the permittee.

1041 **SECTION 30.** Section 67-3-27, Mississippi Code of 1972, is 1042 amended as follows:

1043 67-3-27. Before any person shall engage in the business of 1044 manufacturer, wholesaler, distributor or retailer of light \* \* \* 1045 intoxicating beverages, he shall apply to the commissioner for a 1046 license to engage in such business, and shall pay to the 1047 commissioner the specific tax imposed by Section 27-71-303, for 1048 the privilege of engaging in such business. The commissioner upon 1049 receipt of such tax shall issue to such person a privilege license 1050 to engage in or continue in such business for a period of time not 1051 to exceed one (1) year. No such license shall be issued to the 1052 applicant unless such applicant shall have obtained from the

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1053 commissioner a permit as required in Section 67-3-17. A brewpub 1054 shall obtain all necessary federal licenses and permits prior to 1055 obtaining any license under this chapter.

1056 All privilege licenses issued under the provisions of this 1057 section shall be renewed annually on or before the first day of 1058 the month in which the current license expires.

1059 SECTION 31. Section 67-3-28, Mississippi Code of 1972, is 1060 amended as follows:

1061 67-3-28. (1) Any person desiring to engage in business as a brewpub shall file with the commissioner, along with the 1062 application required by Section 67-3-17, \* \* \* a certificate 1063 1064 issued by a licensed testing laboratory indicating that such 1065 laboratory has tested a sample of the applicant's \* \* \* light 1066 intoxicating beverages, and that the alcohol content of such 1067 sample of beer does not exceed eight percent (8%) by weight, and 1068 the alcohol content of such sample of light spirit product does 1069 not exceed six percent (6%) by weight, and the alcoholic content 1070 of such sample of light wine does not exceed five percent (5%) by 1071 weight, and the THC concentration of such sample of hemp beverage 1072 does not exceed three-tenths percent (0.3%).

1073 (2) Every brewpub shall be required to submit to random 1074 testing by the commissioner to determine whether any beer being manufactured, sold, kept, stored or secreted by the license holder 1075 1076 contains an alcohol content greater than eight percent (8%) by weight, and any light spirit product being manufactured, sold, 1077

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1078 kept, stored or secreted by the license holder contains an 1079 alcoholic content greater than six percent (6%) by weight, and any light wine being manufactured, sold, kept, stored or secreted by 1080 1081 the license holder contains an alcoholic content greater than five 1082 percent (5%) by weight, and any hemp beverage being manufactured, 1083 sold, kept, stored or secreted by the license holder contains a 1084 THC concentration greater than three-tenths percent (0.3%). The 1085 commissioner shall establish and administer testing standards and 1086 procedures to be used in such random testing. The brewpub 1087 licensee shall be responsible for all costs incurred by the 1088 commissioner in conducting random testing under this section.

1089 **SECTION 32.** Section 67-3-29, Mississippi Code of 1972, is 1090 amended as follows:

1091 67 - 3 - 29. (1) The commissioner, or a hearing officer or the 1092 board of review, as designated by the commissioner, after a show 1093 cause hearing, shall revoke or suspend any permit granted by 1094 authority of this chapter to any person who shall violate any of 1095 the provisions of this chapter or the revenue laws of this state 1096 relating to engaging in transporting, storing, selling, 1097 distributing, possessing, receiving or manufacturing of wines or 1098 beers, or any person who shall hereafter be convicted of the 1099 unlawful sale of intoxicating liquor, or any person who shall allow or permit any form of illegal gambling or immorality on the 1100 premises described in such permit. The commissioner shall not 1101 revoke or suspend a permit of a retailer for the sale of 1102

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1103 light \* \* \* intoxicating beverages to a person under the age of 1104 twenty-one (21) years until there has been a conviction of the 1105 permit holder or an employee of the permit holder for such 1106 violation.

1107 (2)If any person exercising any privilege taxable under the 1108 provisions of Chapter 71 of Title 27, Mississippi Code of 1972, 1109 shall willfully neglect or refuse to comply with the provisions of 1110 such chapter, or any rules or regulations promulgated by the 1111 commissioner under authority of such chapter, or the provisions of 1112 this chapter, including maintaining the qualifications of an applicant under Section 67-3-19, during the permit period, the 1113 commissioner shall be authorized to revoke or suspend the permit 1114 1115 theretofore issued to the person. Any person whose permit shall have been revoked by the commissioner shall be thereafter 1116 1117 prohibited from exercising any privilege under the provisions of 1118 Chapter 71 of Title 27, Mississippi Code of 1972, for a period of 1119 two (2) years from the date of the revocation. The commissioner may, however, for good cause shown, grant a new permit upon such 1120 1121 conditions as the commissioner may prescribe. Any person whose 1122 permit shall have been suspended by the commissioner shall be 1123 prohibited from exercising any privilege under the provisions of 1124 Chapter 71 of Title 27, Mississippi Code of 1972, during the period of the suspension. Failure of the person to comply with 1125 1126 the terms of the suspension shall be cause for revocation of his 1127 permit, in addition to the other penalties provided by law.

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1128 (3)In addition to the reasons specified in this section and 1129 other provisions of this chapter, the commissioner shall be authorized to suspend the permit of any permit holder for being 1130 1131 out of compliance with an order for support, as defined in Section 1132 93-11-153. The procedure for suspension of a permit for being out 1133 of compliance with an order for support, and the procedure for the 1134 reissuance or reinstatement of a permit suspended for that 1135 purpose, and the payment of any fees for the reissuance or 1136 reinstatement of a permit suspended for that purpose, shall be 1137 governed by Section 93-11-157 or Section 93-11-163, as the case 1138 may be. If there is any conflict between any provision of Section 93-11-157 or Section 93-11-163 and any provision of this chapter, 1139 1140 the provisions of Section 93-11-157 or 93-11-163, as the case may 1141 be, shall control.

1142 SECTION 33. Section 67-3-41, Mississippi Code of 1972, is 1143 amended as follows:

1144 67-3-41. Sections 67-3-31 through 67-3-41 and Section 1145 67-3-53 are declared to be cumulative, amendatory, and 1146 supplemental to any and all other acts and laws of this state 1147 pertaining to the governing of the sale and distribution of 1148 light \* \* <u>intoxicating beverages</u> as contained in Sections 1149 27-71-301 through 27-71-347, \* \* \* 67-3-17, 67-3-23, 67-3-27, 1150 67-3-29(2), 67-3-55, and 67-3-57.

SECTION 34. Section 67-3-45, Mississippi Code of 1972, is amended as follows:

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1153 67-3-45. No manufacturer, distributor or wholesale dealer to 1154 whom or to which this chapter applies shall:

(a) Make any loan, directly or indirectly, or furnish any fixtures of any kind, directly or indirectly, to any retail dealer in light \* \* \* intoxicating beverages;

(b) Have any interest, direct or indirect, in the business of or in the furnishings or fixtures or in the premises used by any such retail dealer in connection with his or its business;

1162 (c) Have any lien on any such property of any such 1163 retail dealer; or

1164 (d) Sell light \* \* \* <u>intoxicating beverages</u> to any such 1165 retail dealer on credit.

This section shall not apply to a brewpub licensed pursuant to Article 3, Chapter 71, Title 27, Mississippi Code of 1972, and shall not prohibit a microbrewery or small craft brewery licensed under Article 3, Chapter 71, Title 27, Mississippi Code of 1972, from being eligible to obtain a retail permit for the sale

1171 of **\* \* \*** light intoxicating beverages on its premises.

1172 SECTION 35. Section 67-3-46, Mississippi Code of 1972, is
1173 amended as follows:

1174 67-3-46. (1) The provisions of subsection (2) of this 1175 section apply to the following entities: (a) Any person engaged in the business of brewing or
manufacturing beer or in the business of manufacturing or
producing light wines or, light spirit products <u>or hemp beverages;</u>
(b) An officer, director, agent or employee of an

1180 entity described in paragraph (a) or (d) of this subsection;

1181 (C) An affiliate of an entity described in paragraph 1182 (a) or (d) of this subsection, regardless of whether the 1183 affiliation is corporate or by management, direction or control. 1184 An entity that is the manufacturer of a product or (d) substance that is infused into or becomes part of any \* \* \* light 1185 1186 intoxicating beverage regardless of whether the entity manufactures the final product. This provision also shall apply 1187 1188 to all affiliated companies, wholly owned subsidiaries or joint

1189 ventures.

(2) No entity named in subsection (1) of this section may have any interest in the license, business, assets or corporate stock of a wholesaler or distributor to whom this chapter applies, except a security interest granted to the entity of the type provided for the Uniform Commercial Code in products sold to a wholesaler or distributor until the full purchase price has been paid therefor.

1197 SECTION 36. Section 67-3-48, Mississippi Code of 1972, is
1198 amended as follows:

1199 67-3-48. (1) A small craft brewery may sell at retail 1200 light \* \* \* <u>intoxicating beverages</u> produced at its brewery for

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1201 consumption on the premises of the brewery and consumption off the 1202 premises of the brewery if the sales are made on the premises of the brewery and the light \* \* \* intoxicating beverages products 1203 1204 offered for sale are also made available for sale to wholesalers. 1205 (2)(a) A small craft brewery shall not sell at retail more

1206 than twenty-five percent (25%) of the light \* \* \* intoxicating 1207 beverage produced annually at its brewery or more than two thousand five hundred (2,500) barrels of light **\* \* \*** intoxicating 1208 1209 beverage produced at the brewery annually, whichever is the lesser 1210 amount. For purposes of this subsection, contract-brewed beer 1211 shall not be included in the amount of beer produced annually at the brewery. The light \* \* \* intoxicating beverages must be sold 1212 1213 at a price approximating retail prices generally charged for identical beverages in the county where the brewery is located. 1214

1215 A small craft brewery shall not make retail sales (b) 1216 of more than six hundred seventy (670) ounces, in the aggregate, 1217 of light **\* \* \*** intoxicating beverages to any one (1) individual for consumption off the premises of the brewery within a 1218 1219 twenty-four-hour period.

1220 The limits on sales provided for in this subsection (C) 1221 shall not apply to beer provided pursuant to Section 67-3-47.

1222 A microbrewery shall not sell at retail more than (d) eighty percent (80%) of light \* \* \* intoxicating beverages 1223 1224 produced annually at its brewery. The light **\* \* \*** intoxicating beverages must be sold at a price approximating prices generally 1225

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1226 charged for identical beverages in the county where the 1227 microbrewery is located.

(3) A small craft brewery or microbrewery shall take commercially reasonable steps to ensure that light \* \* \* intoxicating beverages sold for consumption off the premises of the brewery are being sold for personal use and not for resale and are not being sold to anyone holding a retail permit for the purpose of resale in their establishment.

1234 (4) A small craft brewery or microbrewery shall not make1235 retail sales of contract-brewed beer.

1236 (5) A small craft brewery or microbrewery shall not mail or
 1237 ship <u>any</u> light \* \* <u>intoxicating beverage</u> to a consumer.

1238 SECTION 37. Section 67-3-48.1, Mississippi Code of 1972, is 1239 amended as follows:

1240 67 - 3 - 48.1. (1) In the event a small craft brewery is 1241 acquired by an entity that manufactures light \* \* \* intoxicating 1242 beverages that does not fall within the definition of the term 1243 "small craft brewery," the entity that acquired the small craft 1244 brewery may continue to operate the brewery as a small craft 1245 brewery for as long as the acquired facility meets the definition 1246 of the term "small craft brewery"; however, the limit in Section 67-3-3 on the amount of barrels of light **\* \* \*** intoxicating 1247 1248 beverages that a small craft brewery may produce shall not apply 1249 to light \* \* \* intoxicating beverages not produced by the acquired 1250 small craft brewery.

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1251 (2)In the event a small craft brewery acquires an entity 1252 that manufactures light \* \* \* intoxicating beverages that does not fall within the definition of the term "small craft brewery," the 1253 1254 small craft brewery that acquired the entity may continue to 1255 operate as a small craft brewery for as long as the brewery meets 1256 the definition of the term "small craft brewery." The light \* \* \* intoxicating beverages produced by the entity that is acquired by 1257 1258 a small craft brewery shall not apply to the limit in Section 1259 67-3-3 on the amount of light \* \* \* intoxicating beverages that 1260 the small craft brewery may produce.

(3) A small craft brewery described in subsections (1) and (2) of this section may continue to sell at retail brands the small craft brewery produces on its premises at all locations at which it was selling the brands at retail at the time of the acquisition; however, the small craft brewery may not sell at retail brands produced by the entity that acquired it or by the entity it acquires, as the case may be.

1268 **SECTION 38.** Section 67-3-49, Mississippi Code of 1972, is 1269 amended as follows:

1270 67-3-49. (1) Except as otherwise provided in this section, 1271 it shall be unlawful for any brewer or manufacturer or distributor 1272 or wholesale dealer of or in light \* \* \* <u>intoxicating beverages</u> to 1273 manufacture or knowingly bring upon his premises or keep 1274 thereon \* \* \* any beer of an alcoholic content of more than eight 1275 percent (8%) by weight. Any person that shall add to or mix with

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1276 any \* \* \* light intoxicating beverages any alcoholic or other 1277 liquid, or any alcohol cube or cubes, or any other ingredient or ingredients that will increase or tend to increase the alcoholic 1278 1279 or THC content of such \* \* \* beverage, or any person that shall 1280 knowingly offer for sale any \* \* \* beverage so treated, shall be 1281 quilty of a misdemeanor and punished as hereinafter provided in 1282 this chapter. The commissioner shall take any action he considers 1283 necessary to ensure that light **\* \* \*** intoxicating beverages 1284 manufactured at a brewpub complies with the provisions of this 1285 section.

1286 (2) A brewer or manufacturer of light \* \* \* intoxicating
1287 <u>beverages</u> may manufacture and keep upon his premises beer of an
1288 alcoholic content of more than eight percent (8%) by weight if the
1289 beer is manufactured for legal sale in another state.

1290 SECTION 39. Section 67-3-51, Mississippi Code of 1972, is 1291 amended as follows:

1292 67-3-51. (1) It shall be unlawful for any person to sell, or offer to sell, or keep for sale any bottled **\* \* \*** light 1293 1294 intoxicating beverage except the same be in the original bottle or 1295 in the original package containing bottles, each of which bottles 1296 shall bear the original label and the full name of the brewer or 1297 manufacturer of the contents of such bottle, both on the label and 1298 on the cap or cork of such bottle in the case of beer, and on the 1299 label only in the case of light wine **\* \* \***, light spirit products

1300 and hemp beverages.

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(2) It shall be unlawful for any person to sell, or offer for sale, or keep for sale any \* \* \* <u>light intoxicating beverage</u> in the original package or packages unless each such original package (whether barrel or other container, and whether containing liquor in bottles or otherwise) shall have plainly stamped on the container or label for each such container the full name of the manufacturer of the liquor therein contained.

(3) It shall be unlawful for any person to sell on draught any \* \* \* <u>light intoxicating beverage</u> except the same be drawn from the original barrel or other container, which such container shall have plainly stamped on each end thereof the full name of the manufacturer of such liquor.

(4) This section shall not apply to beer offered and
provided on the premises of a brewery for the purpose of tasting
or sampling as authorized in Section 67-3-47.

1316 SECTION 40. Section 67-3-52, Mississippi Code of 1972, is 1317 amended as follows:

1318 67-3-52. It shall be unlawful for any person holding a 1319 permit authorizing the sale of **\* \* \*** light intoxicating beverages 1320 at retail to obtain such \* \* \* light intoxicating beverages from 1321 any source outside of the State of Mississippi. Any person who 1322 violates the provisions of this section, upon conviction thereof, shall be punished by a fine of not more than One Thousand Dollars 1323 1324 (\$1,000.00) or by imprisonment in the county jail for not more than six (6) months, or by both such fine and imprisonment, in the 1325

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1326 discretion of the court. Any person convicted of violating this 1327 section, or any rules or regulations promulgated by the commissioner with regard to the unlawful acts described in this 1328 1329 section, shall forfeit his permit. Any person whose permit has 1330 been forfeited pursuant to this section shall not be eligible for 1331 a permit issued by the commissioner for a period of five (5) years 1332 after the date of such forfeiture. In addition, no permit shall be issued for the same location, for which an offender has 1333 1334 forfeited a permit pursuant to this section, to a spouse, 1335 offspring or sibling of the offender when to do so would 1336 circumvent the purposes of this section. The commissioner may assess a retailer who violates this section the amount of excise 1337 1338 taxes due on the unlawfully imported **\* \* \*** light intoxicating beverages, together with a penalty in the amount of four (4) times 1339 1340 the state excise taxes due or One Hundred Dollars (\$100.00) per 1341 case, whichever is greater.

1342 SECTION 41. Section 67-3-53, Mississippi Code of 1972, is 1343 amended as follows:

1344 67-3-53. In addition to any act declared to be unlawful by 1345 this chapter, or by Sections 27-71-301 through 27-71-347, and 1346 Sections 67-3-17, 67-3-27, 67-3-29 and 67-3-57, it shall be 1347 unlawful for the holder of a permit authorizing the sale of **\* \* \*** 1348 <u>light intoxicating beverages</u> at retail or a small craft brewery 1349 selling light **\* \*** <u>intoxicating beverages</u> at retail pursuant to

1350 Section 67-3-48 or for the employee of the holder of such a permit 1351 or the employee of such a brewery:

1352 To sell or give to be consumed in or upon any (a) 1353 licensed premises or in or upon the premises of a small craft 1354 brewery any \* \* \* light intoxicating beverage between the hours of 1355 midnight and seven o'clock the following morning or during any 1356 time the licensed premises may be required to be closed by 1357 municipal ordinance or order of the board of supervisors; however, 1358 in areas where the sale of alcoholic beverages is legal under the 1359 provisions of the Local Option Alcoholic Beverage Control Law and 1360 the hours for selling those alcoholic beverages have been extended beyond midnight for on-premises permittees under Section 67-1-37, 1361 1362 the hours for selling \* \* \* light intoxicating beverages are likewise extended in areas where the sale of **\* \* \*** light 1363 intoxicating beverages is legal in accordance with the provisions 1364 1365 of this chapter.

(b) To sell, give or furnish any \* \* \* <u>light</u>
<u>intoxicating beverage</u> to any person visibly or noticeably
intoxicated, or to any habitual drunkard, or to any person under
the age of twenty-one (21) years.

1370 (c) To permit in the premises any lewd, immoral or1371 improper entertainment, conduct or practices.

1372 (d) To permit loud, boisterous or disorderly conduct of1373 any kind upon the premises or to permit the use of loud musical

1374 instruments if either or any of the same may disturb the peace and 1375 quietude of the community in which the business is located.

(e) To permit persons of ill repute, known criminals,
prostitutes or minors to frequent the licensed premises or the
premises of the small craft brewery, except minors accompanied by
parents or guardians, or under proper supervision.

(f) To permit or suffer illegal gambling or the operation of illegal games of chance upon the licensed premises or the premises of the small craft brewery.

1383 (q) To receive, possess or sell on the licensed 1384 premises or, except as otherwise authorized by this chapter, on 1385 the premises of the small craft brewery any beverage of any kind 1386 or character containing more than five percent (5%) of alcohol by 1387 weight except any beer containing not more than eight percent (8%) 1388 of alcohol by weight, unless the licensee also possesses an 1389 on-premises or manufacturer's permit under the Local Option 1390 Alcoholic Beverage Control Law.

(h) To accept as full or partial payment for any
product any coupons that are redeemed directly or indirectly from
a manufacturer, wholesaler or distributor of light \* \* \*

1394 intoxicating beverages.

1395 SECTION 42. Section 67-3-54, Mississippi Code of 1972, is
1396 amended as follows:

1397 67-3-54. (1) A person who is at least eighteen (18) years
1398 of age but under the age of twenty-one (21) years may possess and

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1399 consume light \* \* \* <u>intoxicating beverages</u> with the consent of his 1400 parent or legal guardian in the presence of his parent or legal 1401 guardian, and it shall not be unlawful for the parent, legal 1402 guardian or spouse of such person to furnish light \* \* \* 1403 <u>intoxicating beverages</u> to such person who is at least eighteen 1404 (18) years of age.

(2) A person who is at least eighteen (18) years of age and who is serving in the armed services of the United States may lawfully possess and consume light \* \* \* <u>intoxicating beverages</u> on military property where the consumption of light \* \* \*

1409 <u>intoxicating beverages</u> is allowed.

1410 (3) A person who is under twenty-one (21) years of age shall 1411 not be deemed to unlawfully possess or furnish light \* \* \* 1412 <u>intoxicating beverages</u>, if in the scope of his employment such 1413 person:

1414 (a) Clears or buses tables that have glasses or other 1415 containers that contain or did contain light \* \* \* <u>intoxicating</u> 1416 beverages;

1417 (b) Waits on tables by taking orders for light \* \* \* 1418 intoxicating beverages; or

1419 (c) Stocks, bags or otherwise handles purchases of
 1420 light \* \* <u>intoxicating beverages</u> at a store.

1421 SECTION 43. Section 67-3-55, Mississippi Code of 1972, is 1422 amended as follows: 1423 67-3-55. (1)Except as otherwise provided in Section 1424 67-1-41, it shall be unlawful for any retailer to possess for purpose of sale, to sell, or to offer to sell any light \* \* \* 1425 1426 intoxicating beverage which was not purchased from a wholesaler in 1427 this state who has a permit to sell such light **\* \* \*** intoxicating 1428 beverage, except for \* \* \* a light intoxicating beverage that was 1429 brewed on the premises of the retailer who holds a permit as a 1430 brewpub pursuant to Article 3, Chapter 71, Title 27, Mississippi 1431 Code of 1972.

(2) It shall be unlawful for any wholesaler to possess for purpose of sale, to sell, or to offer to sell any light \* \* \* intoxicating beverage which was not purchased from a manufacturer or importer of a foreign manufacturer authorized to sell such light \* \* \* intoxicating beverage in this state.

1437 (3) This section shall not apply to:

1438 (a) Beer offered and provided on the premises of a
1439 brewery for the purpose of tasting or sampling as authorized in
1440 Section 67-3-47; or

1441 (b) Light \* \* \* <u>intoxicating beverages</u> sold on the 1442 premises of a small craft brewery or microbrewery as authorized in 1443 Section 67-3-48.

1444 SECTION 44. Section 67-3-57, Mississippi Code of 1972, is 1445 amended as follows:

1446 67-3-57. (1) It shall be unlawful for any retailer to 1447 possess, sell or offer to sell, or to possess for purpose of sale,

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1449 before securing a permit required by this chapter.

1450 (2) It shall be unlawful for any person to possess, sell or 1451 offer to sell any light \* \* \* <u>intoxicating beverage</u> at his place 1452 of business after revocation of his permit or to purchase, to sell 1453 or offer to sell any light \* \* \* <u>intoxicating beverage</u> during the 1454 period of suspension of his permit.

1455 (3) Any light \* \* \* intoxicating beverage found in 1456 possession of, or sold by, a person in violation of this section 1457 shall be seized and disposed of in the manner provided for in 1458 Section 67-1-18.

1459 **SECTION 45.** Section 67-3-59, Mississippi Code of 1972, is 1460 amended as follows:

Except as provided in this subsection, sales 1461 67 - 3 - 59. (1) 1462 by wholesalers, distributors or manufacturers to persons who do 1463 not hold valid permits are unlawful; and any wholesaler, 1464 distributor or manufacturer making such sales, or who sells any \* \* \* light intoxicating beverage on which the tax provided by 1465 1466 law has not been paid, shall, in addition to any other fines, 1467 penalties and forfeitures, be subject to a penalty of Twenty-five 1468 Dollars (\$25.00) for each sale. If all other applicable taxes are 1469 paid, this penalty will not apply to the following: sales to employees of the wholesaler; sales to nonprofit charitable and 1470 civic organizations for special fund-raising events, provided that 1471

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1472 the \* \* <u>light intoxicating beverage</u> is not resold; sales to 1473 affiliated member associations.

1474 (2) The commissioner may assess the penalty by giving notice
1475 by mail, demanding payment within thirty (30) days from date of
1476 delivery of the notice.

1477 The proceeds of all penalties shall be deposited by the 1478 commissioner with the other monies collected by him and shall be 1479 disposed of as provided by law.

1480 SECTION 46. Section 67-3-61, Mississippi Code of 1972, is 1481 amended as follows:

1482 67-3-61. Every railroad company, express company, aeroplane 1483 company, motor transportation company, steamboat company, or other 1484 transportation company, or any person that shall transport into, 1485 from place to place within, or out of this state any light \* \* \* 1486 intoxicating beverage, whether brewed or manufactured within this 1487 state or outside of this state, when requested by the 1488 commissioner, shall furnish him with a duplicate of the bill of 1489 lading covering the receipt for such liquor, showing the name of 1490 the brewer or manufacturer or distributor, and the name and 1491 address of the consignor and of the consignee, and the date when 1492 and place where received, and the destination and the quantity of 1493 such liquor received from the manufacturer or brewer or other 1494 consignor for shipment from any point within or without this state 1495 to any point within this state.

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1496 Any such company or person so transporting any such liquor 1497 that shall fail to comply with the requirements of this section, shall forfeit and pay to the State of Mississippi the sum of One 1498 Hundred Dollars (\$100.00) for each such failure, to be recovered 1499 1500 in any court of competent jurisdiction. The commissioner is 1501 hereby authorized and empowered to sue in his own name, on the 1502 relation and for the use of the State of Mississippi, for such 1503 recovery.

1504 SECTION 47. Section 67-3-63, Mississippi Code of 1972, is 1505 amended as follows:

1506 67-3-63. The commissioner shall cause a record to be kept of the names and places of business of all persons engaged in the 1507 1508 brewing of beer, of all persons engaged in the manufacture of 1509 light \* \* \* intoxicating beverages, and of all persons engaged in the sale of light \* \* \* intoxicating beverages, whether at retail 1510 1511 or otherwise. He shall also cause a record to be kept of all \* \* \* light intoxicating beverages (and of the amount thereof) 1512 brewed or manufactured by each brewery \* \* \*, winery or other 1513 1514 production facility, and of all such \* \* \* beverages (and of the amount thereof) sold by each brewery \* \* \*, winery or other 1515 1516 production facility, with the names and business addresses of the 1517 purchasers, and of all such \* \* \* beverages (and of the amount 1518 thereof) sold by every dealer other than a brewer or manufacturer, 1519 and in the case of sales by dealers other than retail dealers, of the names and business addresses of the purchasers. 1520

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1521 The commissioner shall cause a record to be kept of all 1522 expenses incurred in the collection of such data.

1523 SECTION 48. Section 67-3-65, Mississippi Code of 1972, is 1524 amended as follows:

1525 67-3-65. Municipalities may enforce such proper rules and 1526 regulations for fixing zones and territories, prescribing hours of 1527 opening and of closing, and for such other measures as will 1528 promote public health, morals, and safety, as they may by 1529 ordinance provide. The board of supervisors of any county may 1530 make such rules and regulations as to territory outside of 1531 municipalities as are herein provided for municipalities.

Nothing in this chapter shall prohibit the governing body of any municipality from designating what territory surrounding churches and schools in said municipalities, and the board of supervisors of any county from designating what territory surrounding churches and schools outside of any municipality, in which light **\* \*** <u>intoxicating beverages</u> shall not be sold or consumed.

1539 **SECTION 49.** Section 67-3-67, Mississippi Code of 1972, is 1540 amended as follows:

1541 67-3-67. No county or any officer or agent thereof, nor any 1542 other officer, agent, or person, shall interfere with or impede 1543 the passage through such county of any light **\* \*** <u>intoxicating</u> 1544 <u>beverage</u> moving in accordance with the provisions of this chapter 1545 and the provisions of Section 67-9-1 and which in transit to or

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1546 from any county of this state wherein the traffic in light \* \* \* 1547 <u>intoxicating beverages</u> is not prohibited, any county prohibition 1548 of such traffic to the contrary notwithstanding.

1549 SECTION 50. Section 67-3-69, Mississippi Code of 1972, is 1550 amended as follows:

1551 67 - 3 - 69. (1) Except as to Sections 67-3-17, 67-3-23, 1552 67-3-27, 67-3-55 and 67-3-57, any violation of any provision of 1553 this chapter or of any rule or regulation of the commissioner, 1554 shall be a misdemeanor and, where the punishment therefor is not 1555 elsewhere prescribed in this section, shall be punished by a fine of not more than Five Hundred Dollars (\$500.00) or imprisonment 1556 1557 for not more than six (6) months, or both, in the discretion of 1558 the court. If any person so convicted shall be the holder of any permit or license issued by the commissioner under authority of 1559 1560 this chapter, the permit or license shall from and after the date 1561 of such conviction be void and the holder thereof shall not 1562 thereafter, for a period of one (1) year from the date of such 1563 conviction, be entitled to any permit or license for any purpose 1564 authorized by this chapter. Upon conviction of the holder of any 1565 permit or license, the appropriate law enforcement officer shall 1566 seize the permit or license and transmit it to the commissioner. 1567 Any person who shall violate any provision of (2)(a)

1568 Section 67-3-17, 67-3-23, 67-3-27 or 67-3-55 shall be guilty of a 1569 misdemeanor, and upon conviction thereof shall be punished by a 1570 fine of not more than Five Hundred Dollars (\$500.00) or by

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1571 imprisonment in the county jail for not more than six (6) months, 1572 or by both such fine and imprisonment, in the discretion of the 1573 court.

1574 (b) Any person who shall violate any provision of 1575 Section 67-3-57 shall be guilty of a misdemeanor, and upon 1576 conviction thereof, shall be punished by a fine of not more than 1577 One Thousand Dollars (\$1,000.00) or by imprisonment in the county 1578 jail for not more than one (1) year, or by both, in the discretion 1579 of the court. Any person convicted of violating any provision of the sections referred to in this subsection shall forfeit his 1580 1581 permit, and shall not thereafter be permitted to engage in any 1582 business taxable under the provisions of Sections 27-71-301 1583 through 27-71-347.

If the holder of a permit, or the employee of the holder 1584 (3) 1585 of a permit, shall be convicted of selling any \* \* \* light 1586 intoxicating beverage to anyone who is visibly intoxicated from 1587 the licensed premises or to any person under the age of twenty-one (21) years from the licensed premises in violation of Section 1588 1589 67-3-53(b), then, in addition to any other penalty provided for by 1590 law, the commissioner may impose the following penalties against 1591 the holder of a permit:

(a) For the first offense on the licensed premises, by
a fine of not less than Five Hundred Dollars (\$500.00) nor more
than One Thousand Dollars (\$1,000.00) and/or suspension of the
permit for not more than three (3) months.

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1596 (b) For a second offense occurring on the licensed 1597 premises within twelve (12) months of the first offense, by a fine of not less than Five Hundred Dollars (\$500.00) nor more than Two 1598 1599 Thousand Dollars (\$2,000.00) and/or suspension of the permit for 1600 not more than six (6) months.

1601 (C) For a third offense occurring on the licensed 1602 premises within twelve (12) months of the first, by a fine of not 1603 less than Two Thousand Dollars (\$2,000.00) nor more than Five 1604 Thousand Dollars (\$5,000.00) and/or suspension or revocation of 1605 the permit to sell \* \* \* light intoxicating beverages.

1606 (d) For a fourth or subsequent offense occurring on the 1607 licensed premises within twelve (12) months of the first, by a 1608 fine of not less than Two Thousand Dollars (\$2,000.00) nor more 1609 than Five Thousand Dollars (\$5,000.00) and/or suspension or revocation of the permit to sell \* \* \* light intoxicating 1610 1611 beverages.

1612 (4) A person who sells any \* \* \* light intoxicating beverage to a person under the age of twenty-one (21) years shall not be 1613 1614 guilty of a violation of Section 67-3-53(b) if the person under 1615 the age of twenty-one (21) years represents himself to be 1616 twenty-one (21) years of age or older by displaying an apparently 1617 valid Mississippi driver's license containing a physical description consistent with his appearance or by displaying some 1618 1619 other apparently valid identification card or document containing a picture and physical description consistent with his appearance 1620

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1621 for the purpose of inducing the person to sell \* \* \* <u>light</u> 1622 intoxicating beverages to him.

1623 (5) If a small craft brewery is convicted of violating the 1624 provisions of Section 67-3-48, then, in addition to any other 1625 provision provided for by law, the small craft brewery shall be 1626 punished as follows:

1627 (a) For the first offense, the small craft brewery may
1628 be fined in an amount not to exceed Five Hundred Dollars
1629 (\$500.00).

(b) For a second offense occurring within twelve (12)
months of the first offense, the small craft brewery may be fined
an amount not to exceed One Thousand Dollars (\$1,000.00).

1633 (c) For a third or subsequent offense occurring within 1634 twelve (12) months of the first offense, the small craft brewery 1635 may be fined an amount not to exceed Five Thousand Dollars 1636 (\$5,000.00) and the permit to operate as a manufacturer shall be 1637 suspended for thirty (30) days.

1638 SECTION 51. Section 67-3-70, Mississippi Code of 1972, is 1639 amended as follows:

1640 67-3-70. (1) Except as otherwise provided by Section 1641 67-3-54, any person under the age of twenty-one (21) years who 1642 purchases or possesses any light \* \* \* <u>intoxicating beverage</u> shall 1643 be guilty of a misdemeanor, and upon conviction, shall be punished 1644 by a fine of not less than Two Hundred Dollars (\$200.00) nor more

1645 than Five Hundred Dollars (\$500.00) and a sentence to not more 1646 than thirty (30) days community service.

1647 Any person under the age of twenty-one (21) years who (2) 1648 falsely states he is twenty-one (21) years of age or older or 1649 presents any document that indicates he is twenty-one (21) years 1650 of age or older for the purpose of purchasing or possessing any 1651 light **\* \* \*** intoxicating beverage shall be guilty of a misdemeanor, and upon conviction, shall be punished by a fine of 1652 1653 not less than Two Hundred Dollars (\$200.00) nor more than Five 1654 Hundred Dollars (\$500.00) and a sentence to not more than thirty 1655 (30) days community service.

1656 Except as otherwise provided by Section 67-3-54, any (3)1657 person who knowingly purchases any light \* \* \* intoxicating 1658 beverage for, or gives any light \* \* \* intoxicating beverage to, a 1659 person under the age of twenty-one (21) years, shall be guilty of 1660 a misdemeanor, and upon conviction, shall be punished by a fine of 1661 not less than Two Hundred Dollars (\$200.00) nor more than Five 1662 Hundred Dollars (\$500.00) and a sentence to not more than thirty 1663 (30) days community service. The punishment provided under this 1664 subsection shall not be applicable to violations of Section 1665 97-5-49.

1666 (4) The term "community service" as used in this section 1667 shall mean work, projects or services for the benefit of the 1668 community assigned, supervised and recorded by appropriate public 1669 officials.

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1670 (5) If a person under the age of twenty-one (21) years is 1671 convicted or enters a plea of guilty of violating subsection (1) or subsection (2) of this section, the trial judge, in lieu of the 1672 penalties otherwise provided under this section, shall suspend the 1673 1674 minor's driver's license by taking and keeping it in the custody 1675 of the court for a period of time not to exceed ninety (90) days. 1676 The judge so ordering the suspension shall enter upon his docket "DEFENDANT'S DRIVER'S LICENSE SUSPENDED FOR DAYS IN LIEU OF 1677 1678 CONVICTION" and such action by the trial judge shall not constitute a conviction. During the period that the minor's 1679 1680 driver's license is suspended, the trial judge shall suspend the 1681 imposition of any fines or penalties that may be imposed under 1682 this section and may place the minor on probation subject to such 1683 conditions as the judge deems appropriate. If the minor violates any of the conditions of probation, then the trial judge shall 1684 1685 return the driver's license to the minor and impose the fines, 1686 penalties, or both, that he would have otherwise imposed, and such 1687 action shall constitute a conviction.

1688 (6) Any person who has been charged with a violation 1689 of \* \* \* <u>subsection</u> (1) or (2) of this section may, not sooner 1690 than one (1) year after the dismissal and discharge or completion 1691 of any sentence and/or payment of any fine, apply to the court for 1692 an order to expunge from all official records all recordation 1693 relating to his arrest, trial, finding or plea of guilty, and 1694 dismissal and discharge. If the court determines that such person

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1695 was dismissed and the proceedings against him discharged or that 1696 such person had satisfactorily served his sentence and/or paid his 1697 fine, it shall enter such order.

1698 SECTION 52. Section 67-3-73, Mississippi Code of 1972, is amended as follows: 1699

67 - 3 - 73. (1) 1700 The Mississippi Legislature finds and declares 1701 that the consumption of intoxicating beverages, rather than the 1702 sale or serving or furnishing of such beverages, is the proximate 1703 cause of any injury, including death and property damage, 1704 inflicted by an intoxicated person upon himself or upon another 1705 person.

1706 (2)Notwithstanding any other law to the contrary, no holder 1707 of an alcoholic beverage \* \* \* or light intoxicating beverage 1708 permit, or any agent or employee of such holder, who lawfully 1709 sells or serves intoxicating beverages to a person who may 1710 lawfully purchase such intoxicating beverages, shall be liable to such person or to any other person or to the estate, or survivors 1711 of either, for any injury suffered off the licensed premises, 1712 1713 including wrongful death and property damage, because of the 1714 intoxication of the person to whom the intoxicating beverages were 1715 sold or served.

1716 Notwithstanding any other law to the contrary, no social (3) host who serves or furnishes any intoxicating beverage to a person 1717 1718 who may lawfully consume such intoxicating beverage shall be 1719 liable to such person or to any other person or to the estate, or

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1720 survivors of either, for any injury suffered off such social 1721 host's premises, including wrongful death and property damage, because of the intoxication of the person to whom the intoxicating 1722 1723 beverages were served or furnished. No social host who owns, 1724 leases or otherwise lawfully occupies a premises on which, in his 1725 absence and without his consent, intoxicating beverages are consumed by a person who may lawfully consume such intoxicating 1726 1727 beverage shall be liable to such person or to any other person or 1728 to the estate, or survivors of either, for any injury suffered off 1729 the premises, including wrongful death and property damage, 1730 because of the intoxication of the person who consumed the 1731 intoxicating beverages.

1732 The limitation of liability provided by this section (4)1733 shall not apply to any person who causes or contributes to the 1734 consumption of **\* \* \*** intoxicating beverages by force or by falsely 1735 representing that a beverage contains no alcohol or THC, or to any 1736 holder of an alcoholic beverage **\* \* \*** or light intoxicating beverage permit, or any agent or employee of such holder when it 1737 1738 is shown that the person making a purchase of an \* \* \* 1739 intoxicating beverage was at the time of such purchase visibly 1740 intoxicated.

1741 SECTION 53. Section 67-3-74, Mississippi Code of 1972, is 1742 amended as follows:

1743 67-3-74. (1) In addition to peace officers within their 1744 jurisdiction, all enforcement officers of the Alcoholic Beverage

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1745 Control Division of the Department of Revenue are authorized to 1746 enforce the provisions made unlawful by this chapter and Section 1747 97-5-49; however, the provisions prohibiting the sale of 1748 light \* \* <u>intoxicating beverages</u> to persons under the age of 1749 twenty-one (21) years shall be enforced by the division as 1750 provided for in this section.

(2) (a) The Alcoholic Beverage Control Division shall investigate violations of the laws prohibiting the sale of light \* \* \* <u>intoxicating beverages</u> to persons under the age of twenty-one (21) years upon receipt of a complaint or information from a person stating that they have knowledge of such violation.

(b) Upon receipt of such complaint or information, the Alcoholic Beverage Control Division shall notify the permit holder of the complaint by certified mail to the primary business office of such permit holder or by hand delivery of the complaint or information to the primary business office of such holder, except in cases where the complaint or information is received from any law enforcement officer.

1763 (c) If an enforcement officer of the Alcoholic Beverage 1764 Control Division enters the business of the holder of the permit 1765 to investigate a complaint and discovers a violation, the agent 1766 shall notify the person that committed the violation and the 1767 holder of the permit:

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(i) Within ten (10) days after such violation,
Sundays and holidays excluded, if the business sells light \* \* \*
<u>intoxicating beverages</u> for on-premises consumption; and

(ii) Within seventy-two (72) hours after such violation, Sundays and holidays excluded, if the business does not sell light \* \* <u>intoxicating beverages</u> for on-premises consumption.

1775 **SECTION 54.** Section 67-1-5, Mississippi Code of 1972, is 1776 amended as follows:

1777 67-1-5. For the purposes of this article and unless1778 otherwise required by the context:

1779 "Alcoholic beverage" means any alcoholic liquid, (a) 1780 including wines of more than five percent (5%) of alcohol by 1781 weight, capable of being consumed as a beverage by a human being, 1782 but shall not include light \* \* \* intoxicating beverages, as defined in Section 67-3-3, \* \* \* but shall include native wines 1783 1784 and native spirits. The words "alcoholic beverage" shall not 1785 include ethyl alcohol manufactured or distilled solely for fuel 1786 purposes or beer of an alcoholic content of more than eight 1787 percent (8%) by weight if the beer is legally manufactured in this 1788 state for sale in another state.

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

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

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

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

1804 (f) "Manufacturer" means any person engaged in 1805 manufacturing, distilling, rectifying, blending or bottling any 1806 alcoholic beverage.

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

1811 (h) "Retailer" means any person who sells, distributes, 1812 or offers for sale or distribution, any alcoholic beverage for use 1813 or consumption by the purchaser and not for resale.

1814 (i) "State Tax Commission," "commission" or
1815 "department" means the Department of Revenue of the State of
1816 Mississippi, which shall create a division in its organization to
1817 be known as the Alcoholic Beverage Control Division. Any

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1818 reference to the commission or the department hereafter means the 1819 powers and duties of the Department of Revenue with reference to 1820 supervision of the Alcoholic Beverage Control Division.

1821 (j) "Division" means the Alcoholic Beverage Control1822 Division of the Department of Revenue.

1823 (k) "Municipality" means any incorporated city or town1824 of this state.

"Hotel" means an establishment within a 1825 (1)1826 municipality, or within a qualified resort area approved as such 1827 by the department, where, in consideration of payment, food and 1828 lodging are habitually furnished to travelers and wherein are 1829 located at least twenty (20) adequately furnished and completely 1830 separate sleeping rooms with adequate facilities that persons usually apply for and receive as overnight accommodations. 1831 Hotels in towns or cities of more than twenty-five thousand (25,000) 1832 1833 population are similarly defined except that they must have fifty 1834 (50) or more sleeping rooms. Any such establishment described in 1835 this paragraph with less than fifty (50) beds shall operate one or 1836 more regular dining rooms designed to be constantly frequented by 1837 customers each day. When used in this article, the word "hotel" 1838 shall also be construed to include any establishment that meets 1839 the definition of "bed and breakfast inn" as provided in this 1840 section.

1841

(m) "Restaurant" means:

25/HR21/HB1502A.1J PAGE 75 () 1842 (i) A place which is regularly and in a bona fide manner used and kept open for the serving of meals to guests for 1843 compensation, which has suitable seating facilities for guests, 1844 and which has suitable kitchen facilities connected therewith for 1845 1846 cooking an assortment of foods and meals commonly ordered at 1847 various hours of the day; the service of such food as sandwiches and salads only shall not be deemed in compliance with this 1848 1849 requirement. Except as otherwise provided in this paragraph, no 1850 place shall qualify as a restaurant under this article unless twenty-five percent (25%) or more of the revenue derived from such 1851 1852 place shall be from the preparation, cooking and serving of meals 1853 and not from the sale of beverages, or unless the value of food 1854 given to and consumed by customers is equal to twenty-five percent 1855 (25%) or more of total revenue; or

1856 (ii) Any privately owned business located in a building in a historic district where the district is listed in 1857 1858 the National Register of Historic Places, where the building has a 1859 total occupancy rating of not less than one thousand (1,000) and 1860 where the business regularly utilizes ten thousand (10,000) square 1861 feet or more in the building for live entertainment, including not 1862 only the stage, lobby or area where the audience sits and/or 1863 stands, but also any other portion of the building necessary for the operation of the business, including any kitchen area, bar 1864 area, storage area and office space, but excluding any area for 1865 1866 parking. In addition to the other requirements of this

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1867 subparagraph, the business must also serve food to guests for 1868 compensation within the building and derive the majority of its 1869 revenue from event-related fees, including, but not limited to, 1870 admission fees or ticket sales to live entertainment in the 1871 building, and from the rental of all or part of the facilities of 1872 the business in the building to another party for a specific event 1873 or function.

(n) "Club" means an association or a corporation:
(i) Organized or created under the laws of this
state for a period of five (5) years prior to July 1, 1966;
(ii) Organized not primarily for pecuniary profit
but for the promotion of some common object other than the sale or
consumption of alcoholic beverages;

1880 (iii) Maintained by its members through the 1881 payment of annual dues;

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

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

1890 (vi) No member, officer, agent or employee of 1891 which is paid, or directly or indirectly receives, in the form of

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1892 a salary or other compensation any profit from the distribution or 1893 sale of alcoholic beverages to the club or to members or guests of the club beyond such salary or compensation as may be fixed and 1894 1895 voted at a proper meeting by the board of directors or other 1896 governing body out of the general revenues of the club.

1897 The department may, in its discretion, waive the five-year 1898 provision of this paragraph. In order to qualify under this 1899 paragraph, a club must file with the department, at the time of 1900 its application for a license under this article, two (2) copies of a list of the names and residences of its members and similarly 1901 1902 file, within ten (10) days after the election of any additional 1903 member, his name and address. Each club applying for a license 1904 shall also file with the department at the time of the application 1905 a copy of its articles of association, charter of incorporation, 1906 bylaws or other instruments governing the business and affairs 1907 thereof.

1908 "Qualified resort area" means any area or locality  $(\circ)$ 1909 outside of the limits of incorporated municipalities in this state 1910 commonly known and accepted as a place which regularly and 1911 customarily attracts tourists, vacationists and other transients 1912 because of its historical, scenic or recreational facilities or 1913 attractions, or because of other attributes which regularly and customarily appeal to and attract tourists, vacationists and other 1914 1915 transients in substantial numbers; however, no area or locality shall so qualify as a resort area until it has been duly and 1916

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1917 properly approved as such by the department. The department may 1918 not approve an area as a qualified resort area after July 1, 2018, 1919 if any portion of such proposed area is located within two (2) 1920 miles of a convent or monastery that is located in a county 1921 traversed by Interstate 55 and U.S. Highway 98. A convent or 1922 monastery may waive such distance restrictions in favor of 1923 allowing approval by the department of an area as a qualified 1924 resort area. Such waiver shall be in written form from the owner, 1925 the governing body, or the appropriate officer of the convent or 1926 monastery having the authority to execute such a waiver, and the 1927 waiver shall be filed with and verified by the department before 1928 becoming effective.

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

(ii) The term includes any state park which is declared a resort area by the department; however, such declaration may only be initiated in a written request for resort area status made to the department by the Executive Director of the Department of Wildlife, Fisheries and Parks, and no permit for the sale of any alcoholic beverage, as defined in this article,

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1942 except an on-premises retailer's permit, shall be issued for a 1943 hotel, restaurant or bed and breakfast inn in such park. 1944 The term includes: (iii) 1945 The clubhouses associated with the state 1. 1946 park golf courses at the Lefleur's Bluff State Park, the John Kyle 1947 State Park, the Percy Quin State Park and the Hugh White State 1948 Park; 1949 2. The clubhouse and associated golf course, 1950 tennis courts and related facilities and swimming pool and related 1951 facilities where the golf course, tennis courts and related 1952 facilities and swimming pool and related facilities are adjacent to one or more planned residential developments and the golf 1953 1954 course and all such developments collectively include at least 1955 seven hundred fifty (750) acres and at least four hundred (400) 1956 residential units: 1957 3. Any facility located on property that is a 1958 game reserve with restricted access that consists of at least three thousand (3,000) contiguous acres with no public roads and 1959 1960 that offers as a service hunts for a fee to overnight guests of 1961 the facility; 1962 4. Any facility located on federal property 1963 surrounding a lake and designated as a recreational area by the United States Army Corps of Engineers that consists of at least 1964 one thousand five hundred (1,500) acres; 1965

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1966 5. Any facility that is located in a 1967 municipality that is bordered by the Pearl River, traversed by Mississippi Highway 25, adjacent to the boundaries of the Jackson 1968 1969 International Airport and is located in a county which has voted 1970 against coming out from under the dry law; however, any such 1971 facility may only be located in areas designated by the governing 1972 authorities of such municipality; 1973 6. Any municipality with a population in 1974 excess of ten thousand (10,000) according to the latest federal decennial census that is located in a county that is bordered by 1975 1976 the Pearl River and is not traversed by Interstate Highway 20, with a population in excess of forty-five thousand (45,000) 1977 1978 according to the latest federal decennial census; 1979 7. The West Pearl Restaurant Tax District as 1980 defined in Chapter 912, Local and Private Laws of 2007; 1981 8. a. Land that is located in any county in 1982 which Mississippi Highway 43 and Mississippi Highway 25 intersect 1983 and:

1984A. Owned by the Pearl River Valley1985Water Supply District, and/or

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

25/HR21/HB1502A.1J PAGE 81 () 1991 С. Located within the Reservoir 1992 Community District, zoned commercial, west of Old Fannin Road, 1993 south of Spillway Road and extending to the boundary of the 1994 corporate limits of the City of Flowood, Mississippi; 1995 b. The board of supervisors of such 1996 county, with respect to B and C of item 8.a., may by resolution or 1997 other order: 1998 Α. Specify the hours of operation 1999 of facilities that offer alcoholic beverages for sale, 2000 в. Specify the percentage of 2001 revenue that facilities that offer alcoholic beverages for sale 2002 must derive from the preparation, cooking and serving of meals and 2003 not from the sale of beverages, and 2004 C. Designate the areas in which 2005 facilities that offer alcoholic beverages for sale may be located; 2006 9. Any facility located on property that is a 2007 game reserve with restricted access that consists of at least 2008 eight hundred (800) contiguous acres with no public roads, that 2009 offers as a service hunts for a fee to overnight guests of the 2010 facility, and has accommodations for at least fifty (50) overnight 2011 quests; 2012 10. Any facility that: 2013 Consists of at least six thousand a. 2014 (6,000) square feet being heated and cooled along with an additional adjacent area that consists of at least two thousand 2015

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2016 two hundred (2,200) square feet regardless of whether heated and 2017 cooled,

2018 For a fee is used to host events such b. as weddings, reunions and conventions, 2019 2020 c. Provides lodging accommodations 2021 regardless of whether part of the facility and/or located adjacent 2022 to or in close proximity to the facility, and 2023 d. Is located on property that consists 2024 of at least thirty (30) contiguous acres; 2025 11. Any facility and related property: 2026 a. Located on property that consists of 2027 at least one hundred twenty-five (125) contiguous acres and consisting of an eighteen-hole golf course, and/or located in a 2028 2029 facility that consists of at least eight thousand (8,000) square 2030 feet being heated and cooled, 2031 b. Used for the purpose of providing 2032 meals and hosting events, and 2033 Used for the purpose of teaching с. 2034 culinary arts courses and/or turf management and grounds keeping 2035 courses, and/or outdoor recreation and leadership courses; 2036 12. Any facility and related property that: 2037 Consist of at least eight thousand a. 2038 (8,000) square feet being heated and cooled, 2039 b. For a fee is used to host events,

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2040 с. Is used for the purpose of culinary 2041 arts courses, and/or live entertainment courses and art performances, and/or outdoor recreation and leadership courses; 2042 2043 The clubhouse and associated golf course 13. 2044 where the golf course is adjacent to one or more residential 2045 developments and the golf course and all such developments 2046 collectively include at least two hundred (200) acres and at least 2047 one hundred fifty (150) residential units and are located a. in a 2048 county that has voted against coming out from under the dry law; 2049 and b. outside of but in close proximity to a municipality in such 2050 county which has voted under Section 67-1-14, after January 1, 2051 2013, to come out from under the dry law; 2052 14. The clubhouse and associated 2053 eighteen-hole golf course located in a municipality traversed by Interstate Highway 55 and U.S. Highway 51 that has voted to come 2054 2055 out from under the dry law; 2056 15. a. Land that is planned for mixed-use 2057 development and consists of at least two hundred (200) contiguous 2058 acres with one or more planned residential developments 2059 collectively planned to include at least two hundred (200) 2060 residential units when completed, and also including a facility that consists of at least four thousand (4,000) square feet that 2061 2062 is not part of such land but is located adjacent to or in close 2063 proximity thereto, and which land is located:

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2064 In a county that has voted to Α. 2065 come out from under the dry law, 2066 Outside the corporate limits of Β. 2067 any municipality in such county and adjacent to or in close 2068 proximity to a golf course located in a municipality in such 2069 county, and 2070 Within one (1) mile of a state C. 2071 institution of higher learning; 2072 The board of supervisors of such b. 2073 county may by resolution or other order: 2074 Α. Specify the hours of operation of facilities that offer alcoholic beverages for sale, 2075 2076 Β. Specify the percentage of 2077 revenue that facilities that offer alcoholic beverages for sale 2078 must derive from the preparation, cooking and serving of meals and 2079 not from the sale of beverages, and 2080 Designate the areas in which С. 2081 facilities that offer alcoholic beverages for sale may be located; 2082 16. Any facility with a capacity of five 2083 hundred (500) people or more, to be used as a venue for private 2084 events, on a tract of land in the Southwest Quarter of Section 33, 2085 Township 2 South, Range 7 East, of a county where U.S. Highway 45 2086 and U.S. Highway 72 intersect and that has not voted to come out 2087 from under the dry law;

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2088 17. One hundred five (105) contiguous acres, 2089 more or less, located in Hinds County, Mississippi, and in the 2090 City of Jackson, Mississippi, whereon are constructed a variety of 2091 buildings, improvements, grounds or objects for the purpose of 2092 holding events thereon to promote agricultural and industrial 2093 development in Mississippi;

2094 18. Land that is owned by a state institution 2095 of higher learning, land that is owned by an entity that is bound 2096 by an affiliation agreement with a state institution of higher 2097 learning, or land that is owned by one or more other entities so 2098 long as such other entities are solely owned, either directly or 2099 through additional entities, by an institution of higher learning 2100 and/or one or more entities bound by affiliation agreements with 2101 such institution, and:

2102 Located entirely within a county that a. 2103 has elected by majority vote not to permit the transportation, 2104 storage, sale, distribution, receipt and/or manufacture of 2105 light \* \* \* intoxicating beverages pursuant to Section 67-3-7; and 2106 b. A. Located adjacent to but outside 2107 the incorporated limits of a municipality that has elected by 2108 majority vote to permit the sale, receipt, storage and 2109 transportation of light \* \* \* intoxicating beverages pursuant to 2110 Section 67-3-9; or

2111 B. Located in an area bounded on 2112 the north by College View Drive, on the east by Mississippi

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Highway 12 East, on the south by Mississippi Highway 12 East, on the west by Mill Street, on the north by Russell Street, then on the west by Colonel Muldrow Avenue, on the north by University Drive, on the west by Adkerson Way within a municipality through which run Mississippi Highway 25, Mississippi Highway 12 and U.S. Highway 82.

2119 If any portion of the land described in this item 18 has been 2120 declared a qualified resort area by the department before July 1, 2121 2020, then that qualified resort area shall be incorporated into 2122 the qualified resort area created by this item 18; 2123 19. Any facility and related property: 2124 Used as a flea market or similar a. 2125 venue during a weekend (Saturday and Sunday) immediately preceding 2126 the first Monday of a month and having an annual average of at 2127 least one thousand (1,000) visitors for each such weekend and five 2128 hundred (500) vendors for Saturday of each such weekend, and 2129 Located in a county that has not b. 2130 voted to come out from under the dry law and outside of but in 2131 close proximity to a municipality located in such county and which 2132 municipality has voted to come out from under the dry law; 2133 20. Blocks 1, 2 and 3 of the original town 2134 square in any municipality with a population in excess of one thousand five hundred (1,500) according to the latest federal 2135 2136 decennial census and which is located in:

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2137 A county traversed by Interstate 55 a. 2138 and Interstate 20, and A judicial district that has not 2139 b. voted to come out from under the dry law; 2140 2141 21. Any municipality with a population in 2142 excess of two thousand (2,000) according to the latest federal 2143 decennial census and in which is located a part of White's Creek Lake and in which U.S. Highway 82 intersects with Mississippi 2144 2145 Highway 9 and located in a county that is partially bordered on 2146 one (1) side by the Big Black River; 2147 22. A restaurant located on a two-acre tract 2148 adjacent to a five-hundred-fifty-acre lake in the northeast corner 2149 of a county traversed by U.S. Interstate 55 and U.S. Highway 84; 2150 Any tracts of land in Oktibbeha County, 23. 2151 situated north of Bailey Howell Drive, Lee Boulevard and Old 2152 Mayhew Road, east of George Perry Street and south of Mississippi 2153 Highway 182, and not located on the property of a state 2154 institution of higher learning; however, the board of supervisors 2155 of such county may by resolution or other order: 2156 Specify the hours of operation of a. 2157 facilities that offer alcoholic beverages for sale; 2158 Specify the percentage of revenue b. 2159 that facilities that offer alcoholic beverages for sale must derive from the preparation, cooking and serving of meals and not 2160 from the sale of beverages; and 2161

25/HR21/HB1502A.1J PAGE 88 () 2162 с. Designate the areas in which 2163 facilities that offer alcoholic beverages for sale may be located; 2164 24. A municipality in which Mississippi 2165 Highway 27 and Mississippi Highway 28 intersect; 2166 25. A municipality through which run 2167 Mississippi Highway 35 and Interstate 20; 2168 26. A municipality in which Mississippi 2169 Highway 16 and Mississippi Highway 35 intersect; 2170 27. A municipality in which U.S. Highway 82 2171 and Old Highway 61 intersect; 2172 28. A municipality in which Mississippi 2173 Highway 8 meets Mississippi Highway 1; 2174 29. A municipality in which U.S. Highway 82 2175 and Mississippi Highway 1 intersect; 2176 A municipality in which Mississippi 30. 2177 Highway 50 meets Mississippi Highway 9; 2178 31. An area bounded on the north by Pearl 2179 Street, on the east by West Street, on the south by Court Street 2180 and on the west by Farish Street, within a municipality bordered 2181 on the east by the Pearl River and through which run Interstate 20 2182 and Interstate 55; 2183 32. Any facility and related property that: 2184 Is contracted for mixed-use a. 2185 development improvements consisting of office and residential 2186 space and a restaurant and lounge, partially occupying the

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2187 renovated space of a four-story commercial building which 2188 previously served as a financial institution; and adjacent 2189 property to the west consisting of a single-story office building 2190 that was originally occupied by the Brotherhood of Carpenters and 2191 Joiners of American Local Number 569; and 2192 b. Is situated on a tract of land 2193 consisting of approximately one and one-tenth (1.10) acres, and 2194 the adjacent property to the west consisting of approximately 0.5 2195 acres, located in a municipality which is the seat of county government, situated south of Interstate 10, traversed by U.S. 2196 2197 Highway 90, partially bordered on one (1) side by the Pascagoula 2198 River and having its most southern boundary bordered by the Gulf 2199 of Mexico, with a population greater than twenty-two thousand 2200 (22,000) according to the 2010 federal decennial census; however, 2201 the governing authorities of such a municipality may by ordinance: 2202 Α. Specify the hours of operation 2203 of facilities that offer alcoholic beverages for sale; 2204 Specify the percentage of Β. 2205 revenue that facilities that offer alcoholic beverages for sale 2206 must derive from the preparation, cooking and serving of meals and 2207 not from the sale of beverages; and 2208 С. Designate the areas within the 2209 facilities in which alcoholic beverages may be offered for sale; 2210 33. Any facility with a maximum capacity of one hundred twenty (120) people that consists of at least three 2211

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thousand (3,000) square feet being heated and cooled, has a commercial kitchen, has a pavilion that consists of at least nine thousand (9,000) square feet and is located on land more particularly described as follows:

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

2220 ALSO,

The Northeast 38 acres of the Southwest Quarter of Section 2222 21, Township 7 South, Range 4 East, Union County, Mississippi. 2223 ALSO,

2224 The South 81 1/2 acres of the Southwest Quarter of Section 2225 21, Township 7 South, Range 4 East, Union County, Mississippi; 2226 34. A municipality in which U.S. Highway 51 2227 and Mississippi Highway 16 intersect; 2228 35. A municipality in which Interstate 20 passes over Mississippi Highway 15; 2229 2230 36. Any municipality that is bordered in its 2231 northwestern boundary by the Pearl River, traversed by U.S. 2232 Highway 49 and Interstate 20, and is located in a county which has 2233 voted against coming out from under the dry law; 2234 37. A municipality in which Mississippi

2235 Highway 28 and Mississippi Highway 29 North intersect;

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2236 38. An area bounded as follows within a 2237 municipality through which run Interstate 22 and Mississippi 2238 Highway 15: Beginning at a point at the intersection of Bankhead 2239 Street and Tallahatchie Trails; then running to a point at the 2240 intersection of Tallahatchie Trails and Interstate 22; then 2241 running to a point at the intersection of Interstate 22 and Carter 2242 Avenue; then running to a point at the intersection of Carter 2243 Avenue and Camp Avenue; then running to a point at the 2244 intersection of Camp Avenue and King Street; then running to a 2245 point at the intersection of King Street and E. Main Street; then 2246 running to a point at the intersection of E. Main Street and Camp 2247 Avenue; then running to a point at the intersection of Camp Avenue 2248 and Highland Street; then running to a point at the intersection 2249 of Highland Street and Adams Street; then running to a point at 2250 the intersection of Adams Street and Cleveland Street; then 2251 running to a point at the intersection of Cleveland Street and N. 2252 Railroad Avenue; then running to a point at the intersection of N. 2253 Railroad Avenue and McGill Street; then running to a point at the 2254 intersection of McGill Street and Snyder Street; then running to a 2255 point at the intersection of Snyder Street and Bankhead Street; 2256 then running to a point at the intersection of Bankhead Street and 2257 Tallahatchie Trails and the point of the beginning; 2258 39. A municipality through which run 2259 Mississippi Highway 43 and U.S. Highway 80;

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2260 40. The coliseum in a municipality in which 2261 U.S. Highway 72 passes over U.S. Highway 45; 2262 A piece of property on the northeast 41. 2263 corner of the T-intersection where Builders Square Drive meets 2264 Mississippi Highway 471; 2265 42. The clubhouse and associated golf course, 2266 tennis courts and related facilities and swimming pool and related 2267 facilities located on Oaks Country Club Road less than one-half 2268 (1/2) mile to the east of Mississippi Highway 15; 2269 43. Any facility located on land more 2270 particularly described as follows: 2271 The East Half (E 1/2) of the Southwest Ouarter (SW 1/4) of 2272 Section 15, Township 3 North, Range 2 East; a 4 acre parcel in the 2273 Southwest Corner of the Southwest Ouarter (SW 1/4) of the 2274 Southeast Quarter (SE 1/4), Section 15, Township 3 North, Range 2 2275 East, running 210 feet east and west and 840 feet running north 2276 and south; the Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of Section 22, Township 3 North, Range 2 East, all in 2277 2278 Rankin County, Mississippi; 2279 44. Any facility located on land more 2280 particularly described as follows: 2281 Beginning at a point 1915 feet west and 2171 feet north of 2282 southeast corner, Section 11, Township 24 North, Range 2 West, 2283 Second Judicial District, Tallahatchie County, Mississippi, which point is the southwest corner of J.C. Section Lot mentioned in 2284

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2285 deed recorded in Book 50, page 34, in the records of the Chancery 2286 Clerk's Office at Sumner, in said District of said County; thence 2287 South 80° West, 19 feet to the east boundary of United States 2288 Highway 49-E, thence East along the east boundary of said Highway 2289 270 feet to point of beginning of Lot to be conveyed; thence 2290 southeast along the east boundary of said Highway 204 feet to a 2291 concrete post at the intersection of the east boundary of said 2292 Highway with the west boundary of gravel road from Sumner to Webb, 2293 known as Oil Mill Road, thence Northwest along west boundary of 2294 said Oil Mill Road 194 feet to center of driveway running 2295 southwest from said Oil Mill Road to U.S. Highway 49-E; thence 2296 South 66° West along center of said driveway 128 feet to point of 2297 beginning, being situated in Northwest Quarter of Southeast 2298 Quarter of Section 11, together with all improvements situated 2299 thereon: 2300 45. Any facility that: 2301 Consists of at least five thousand a. six hundred (5,600) square feet being heated and cooled along with 2302 2303 a lakeside patio that consists of at least two thousand two 2304 hundred (2,200) square feet, regardless of whether such patio is 2305 part of the facility and/or located adjacent to or in close 2306 proximity to the facility; 2307 Includes a caterer's kitchen and b.

2308 green room for entertainment preparation;

c. For a fee is used to host events; and

25/HR21/HB1502A.1J PAGE 94 () 2310 d. Is located adjacent to or in close 2311 proximity to an approximately nine **\* \* \***-acre lake on property that consists of at least one hundred twenty (120) acres in a 2312 county traversed by Mississippi Highway 15 and U.S. Highway 278; 2313 2314 46. Any municipality with a population in 2315 excess of one thousand (1,000) according to the 2010 federal 2316 decennial census and which is located in a county that is 2317 traversed by U.S. Highways 84 and 98 and has not voted to come out 2318 from under the dry law; The clubhouse and associated nine-hole 2319 47. 2320 golf course, tennis courts and related facilities and swimming 2321 pool and related facilities located on or near U.S. Highway 82 2322 between Mississippi Highway 15 and Mississippi Highway 9; 2323 48. The downtown square area bound by East 2324 Service Drive, Commerce Street, Second Street and Court Street and 2325 adjacent properties in a municipality through which run Interstate 2326 55, U.S. Highway 51 and Mississippi Highway 306; 2327 All parcels zoned for mixed-use 49. 2328 development located west of Mississippi Highway 589, more than 2329 four hundred (400) feet north of Old Highway 24, east of 2330 Parkers Creek and Black Creek, and south of J M Burge Road; 2331 50. Any facility used by a soccer club and 2332 located on Old Highway 11 between one-tenth (0.1) and two-tenths (0.2) of a mile from its intersection with Oak Grove Road, in a 2333

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2336 51. Any municipality in which U.S. Highway 49 2337 and Mississippi Highway 469 intersect; 2338 52. Any facility that is: 2339 Owned by a Veterans of Foreign Wars a. 2340 (VFW) organization that is a nonprofit corporation and registered 2341 with the Mississippi Secretary of State; 2342 b. Used by such organization for its 2343 headquarters and other organization related purposes; and 2344 с. Located outside of a municipality in a county that has not voted to come out from under the dry law; 2345 2346 53. The following within a municipality in 2347 which U.S. Highway 49 and U.S. 61 Highway intersect and through which flows the Sunflower River: 2348 2349 a. An area bounded as follows: Starting 2350 at the southern point of the intersection of Sunflower Avenue and 2351 1st Street and going south along said avenue on its eastern side 2352 to 8th Street, then going east along said street on its northern 2353 side to West Tallahatchie Street, then going north along said 2354 street on its western side to 4th Street/Martin Luther King 2355 Boulevard, then going east along said street/boulevard on its

county in which U.S. Highway 98 and Mississippi Highway 589

2357 on its western side to 1st Street, then going west along said

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2334

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2356

intersect;

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northern side to Desoto Avenue, then going north along said avenue

2358 street on its southern side to the point of beginning along the 2359 southern side of Court Street;

2360 b. Lots located at or near the 2361 intersection of Madison Avenue, Walnut Street, and Riverside Avenue that are in a commercial zone; and 2362 2363 с. Any facility located on the west side 2364 of Sunflower Avenue to the Sunflower River between the southern side of 6th Street and the northern side of 8th Street and which 2365 2366 is operated as and/or was operated as a hotel or lodging facility, in consideration of payment, regardless of whether the facility 2367 meets the criteria for the definition of the term "hotel" in 2368 2369 paragraph (1) of this section; and

2370 d. Any facility located on the west side 2371 of Sunflower Avenue to the Sunflower River between the southern 2372 side of 3rd Street and the northern side of 4th Street/Martin 2373 Luther King Boulevard and which is operated as and/or was operated 2374 as a musical venue, in consideration of payment;

2375 54. Any municipality in which Mississippi2376 Highway 340 meets Mississippi Highway 15;

237755. Any municipality in which Mississippi2378Highway 540 and Mississippi Highway 149 intersect;

2379 56. Any municipality in which Mississippi
2380 Highway 15 and Mississippi Highway 345/Main Street intersect;
2381 57. The property and structures thereon at
2382 the following locations within a municipality through which run

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U.S. Highway 45 and Mississippi Highway 145 and in which
Mississippi Highway 370 and Mississippi Highway 145 intersect:
104 West Main Street, 106 West Main Street, 108 West Main Street,
110 West Main Street and 112 West Main Street;
58. Any municipality in which U.S. Highway 11
and Main Street intersect and which is located in a county having

2389 two (2) judicial districts;

2390 59. Any municipality in which Interstate 222391 passes over Mississippi Highway 9;

2392 60. Any facility located on land more2393 particularly described as follows:

A certain parcel of land being situated in the Southeast 1/4 A certain parcel of land being situated in the Southeast 1/4 of the Northeast 1/4 of Section 9, T3N-R3E, Rankin County, Mississippi, and being more particularly described as follows: Commence at an existing 1/2" iron pin marking the Southwest

2398 corner of the aforesaid Southeast 1/4 of the Northeast 1/4 of 2399 Section 9, T3N-R3E and run thence North 00 degrees 06 minutes 13 2400 seconds East along the East line of the Southeast 1/4 of the 2401 Northeast 1/4 for a distance of 33.18 feet to an existing 1/2" 2402 iron pin; leaving said East line of the Southeast 1/4 of the 2403 Northeast 1/4, run thence South 89 degrees 53 minutes 47 seconds 2404 East for a distance of 2.08 feet to an existing 1/2" iron pin; run 2405 thence North 00 degrees 22 minutes 19 seconds East for a distance 2406 of 561.90 feet to an existing 1/2" iron pin; run thence North 00 degrees 16 minutes 18 seconds East for a distance of 76.42 feet to 2407

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2408 a set 1/2" iron pin marking the POINT OF BEGINNING of the parcel 2409 of land herein described; from said POINT OF BEGINNING, continue thence North 00 degrees 16 minutes 18 seconds East along an 2410 existing fence for a distance of 493.27 feet to an existing 1/2"2411 2412 iron pin; run thence North 03 degrees 08 minutes 15 seconds East 2413 for a distance of 170.22 feet to an existing 1/2" iron pin on the 2414 North line of the aforesaid Southeast 1/4 of the Northeast 1/4 of 2415 Section 9; run thence North 89 degrees 46 minutes 45 seconds East 2416 along said North line of the Southeast 1/4 of the Northeast 1/4 of Section 9 for a distance of 1,305.51 feet to an existing 1/2" iron 2417 2418 pin marking Northeast corner thereof; leaving said North line of 2419 the Southeast 1/4 of the Northeast 1/4 of Section 9, run thence 2420 South 00 degrees 08 minutes 35 seconds West along the East line of 2421 said Southeast 1/4 of the Northeast 1/4 of Section 9 for a 2422 distance of 663.19 feet to a set 1/2" iron pin; leaving said East 2423 line of the Southeast 1/4 of the Northeast 1/4 of Section 9, run 2424 thence South 89 degrees 46 minutes 45 seconds West for a distance 2425 of 1,315.51 feet to the POINT OF BEGINNING, containing 20.00 2426 acres, more or less.

And Also: An easement for the purpose of ingress and egress being situated in the Southeast 1/4 of the Northeast 1/4 and in the Northeast 1/4 of the Southeast 1/4 of Section 9, T3N-R3E, Rankin County, Mississippi, and being more particularly described as follows:

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2432 Begin at an existing 1/2" iron pin marking the Southwest 2433 corner of the aforesaid Southeast 1/4 of the Northeast 1/4 of Section 9, T3N-R3E and run thence North 00 degrees 06 minutes 13 2434 2435 seconds East along the East line of the Southeast 1/4 of the 2436 Northeast 1/4 for a distance of 33.18 feet to an existing 1/2"2437 iron pin; leaving said East line of the Southeast 1/4 of the 2438 Northeast 1/4, run thence South 89 degrees 53 minutes 47 seconds 2439 East for a distance of 2.08 feet to an existing 1/2" iron pin; run 2440 thence North 00 degrees 22 minutes 19 seconds East for a distance of 561.90 feet to an existing 1/2" iron pin; run thence North 00 2441 degrees 16 minutes 18 seconds East for a distance of 76.42 feet to 2442 2443 a set 1/2" iron pin; run thence North 89 degrees 46 minutes 45 2444 seconds East for a distance of 25.00 feet to a set 1/2" iron pin; 2445 run thence South 00 degrees 16 minutes 18 seconds West for a distance of 76.66 feet to a set 1/2" iron pin; run thence South 00 2446 2447 degrees 22 minutes 19 seconds West for a distance of 619.81 feet 2448 to a set 1/2" iron pin; run thence South 89 degrees 43 minutes 01 2449 seconds West for a distance of 26.81 feet to a set 1/2" iron pin; 2450 run thence North 00 degrees 06 minutes 13 seconds East along the West line of the aforesaid Northeast 1/4 of the Southeast 1/4 of 2451 2452 Section 9 for a distance of 25.00 feet to the POINT OF BEGINNING, 2453 containing 17,525.4 square feet, more or less.

2454 61. Any municipality bordered on the east by 2455 the Pascagoula River and on the south by the Mississippi Sound;

2456 62. The property and structures thereon 2457 located at parcel numbers 4969 198 000; 4969 200 000; 4969 201 000; 4969 206 000; 4969 207 000; 4969 208 000; 4969 218 000; 4969 2458 2459 199; 4969 204 000 and 4969 204 001, all in Block 4 of the original town square in any municipality with a population in excess of one 2460 2461 thousand five hundred (1,500) according to the latest federal 2462 decennial census and which is located in: 2463 a. A county traversed by Interstate 55 2464 and Interstate 20, and 2465 b. A judicial district that has not voted to come out from under the dry law; 2466 2467 Any municipality in which Mississippi 63. 2468 Highway 12 meets Mississippi Highway 17; 2469 64. Any municipality in which U.S. Highway 49 2470 and Mississippi Highway 469 intersect; 2471 65. The clubhouse and associated nine-hole 2472 golf course and related facilities located on or near the eastern corner of the point at which Golf Course Road meets Athens Road, 2473 2474 in a county in which Mississippi Highway 13 and Mississippi 2475 Highway 28 intersect, with GPS coordinates of approximately 31.900370078041004, -89.7928067652611; 2476 2477 66. Any facility located at the 2478 south-to-southwest corner of the intersection of Madison Street 2479 and Bolton Brownsville Road, in a municipality in which Bolton

2480 Brownsville Road passes over Interstate 20, with GPS coordinates 2481 of approximately 32.349067271758955, -90.4596221146197;

2482 67. Any facility located at the northwest 2483 corner of the intersection of Depot Street and Madison Street, in 2484 a municipality in which Bolton Brownsville Road passes over 2485 Interstate 20, with GPS coordinates of approximately

2486 32.34903152971068, -90.46047660172901;

2487 68. Any facility located on Hinds Boulevard 2488 approximately three-tenths (0.3) of a mile south of the point at 2489 which Hinds Boulevard diverges from Clinton Road, in a 2490 municipality whose northern boundary partially consists of Snake 2491 Creek Road, and whose southern boundary partially consists of 2492 Mississippi Highway 18, with GPS coordinates of approximately 2493 32.26384517526713, -90.41586570183475;

69. Any facility located on Pleasant Grove Drive approximately one and three-tenths (1.3) miles southeast of its intersection with Harmony Drive, in a county through which run Interstate 55 and U.S. Highway 84, with GPS coordinates of approximately 31.512043770371907, -90.2506094382595;

2499 70. Any facility located immediately north of 2500 the intersection of two roads, both named Mason Clark Drive, 2501 located between two-tenths (0.2) and three-tenths (0.3) of a mile 2502 southwest of Mississippi Highway 57/63, with GPS coordinates of 2503 approximately 31.135950529733048, -88.53068674585575;

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2504 71. Any facility located on Raj Road 2505 approximately three-tenths (0.3) of a mile south of Mississippi 2506 Highway 57/63, with GPS coordinates of approximately 2507 31.139553708288418, -88.53411203512971; 2508 72. Any facility located on Raj Road 2509 approximately one-tenth (0.1) of a mile south of Mississippi 2510 Highway 57/63, with GPS coordinates of approximately 2511 31.14184097577295, -88.53287700849411; 2512 73. Any municipality through which run U.S. 2513 Highway 45 and Mississippi Highway 145 and in which Mississippi 2514 Highway 370 and Mississippi Highway 145 intersect; however, this 2515 designation as a qualified resort area shall only apply to the 2516 portion of such municipality which is located in a county that has 2517 not voted to come out from under the dry law; 2518 A municipality through which runs a 74. 2519 portion of the Tanglefoot Trail and in which Mississippi Highway 2520 32 and East Front Street intersect; 2521 75. Lot Three (3) in Block One Hundred 2522 Seventy-eight (178) of the D.H. McInnis First Survey, sometimes 2523 referred to as D.H. McInnis Railroad Addition, to the City of 2524 Hattiesburg, the said lot having a frontage of thirty (30) feet on 2525 the Eastern side of Front Street and extending back between 2526 parallel lines ninety (90) feet to an alley, and being located in 2527 the Northwest Quarter of Section 10, Township 4 North, Range 13 2528 West, Forrest County, Mississippi;

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2529 76. An area of land in George County of 2530 approximately eight and five hundredths (8.05) acres, bordered on the east and northeast by Brushy Creek, on the northwest by Brushy 2531 2532 Creek Road, on the west by Beaver Creek Road, and on the south by 2533 a property boundary running east and west; 2534 77. A municipality in which Mississippi 2535 Highway 15 intersects with Webster Street, and in which Webster 2536 Street splits into Mill Street and Maben Starkville Road; 2537 78. A municipality in which Mississippi 2538 Highway 492 meets Mississippi Highway 35; 2539 79. A facility operating as an event venue 2540 and located on Mississippi Highway 589, with GPS coordinates of 2541 approximately 31.36730, -89.50548; 2542 80. An area situated in the SW 1/4 of Section 12, T7N-R2E, Madison County, Mississippi, and commencing at the 2543 2544 point on the Ross Barnett Reservoir directly east of the 2545 intersection of North Natchez Street and Louisiana Street, then go 2546 west on Louisiana Street to the intersection of Louisiana Street 2547 and Andrew Jackson Street, then west on Andrew Jackson Street to 2548 the intersection of Andrew Jackson Street and Choctaw Street, then 2549 north on Choctaw Street to the intersection of Choctaw Street and 2550 Republic Street, then west on Republic Street to the intersection of Republic Street and Port Street, then north on Port Street to 2551 the Natchez Trace right-of-way, then east on the Natchez Trace 2552

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2553 right-of-way to the Ross Barnett Reservoir, then following the 2554 Ross Barnett Reservoir south back to the point of beginning; 2555 81. Any facility located on land more

2556 particularly described as follows:

2557 Commencing at a fence corner at the Northeast corner of Section 2558 34, Township 6 South, Range 3 East, Union County, Mississippi, for 2559 the point of beginning; thence run South 00 degrees 31 minutes 39 2560 seconds East, along the Section line, a distance of 161.83 feet to 2561 a one-half inch iron pin, thence North 88 degrees 20 minutes 48 seconds West, along a fence, a distance of 1221.09 feet to a 2562 2563 one-half iron pin, thence South 09 degrees 45 minutes 37 seconds 2564 West, along a fence, a distance of 61.49 feet to a one-half inch 2565 iron pin, thence North 84 degrees 18 minutes 01 seconds West, 2566 along a fence, (passing through a one-half inch iron pin at 196.83 feet) a distance of 234.62 feet to a mag-nail on the centerline of 2567 2568 Union County Road No. 137, thence North 11 degrees 00 minutes 29 2569 seconds East a distance of 187.87 feet to a one-half inch iron pin 2570 on the West edge of said road, thence North 29 degrees 41 minutes 2571 28 seconds East a distance of 59.28 feet to a point on the 2572 centerline of said road, thence South 89 degrees 13 minutes 02 2573 seconds East (passing through a one-half inch iron pin at 30.0 2574 feet) along the South line of the Bernard Whiteside property as recorded in Deed Book 117, Pages 517-518 and Deed Book 214, page 2575 2576 109, a distance of 646.07 feet to a concrete monument, thence South 89 degrees 13 minutes 02 seconds East a distance of 751.31 2577

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2578 feet to a one-half inch iron pin, thence South 00 degrees 31 2579 minutes 39 seconds East, along the aforesaid Section line, a 2580 distance of 52.93 feet to the point of beginning, said tract lying 2581 in the Southeast Quarter of Section 27, and the Northeast Quarter 2582 of Section 34, Township 6 South, Range 3 East and containing 6.99 2583 acres.

Subject to a perpetual all purpose non-exclusive easement for ingress, egress and public utilities together the right to enter upon the above described property and do any and all work necessary to build, repair and maintain a roadway or well or install public utilities all over upon and across the following described property:

2590 A 25.0 foot easement for ingress and egress, being 12.5 feet to 2591 the right and 12.5 feet to the left of the following described 2592 centerline: Commencing at a fence corner at the Northeast corner 2593 of Section 34, Township 6 South, Range 3 East, Union County, 2594 Mississippi, thence run South 00 degrees 31 minutes 39 seconds 2595 East, along the Section line, a distance of 149.33 feet to the 2596 point of beginning; thence North 88 degrees 20 minutes 48 seconds 2597 West a distance of 1231.46 feet to a point, thence South 09 2598 degrees 45 minutes 37 seconds West a distance of 61.49 feet to a 2599 point, thence North 84 degrees 18 minutes 01 seconds West a 2600 distance of 221.82 feet to a point on the centerline of Union 2601 County Road #137, said tract lying in the Northeast Quarter of Section 34, Township 6 South, Range 3 East. 2602

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2603 82. The clubhouse at a country club located: 2604 In a county in which Mississippi a. Highway 15 and Mississippi Highway 16 intersect and which county 2605 2606 has not voted to come out from under the dry law, and 2607 b. Outside the corporate limits of any 2608 municipality in such county and within one (1) mile of the 2609 corporate limits of a municipality that is the county seat of such 2610 county; 2611 83. Any facility located on North Jackson 2612 Street in a municipality through which run Mississippi Highway 8 2613 and Mississippi Highway 15, with GPS coordinates of approximately 33.913692, -89.005219; 2614 2615 84. Any facility located on North Jackson 2616 Street in a municipality through which run Mississippi Highway 8 and Mississippi Highway 15, with GPS coordinates of approximately 2617 33.905581, -89.00200; 2618 2619 85. Any facility located on land more particularly described as follows: 2620 2621 Commencing at the Southeast corner of Section 4, Township 6 2622 South, Range 18 West, Pearl River County, Mississippi; thence 2623 West 1310.00 feet to a T-bar; thence North 745.84 feet; thence 2624 East 132.00 feet to a 1" iron pipe; thence North 83.61 feet 2625 for the Point of Beginning; thence South 79 degrees 02 minutes 2626 61 seconds West 248.28 feet; thence West 76.35 feet; thence North 20 degrees 00 minutes 00 seconds West 185.54 feet; 2627

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2628 thence North 52 degrees 43 minutes 14 seconds East 365.98 feet 2629 to a 1" iron pipe on the West margin of Henry Smith Road, a 2630 gravel/paved, public road; thence along said margin South 17 2631 degrees 59 minutes 13 seconds East 299.09 feet; thence South 64.39 feet to the Point of Beginning. This parcel containing 2632 2633 2.19 acres and being a part of the East 1/2 of Section 4, 2634 Township 6 South, Range 18 West, Pearl River County, 2635 Mississippi.

2636 INDEXING: BEING A PART OF THE EAST 1/2 OF SECTION 4, 2637 TOWNSHIP 6 SOUTH, RANGE 18 WEST, PEARL RIVER COUNTY, 2638 MISSISSIPPI;

2639 86. Any facility located on land in a county 2640 through which run Mississippi Highway 25 and U.S. Highway 82 and 2641 more particularly described as follows: Beginning at a point with GPS coordinates of approximately 33.331869, -88.715054; then 2642 2643 running in a straight line to a point with GPS coordinates of 2644 approximately 33.336207, -88.713453; then running in a straight 2645 line to a point with GPS coordinates of approximately 33.335369, 2646 -88.709835; then running in a straight line to a point with GPS 2647 coordinates of approximately 33.330870, -88.711496; then running 2648 in a straight line to a point with GPS coordinates of approximately 33.331869, -88.715054 and the point of the 2649 2650 beginning;

2651 87. Any facility located on land that is 2652 owned by a community college that is located in a county through 2653 which run U.S. Highway 51 and Mississippi Highway 4; 2654 Any facility located on Mississippi 88. Highway 23/178 in a municipality in which Mississippi Highway 2655 23/178 and Stone Drive intersect, with GPS coordinates of 2656 2657 approximately 34.235269, -88.262409; 2658 Any facility located on U.S. Highway 51 89. 2659 in a municipality through which run Interstate 55, U.S. Highway 51 and the Natchez Trace Parkway, with GPS coordinates of 2660 approximately 32.42042°N, 90.13473°W; 2661 2662 Any facility located on Mullican Road in 90. 2663 a county through which run U.S. Highway 84 and Interstate 59, 2664 with GPS coordinates of approximately 31.73395N, 89.18186W; 2665 Any facility located on land in a county 91. through which run Mississippi Highway 25 and U.S. Highway 82 and 2666 2667 more particularly described as follows: Beginning at a point with 2668 GPS coordinates of approximately 33.37391, -88.80645; then running 2669 in a straight line to a point with GPS coordinates of approximately 33.37391, -88.79972; then running in a straight line 2670 2671 to a point with GPS coordinates of approximately 33.36672, 2672 -88.80644; then running in a straight line to a point with GPS coordinates of approximately 33.36674, -88.79971; then running in 2673 2674 a straight line to a point with GPS coordinates of approximately 2675 33.37391, -88.80645 and the point of the beginning;

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2676 92. Any facility located on land more2677 particularly described as follows:

All that part of the South half (S 1/2) of the SE 1/4 of NE 1/4 of Section 14, Township 4 North, Range 15 West, lying and being West of State Highway No. 589, containing one (1) acre, more or less. LESS AND EXCEPT:

2682 Begin at the point of intersection of the North line of the South 2683 1/2 of the Southeast 1/4 of the Northeast 1/4 of Section 14, 2684 Township 4 North, Range 15 West with the present Southwesterly 2685 right-of-way line of Mississippi Highway No. 589, said point is 2686 also the Northeast corner of grantor property; said point is 50.6 2687 feet West of Station 7 + 59.27 on the centerline of survey of 2688 Mississippi Highway No. 589 as shown on the plans for State 2689 Project No. SP-0014-2(10); from said POINT OF BEGINNING run thence 2690 South 08°57' East along said present Southwesterly right-of-way 2691 line, a distance of 37.1 feet to a point that is perpendicular to 2692 and 50 feet Southwesterly of Station 7 + 30 on the centerline of 2693 survey of Mississippi Highway 589 as shown on the plans for said 2694 project; run thence South 81°03' West, a distance of 35.7 feet to the West line of the South 1/2 of the Southeast 1/4 of the 2695 2696 Northeast 1/4 of said Section 14 and the West line of grantors 2697 property; run thence North along said West property line, a 2698 distance of 42.2 feet to the Northwest corner of the South 1/2 of 2699 the Southeast 1/4 of the Northeast 1/4 of said Section 14 and the 2700 Northwest corner of grantors property; run thence East along

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2701 grantors North property line, a distance of 29.5 feet to the POINT 2702 OF BEGINNING containing 0.03 acres, more or less, and all being 2703 situated in and a part of the South 1/2 of the Southeast 1/4 of 2704 the Northeast 1/4 of Section 14, Township 4 North, Range 15 West, 2705 Lamar County, Mississippi.

2706 LESS AND EXCEPT:

2707 A part of the South one-half of the Southeast 1/4 of Northeast 2708 1/4, Northerly of a certain fence and West of Mississippi State 2709 Highway 589, in Section 14, Township 4 North, Range 15 West, Lamar 2710 County, Mississippi and more particularly described as commencing 2711 at a pine (lighter) stake being used as the Southwest corner of the Northeast 1/4 of Southeast 1/4 of the above said Section 14, 2712 2713 thence North and along the West line of the East 1/4 of the above 2714 said Section 14 1638.8 feet to the POINT OF BEGINNING. Thence continue North and along the West line of the East 1/4 of the 2715 above said Section 14, 278.5 feet to the Southerly line of the 2716 2717 property Bobby G. Aultman and Marilyn S. Aultman previously sold to the Mississippi State Highway Department; thence North 81°03' 2718 2719 East and along the above said Southerly property line for 35.7 2720 feet more or less to the Westerly right-of-way line of Mississippi 2721 State Highway 589; thence Southeasterly and along the above said 2722 Westerly right-of-way line 232.7 feet to a concrete right-of-way 2723 marker; thence South 51°39' West and along the Northerly line of a 2724 wooden fence 88 feet to the POINT OF BEGINNING.

2725 AND ALSO:

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2726 A parcel of land in a part of the Southeast 1/4 of Northwest 1/4 and a part of the Southwest 1/4, Section 14, Township 4 North, 2727 Range 15 West, Lamar County, Mississippi, and more particularly 2728 2729 described as beginning at a point where the Southerly right-of-way 2730 line of U.S. Highway 98 intersects the West line of the above said 2731 Southeast 1/4 of Northwest 1/4; thence North 67°34' East and along 2732 the Southerly right-of-way line of said highway 208.75 feet; thence South 208.75 feet; thence South 67°34' West 208.75 feet; 2733 2734 thence South 141.3 feet; thence North 89°07'30" West 388.9 feet to the centerline of Parkers Creek; thence Northerly and along the 2735 centerline of said creek for the next three (3) calls: North 2736 35°53' East 115.6 feet; North 25°05' East 68.5 feet; North 2737 2738 09°51'30" West 64.3 feet to the Southerly right-of-way line of U.S. Highway 98; thence North 67°34' East and along the Southerly 2739 right-of-way line of said highway 327.85 feet to the POINT OF 2740 2741 BEGINNING. The above described area contains 3.02 acres. 2742 AND ALSO:

2743 Commencing at the Southwest corner of the Southwest 1/4 of the 2744 Northeast 1/4 of Section 14, Township 4 North, Range 15 West, 2745 Lamar County, Mississippi, run South 88°05'27" East 310.00 feet, 2746 thence South  $0^{\circ}53'16"$  West 60.50 feet to a point on a fence line, thence run along fence line South 88°05'27" East 718.93 feet to 2747 the POINT OF BEGINNING, thence North 08°48'10" West 714.67 feet to 2748 2749 a point on the South right-of-way line of Highway No. 98, thence 2750 along said right-of-way along a curve to the right with a delta

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2751 angle of 02°04'26" having a radius of 5603.58 feet and an arc 2752 length of 202.84 feet, with a chord bearing a distance of North 2753 71°53'47" East 202.83 feet to a Concrete Highway right-of-way marker, thence South 20°09'13" East 328.13 feet, thence South 2754 69°00'47" East 117.68 feet, thence South 0°58'19" West 429.12 feet 2755 2756 to a Point on Possession Line fence, thence along said fence North 2757 88°05'27" West 299.23 feet back to the POINT OF BEGINNING, 2758 containing 5.0885 acres, more or less and being situated in the SW 2759 1/4 of the NE 1/4 and the NW 1/4 of the SE 1/4 of said Section 14, 2760 together with all improvements and appurtenances thereunto 2761 belonging.

2762 AND ALSO:

2763 PARCEL NUMBER ONE: That part of the Northwest Quarter of the 2764 Southwest Quarter (Northwest 1/4 of the Southwest 1/4) of Section 2765 14, Township 4 North, Range 15 West, of Lamar County, Mississippi, 2766 being located and situated East of the center thread of Mill Creek 2767 as the same presently runs through and bisects said 40-acre tract, 2768 and comprising 10.9 acres, more or less, and all being part of the 2769 Northwest Quarter of the Southwest Quarter (Northwest 1/4 of the 2770 Southwest 1/4) of said Section, Township and Range, Lamar County, 2771 Mississippi.

2772 AND ALSO:

2773 PARCEL NUMBER TWO: A part of the Southeast Quarter of the 2774 Northwest Quarter (Southeast 1/4 of the Northwest 1/4) and part of 2775 the Northeast Quarter of the Southwest (Northeast 1/4 of the

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2776 Southwest 1/4) all in Section 14, Township 4 North, Range 15 West, 2777 Lamar County, Mississippi, being more particularly described as 2778 follows, to wit:

2779 Beginning at a point where the South margin of State Highway 98 2780 intersects the West margin of the Southeast 1/4 of the Northwest 2781 1/4 of Section 14, Township 4 North, Range 15 West, and run 2782 Easterly along the South margin of said highway right-of-way 2783 208.75 feet; thence South 208.75 feet; thence Westerly parallel 2784 with the South margin of said highway right-of-way 208.75 feet to the West forty line; thence North 208.75 feet to the POINT OF 2785 2786 BEGINNING, containing 1 acre, more or less.

2787 LESS AND EXCEPT:

2788 Begin at the point of intersection of an Easterly line of grantors 2789 property with the present Southerly right-of-way line of U.S. 2790 Highway 98 as shown on the plans for State Project No. 97-0014-02-044-10; from said POINT OF BEGINNING run thence South 2791 2792 02°56' West along said Easterly property line, a distance of 127.6 2793 feet; thence run South 69°11' West, a distance of 52.9 feet; 2794 thence run South 67°13' West, a distance of 492.7 feet to the 2795 Westerly line of grantors property and the center of a creek; 2796 thence run Northerly along said Westerly property line and said 2797 center of creek, a distance of 122.8 feet to said present 2798 Southerly right-of-way line; thence run North 67°13' East along 2799 said present Southerly right-of-way line, a distance of 553.4 feet to the POINT OF BEGINNING, containing 1.43 acres, more or less, 2800

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and being situated in and a part of the North 1/2 of the Southwest 2802 1/4 of Section 14, Township 4 North, Range 15 West, Lamar County, 2803 Mississippi.

2804 LESS AND EXCEPT:

2805 COMMENCING AT THE SOUTHWEST CORNER OF SECTION 14, TOWNSHIP 4 2806 NORTH, RANGE 15 WEST, LAMAR COUNTY, MISSISSIPPI, PROCEED EAST 2807 2136.60 FEET; THENCE NORTH 2508.67 FEET TO AN IRON PIN AND THE 2808 POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED.

2809 FROM THE DESCRIBED POINT OF BEGINNING, PROCEED NORTH 11°19'49 " EAST 217.55 FEET TO AN IRON PIN; THENCE NORTH 40 °11'01" EAST 2810 118.28 FEET TO AN IRON PIN; THENCE NORTH 22°24'39" WEST 179.15 2811 2812 FEET TO AN IRON PIN ON THE SOUTHERN BOUNDARY OF U.S. HIGHWAY 98; 2813 THENCE ALONG THE SOUTHERN RIGHT-OF-WAY BOUNDARY OF SAID HIGHWAY AS 2814 SOUTH 67°35'21" WEST 699.55 FEET TO AN IRON PIN; THENCE FOLLOWS: 2815 SOUTH 69°16'57" WEST 67.67 FEET TO A CONCRETE RIGHT-OF-WAY MARKER; 2816 THENCE SOUTH 67°35'21" WEST 310.34 FEET TO AN IRON PIN; THENCE LEAVING SAID RIGHT-OF-WAY SOUTH 01°25'53" WEST 667.21 FEET TO AN 2817 2818 IRON PIN; THENCE NORTH 67°35'21" EAST 491.91 FEET TO AN IRON PIN; 2819 THENCE NORTH 22°24'39" WEST 193.77 FEET TO AN IRON PIN; THENCE NORTH 67°35'21" EAST 629.48 FEET BACK TO THE POINT OF BEGINNING. 2820 2821 SAID PARCEL CONTAINS 12.39 ACRES AND IS LOCATED PART IN THE SE 1/4 2822 OF THE NW 1/4, PART IN THE NE 1/4 OF THE SW 1/4, AND PART IN THE 2823 NW 1/4 OF THE SW 1/4, ALL IN SECTION 14, TOWNSHIP 4 NORTH, RANGE 2824 15 WEST, LAMAR COUNTY, MISSISSIPPI.

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

2829 The governing authorities of a municipality described, in 2830 whole or in part, in item 6, 21, 24, 25, 26, 27, 28, 29, 30, 31, 2831 34, 35, 36, 37, 38, 39, 46, 48, 51, 53, 54, 55, 56, 58, 59, 61, 63, 64, 66, 67, 68, 73, 74, 83 or 84 of this paragraph (o)(iii) 2832 2833 may by ordinance, with respect to the qualified resort area described in the same item: specify the hours of operation of 2834 2835 facilities offering alcoholic beverages for sale; specify the 2836 percentage of revenue that facilities offering alcoholic beverages 2837 for sale must derive from the preparation, cooking and serving of 2838 meals and not from the sale of beverages; and designate the areas 2839 in which facilities offering alcoholic beverages for sale may be 2840 located.

2841 "Native wine" means any product, produced in (g) Mississippi for sale, having an alcohol content not to exceed 2842 2843 twenty-one percent (21%) by weight and made in accordance with 2844 revenue laws of the United States, which shall be obtained 2845 primarily from the alcoholic fermentation of the juice of ripe 2846 grapes, fruits, berries, honey or vegetables grown and produced in 2847 Mississippi; provided that bulk, concentrated or fortified wines 2848 used for blending may be produced without this state and used in producing native wines. The department shall adopt and promulgate 2849

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2850 rules and regulations to permit a producer to import such bulk 2851 and/or fortified wines into this state for use in blending with 2852 native wines without payment of any excise tax that would 2853 otherwise accrue thereon.

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

2857 "Bed and breakfast inn" means an establishment (r) 2858 within a municipality where in consideration of payment, breakfast 2859 and lodging are habitually furnished to travelers and wherein are 2860 located not less than eight (8) and not more than nineteen (19) 2861 adequately furnished and completely separate sleeping rooms with 2862 adequate facilities, that persons usually apply for and receive as 2863 overnight accommodations; however, such restriction on the minimum 2864 number of sleeping rooms shall not apply to establishments on the 2865 National Register of Historic Places. No place shall qualify as a 2866 bed and breakfast inn under this article unless on the date of the 2867 initial application for a license under this article more than 2868 fifty percent (50%) of the sleeping rooms are located in a 2869 structure formerly used as a residence.

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

(t) "Spa facility" means an establishment within a municipality or qualified resort area and owned by a hotel where, in consideration of payment, patrons receive from licensed

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2875 professionals a variety of private personal care treatments such 2876 as massages, facials, waxes, exfoliation and hairstyling.

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

2881 "Cooking school" means an establishment within a (V) 2882 municipality or qualified resort area and owned by a nationally 2883 recognized company that offers an established culinary education 2884 curriculum and program where, in consideration of payment, patrons 2885 are given scheduled professional group instruction on culinary 2886 techniques. For purposes of this paragraph, the definition of 2887 cooking school shall not include schools or classes offered by 2888 grocery stores, convenience stores or drugstores.

2889 (w) "Campus" means property owned by a public school 2890 district, community or junior college, college or university in 2891 this state where educational courses are taught, school functions 2892 are held, tests and examinations are administered or academic 2893 course credits are awarded; however, the term shall not include 2894 any "restaurant" or "hotel" that is located on property owned by a 2895 community or junior college, college or university in this state, 2896 and is operated by a third party who receives all revenue 2897 generated from food and alcoholic beverage sales.

(x) "Native spirit" shall mean any beverage, producedin Mississippi for sale, manufactured primarily by the

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distillation of fermented grain, starch, molasses or sugar produced in Mississippi, including dilutions and mixtures of these beverages. In order to be classified as "native spirit" under the provisions of this article, at least fifty-one percent (51%) of the finished product by volume shall have been obtained from distillation of fermented grain, starch, molasses or sugar grown and produced in Mississippi.

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

2910 (z) "Warehouse operator" shall have the meaning 2911 ascribed in Section 67-1-201.

2912 <u>(aa) "Light intoxicating beverage" has the meaning</u> 2913 ascribed in Section 67-3-3.

2914 SECTION 55. Section 67-1-18, Mississippi Code of 1972, is 2915 amended as follows:

2916 67-1-18. (1) Any alcoholic beverage, light \* \* \*

2917 <u>intoxicating beverage</u> or raw material seized under the authority 2918 of this article, Chapter 3 of Title 67, or Chapter 31 of Title 97, 2919 Mississippi Code of 1972, shall be submitted to the custody of 2920 the \* \* \* department \* \* \* for disposition.

(2) (a) Except as otherwise provided in this paragraph, the2922 department shall not dispose of any alcoholic beverage,

2923 light \* \* \* <u>intoxicating beverage</u> or raw material without first
2924 providing reasonable notice to all individuals having an interest

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in the property and an opportunity for them to appear and establish their right or claim to the property. If no hearing is requested by the passage of the appropriate deadline, the department shall require the alcoholic beverages, light \* \* \* <u>intoxicating beverages</u> or raw materials to be sold for the benefit of the state or destroyed.

2931 The provisions of paragraph (a) of this subsection (b) 2932 shall not apply in cases in which the owner or possessor of the 2933 alcoholic beverage, light \* \* \* intoxicating beverage or raw material is convicted of selling or possessing alcoholic 2934 2935 beverages, \* \* \* light intoxicating beverages or raw materials in 2936 a manner or location prohibited by law, or convicted of a 2937 violation of Section 67-1-81(2) or 67-3-70. In such cases, the 2938 alcoholic beverage, light \* \* \* intoxicating beverage or raw materials seized in connection with the violation may be disposed 2939 2940 of in the manner prescribed by the department.

2941 (3) If the department orders the property, other than (a) alcoholic beverages, sold, then the property shall be sold to the 2942 2943 highest bidder, the bidder being any person, firm or government 2944 The offer for sale shall be made to not less than three agency. 2945 (3) qualified prospective buyers, by mailing them an invitation to 2946 bid, which shall describe the property, terms of sale, method of 2947 delivery, manner of bidding and fixing a time of not more than 2948 fifteen (15) days from the date of invitation for opening of bids received by the department. 2949

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(b) All bids and payment shall be made in the manner as
prescribed by the department. Bids, after opening, shall be
subject to public inspection.

(4) If the department orders the sale of seized alcoholic
beverages, it may place the alcoholic beverages in the state
inventory to be sold to authorized retailers in the same manner as
other alcoholic beverages in the state inventory are sold.

2957 (5) Any appeal from a seizure and disposal made under this 2958 section shall be made pursuant to Section 67-1-72.

2959 **SECTION 56.** Section 67-1-51, Mississippi Code of 1972, is 2960 amended as follows:

2961 67-1-51. (1) Permits which may be issued by the department 2962 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.

2969 Manufacturer's permits shall be of the following classes: 2970 Class 1. Distiller's and/or rectifier's permit, which shall 2971 authorize the holder thereof to operate a distillery for the 2972 production of distilled spirits by distillation or redistillation 2973 and/or to operate a rectifying plant for the purifying, refining,

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2974 mixing, blending, flavoring or reducing in proof of distilled 2975 spirits and alcohol.

2976 Class 2. Wine manufacturer's permit, which shall authorize 2977 the holder thereof to manufacture, import in bulk, bottle and 2978 store wine or vinous liquor.

2979 Class 3. Native wine producer's permit, which shall 2980 authorize the holder thereof to produce, bottle, store and sell 2981 native wines.

2982 Class 4. Native spirit producer's permit, which shall 2983 authorize the holder thereof to produce, bottle, store and sell 2984 native spirits.

2985 (b) Package retailer's permit. Except as otherwise 2986 provided in this paragraph and Section 67-1-52, a package 2987 retailer's permit shall authorize the holder thereof to operate a store exclusively for the sale at retail in original sealed and 2988 2989 unopened packages of alcoholic beverages, including native wines, 2990 native spirits and edibles, not to be consumed on the premises 2991 where sold. Alcoholic beverages shall not be sold by any retailer 2992 in any package or container containing less than fifty (50) 2993 milliliters by liquid measure. A package retailer's permit, with 2994 prior approval from the department, shall authorize the holder 2995 thereof to sample new product furnished by a manufacturer's 2996 representative or his employees at the permitted place of business 2997 so long as the sampling otherwise complies with this article and 2998 applicable department regulations. Such samples may not be

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2999 provided to customers at the permitted place of business. Ιn 3000 addition to the sale at retail of packages of alcoholic beverages, 3001 the holder of a package retailer's permit is authorized to sell at 3002 retail corkscrews, wine glasses, soft drinks, ice, juices, mixers, 3003 other beverages commonly used to mix with alcoholic beverages, and 3004 fruits and foods that have been submerged in alcohol and are 3005 commonly referred to as edibles. Nonalcoholic beverages sold by 3006 the holder of a package retailer's permit shall not be consumed on 3007 the premises where sold.

3008 (C) **On-premises retailer's permit.** Except as otherwise 3009 provided in subsection (5) of this section, an on-premises 3010 retailer's permit shall authorize the sale of alcoholic beverages, 3011 including native wines and native spirits, for consumption on the 3012 licensed premises only; however, a patron of the permit holder may remove one (1) bottle of wine from the licensed premises if: 3013 (i) 3014 the patron consumed a portion of the bottle of wine in the course 3015 of consuming a meal purchased on the licensed premises; (ii) the permit holder securely reseals the bottle; (iii) the bottle is 3016 3017 placed in a bag that is secured in a manner so that it will be 3018 visibly apparent if the bag is opened; and (iv) a dated receipt 3019 for the wine and the meal is available. Additionally, as part of 3020 a carryout order, a permit holder may sell one (1) bottle of wine 3021 to be removed from the licensed premises for every two (2) entrees 3022 In addition, an on-premises retailer's permittee at a ordered. 3023 permitted premises located on Jefferson Davis Avenue within

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3024 one-half (1/2) mile north of U.S. Highway 90 may serve alcoholic 3025 beverages by the glass to a patron in a vehicle using a 3026 drive-through method of delivery if the permitted premises is 3027 located in a leisure and recreation district established under 3028 Section 67-1-101. Such a sale will be considered to be made on 3029 the permitted premises. An on-premises retailer's permit shall be issued only to qualified hotels, restaurants and clubs, small 3030 3031 craft breweries, microbreweries, and to common carriers with 3032 adequate facilities for serving passengers. In resort areas, however, whether inside or outside of a municipality, the 3033 3034 department, in its discretion, may issue on-premises retailer's 3035 permits to any establishments located therein as it deems proper. 3036 An on-premises retailer's permit when issued to a common carrier 3037 shall authorize the sale and serving of alcoholic beverages aboard 3038 any licensed vehicle while moving through any county of the state; 3039 however, the sale of such alcoholic beverages shall not be 3040 permitted while such vehicle is stopped in a county that has not legalized such sales. If an on-premises retailer's permit is 3041 3042 applied for by a common carrier operating solely in the water, 3043 such common carrier must, along with all other gualifications for 3044 a permit, (i) be certified to carry at least one hundred fifty 3045 (150) passengers and/or provide overnight accommodations for at 3046 least fifty (50) passengers and (ii) operate primarily in the 3047 waters within the State of Mississippi which lie adjacent to the State of Mississippi south of the three (3) most southern counties 3048

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3049 in the State of Mississippi and/or on the Mississippi River or 3050 navigable waters within any county bordering on the Mississippi 3051 River.

3052 Solicitor's permit. A solicitor's permit shall (d) 3053 authorize the holder thereof to act as salesman for a manufacturer 3054 or wholesaler holding a proper permit, to solicit on behalf of his 3055 employer orders for alcoholic beverages, and to otherwise promote 3056 his employer's products in a legitimate manner. Such a permit 3057 shall authorize the representation of and employment by one (1) 3058 principal only. However, the permittee may also, in the 3059 discretion of the department, be issued additional permits to 3060 represent other principals. No such permittee shall buy or sell 3061 alcoholic beverages for his own account, and no such beverage 3062 shall be brought into this state in pursuance of the exercise of 3063 such permit otherwise than through a permit issued to a wholesaler 3064 or manufacturer in the state.

3065 Native wine retailer's permit. Except as otherwise (e) provided in subsection (5) of this section, a native wine 3066 3067 retailer's permit shall be issued only to a holder of a Class 3 3068 manufacturer's permit, and shall authorize the holder thereof to 3069 make retail sales of native wines to consumers for on-premises 3070 consumption or to consumers in originally sealed and unopened 3071 containers at an establishment located on the premises of or in 3072 the immediate vicinity of a native winery. When selling to consumers for on-premises consumption, a holder of a native wine 3073

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3074 retailer's permit may add to the native wine alcoholic beverages 3075 not produced on the premises, so long as the total volume of 3076 foreign beverage components does not exceed twenty percent (20%) 3077 of the mixed beverage. Hours of sale shall be the same as those 3078 authorized for on-premises permittees in the city or county in 3079 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.

3085 Temporary retailer's permits shall be of the following 3086 classes:

3087 A temporary one-day permit may be issued to bona Class 1. fide nonprofit civic or charitable organizations authorizing the 3088 sale of alcoholic beverages, including native wine and native 3089 3090 spirit, for consumption on the premises described in the temporary 3091 permit only. Class 1 permits may be issued only to applicants 3092 demonstrating to the department, by a statement signed under 3093 penalty of perjury submitted ten (10) days prior to the proposed 3094 date or such other time as the department may determine, that they meet the qualifications of Sections 67-1-11, 67-1-37, 67-1-51(2) 3095 3096 and (3), 67-1-55, 67-1-57 (excluding paragraph (e)) and 67-1-59. 3097 Class 1 permittees shall obtain all alcoholic beverages from package retailers located in the county in which the temporary 3098

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3099 permit is issued. Alcoholic beverages remaining in stock upon 3100 expiration of the temporary permit may be returned by the permittee to the package retailer for a refund of the purchase 3101 3102 price upon consent of the package retailer or may be kept by the 3103 permittee exclusively for personal use and consumption, subject to 3104 all laws pertaining to the illegal sale and possession of 3105 alcoholic beverages. The department, following review of the 3106 statement provided by the applicant and the requirements of the 3107 applicable statutes and regulations, may issue the permit.

3108 Class 2. A temporary permit, not to exceed seventy (70) 3109 days, may be issued to prospective permittees seeking to transfer 3110 a permit authorized in paragraph (c) of this subsection. A Class 3111 2 permit may be issued only to applicants demonstrating to the department, by a statement signed under the penalty of perjury, 3112 that they meet the qualifications of Sections 67-1-5(1), (m), (n), 3113 3114 (o), (p) or (q), 67-1-37, 67-1-51(2) and (3), 67-1-55, 67-1-57 and 67-1-59. 3115 The department, following a preliminary review of the statement provided by the applicant and the requirements of the 3116 3117 applicable statutes and regulations, may issue the permit.

3118 Class 2 temporary permittees must purchase their alcoholic 3119 beverages directly from the department or, with approval of the 3120 department, purchase the remaining stock of the previous 3121 permittee. If the proposed applicant of a Class 1 or Class 2 3122 temporary permit falsifies information contained in the 3123 application or statement, the applicant shall never again be

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3124 eligible for a retail alcohol beverage permit and shall be subject 3125 to prosecution for perjury.

3126 Class 3. A temporary one-day permit may be issued to a retail establishment authorizing the complimentary distribution of 3127 3128 wine, including native wine, to patrons of the retail 3129 establishment at an open house or promotional event, for 3130 consumption only on the premises described in the temporary 3131 permit. A Class 3 permit may be issued only to an applicant 3132 demonstrating to the department, by a statement signed under penalty of perjury submitted ten (10) days before the proposed 3133 3134 date or such other time as the department may determine, that it meets the qualifications of Sections 67-1-11, 67-1-37, 67-1-51(2) 3135 3136 and (3), 67-1-55, 67-1-57 (excluding paragraph (e)) and 67-1-59. 3137 A Class 3 permit holder shall obtain all alcoholic beverages from the holder(s) of a package retailer's permit located in the county 3138 3139 in which the temporary permit is issued. Wine remaining in stock 3140 upon expiration of the temporary permit may be returned by the Class 3 temporary permit holder to the package retailer for a 3141 3142 refund of the purchase price, with consent of the package 3143 retailer, or may be kept by the Class 3 temporary permit holder 3144 exclusively for personal use and consumption, subject to all laws 3145 pertaining to the illegal sale and possession of alcoholic beverages. The department, following review of the statement 3146 provided by the applicant and the requirements of the applicable 3147 statutes and regulations, may issue the permit. No retailer may 3148

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3149 receive more than twelve (12) Class 3 temporary permits in a 3150 calendar year. A Class 3 temporary permit shall not be issued to 3151 a retail establishment that either holds a merchant permit issued 3152 under paragraph (1) of this subsection, or holds a permit issued 3153 under Chapter 3, Title 67, Mississippi Code of 1972, authorizing 3154 the holder to engage in the business of a retailer of light \* \* \* 3155 intoxicating beverages.

3156 Caterer's permit. A caterer's permit shall permit (q) 3157 the purchase of alcoholic beverages by a person engaging in 3158 business as a caterer and the resale of alcoholic beverages by 3159 such person in conjunction with such catering business. No person shall qualify as a caterer unless forty percent (40%) or more of 3160 3161 the revenue derived from such catering business shall be from the 3162 serving of prepared food and not from the sale of alcoholic 3163 beverages and unless such person has obtained a permit for such 3164 business from the Department of Health. A caterer's permit shall 3165 not authorize the sale of alcoholic beverages on the premises of the person engaging in business as a caterer; however, the holder 3166 3167 of an on-premises retailer's permit may hold a caterer's permit. 3168 When the holder of an on-premises retailer's permit or an 3169 affiliated entity of the holder also holds a caterer's permit, the 3170 caterer's permit shall not authorize the service of alcoholic 3171 beverages on a consistent, recurring basis at a separate, fixed location owned or operated by the caterer, on-premises retailer or 3172 affiliated entity and an on-premises retailer's permit shall be 3173

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3174 required for the separate location. All sales of alcoholic 3175 beverages by holders of a caterer's permit shall be made at the 3176 location being catered by the caterer, and, except as otherwise provided in subsection (5) of this section, such sales may be made 3177 3178 only for consumption at the catered location. The location being 3179 catered may be anywhere within a county or judicial district that 3180 has voted to come out from under the dry laws or in which the sale 3181 and distribution of alcoholic beverages is otherwise authorized by 3182 Such sales shall be made pursuant to any other conditions law. 3183 and restrictions which apply to sales made by on-premises retail 3184 permittees. The holder of a caterer's permit or his employees 3185 shall remain at the catered location as long as alcoholic 3186 beverages are being sold pursuant to the permit issued under this 3187 paragraph (g), and the permittee shall have at the location the 3188 identification card issued by the Alcoholic Beverage Control 3189 Division of the department. No unsold alcoholic beverages may be 3190 left at the catered location by the permittee upon the conclusion of his business at that location. Appropriate law enforcement 3191 3192 officers and Alcoholic Beverage Control Division personnel may 3193 enter a catered location on private property in order to enforce 3194 laws governing the sale or serving of alcoholic beverages.

3195 (h) **Research permit**. A research permit shall authorize 3196 the holder thereof to operate a research facility for the 3197 professional research of alcoholic beverages. Such permit shall 3198 authorize the holder of the permit to import and purchase limited

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3199 amounts of alcoholic beverages from the department or from 3200 importers, wineries and distillers of alcoholic beverages for 3201 professional research.

3202 Alcohol processing permit. An alcohol processing (i) 3203 permit shall authorize the holder thereof to purchase, transport 3204 and possess alcoholic beverages for the exclusive use in cooking, 3205 processing or manufacturing products which contain alcoholic 3206 beverages as an integral ingredient. An alcohol processing permit 3207 shall not authorize the sale of alcoholic beverages on the 3208 premises of the person engaging in the business of cooking, 3209 processing or manufacturing products which contain alcoholic 3210 beverages. The amounts of alcoholic beverages allowed under an 3211 alcohol processing permit shall be set by the department.

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

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

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3224 (1) Merchant permit. Except as otherwise provided in subsection (5) of this section, a merchant permit shall be issued 3225 only to the owner of a spa facility, an art studio or gallery, or 3226 3227 a cooking school, and shall authorize the holder to serve 3228 complimentary by the glass wine only, including native wine, at 3229 the holder's spa facility, art studio or gallery, or cooking 3230 school. A merchant permit holder shall obtain all wine from the 3231 holder of a package retailer's permit.

3232 Temporary alcoholic beverages charitable auction (m) 3233 permit. A temporary permit, not to exceed five (5) days, may be 3234 issued to a qualifying charitable nonprofit organization that is 3235 exempt from taxation under Section 501(c)(3) or (4) of the 3236 Internal Revenue Code of 1986. The permit shall authorize the 3237 holder to sell alcoholic beverages for the limited purpose of 3238 raising funds for the organization during a live or silent auction 3239 that is conducted by the organization and that meets the following 3240 requirements: (i) the auction is conducted in an area of the state where the sale of alcoholic beverages is authorized; (ii) if 3241 3242 the auction is conducted on the premises of an on-premises 3243 retailer's permit holder, then the alcoholic beverages to be 3244 auctioned must be stored separately from the alcoholic beverages 3245 sold, stored or served on the premises, must be removed from the premises immediately following the auction, and may not be 3246 3247 consumed on the premises; (iii) the permit holder may not conduct more than two (2) auctions during a calendar year; (iv) the permit 3248

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3249 holder may not pay a commission or promotional fee to any person 3250 to arrange or conduct the auction.

3251 Event venue retailer's permit. An event venue (n) 3252 retailer's permit shall authorize the holder thereof to purchase 3253 and resell alcoholic beverages, including native wines and native 3254 spirits, for consumption on the premises during legal hours during 3255 events held on the licensed premises if food is being served at 3256 the event by a caterer who is not affiliated with or related to 3257 the permittee. The caterer must serve at least three (3) entrees. 3258 The permit may only be issued for venues that can accommodate two 3259 hundred (200) persons or more. The number of persons a venue may 3260 accommodate shall be determined by the local fire department and 3261 such determination shall be provided in writing and submitted 3262 along with all other documents required to be provided for an 3263 on-premises retailer's permit. The permittee must derive the 3264 majority of its revenue from event-related fees, including, but 3265 not limited to, admission fees or ticket sales for live 3266 entertainment in the building. "Event-related fees" do not 3267 include \* \* \* alcoholic beverage or light intoxicating beverage 3268 sales or any fee which may be construed to cover the cost of \* \* \* 3269 alcoholic beverages or light intoxicating beverages. This 3270 determination shall be made on a per event basis. An event may 3271 not last longer than two (2) consecutive days per week.

3272 (o) **Temporary theatre permit**. A temporary theatre 3273 permit, not to exceed five (5) days, may be issued to a charitable

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3274 nonprofit organization that is exempt from taxation under Section 3275 501(c)(3) or (4) of the Internal Revenue Code and owns or operates 3276 a theatre facility that features plays and other theatrical 3277 performances and productions. Except as otherwise provided in 3278 subsection (5) of this section, the permit shall authorize the 3279 holder to sell alcoholic beverages, including native wines and 3280 native spirits, to patrons of the theatre during performances and 3281 productions at the theatre facility for consumption during such 3282 performances and productions on the premises of the facility 3283 described in the permit. A temporary theatre permit holder shall 3284 obtain all alcoholic beverages from package retailers located in 3285 the county in which the permit is issued. Alcoholic beverages 3286 remaining in stock upon expiration of the temporary theatre permit 3287 may be returned by the permittee to the package retailer for a 3288 refund of the purchase price upon consent of the package retailer 3289 or may be kept by the permittee exclusively for personal use and 3290 consumption, subject to all laws pertaining to the illegal sale 3291 and possession of alcoholic beverages.

(p) **Charter ship operator's permit**. Subject to the provisions of this paragraph (p), a charter ship operator's permit shall authorize the holder thereof and its employees to serve, monitor, store and otherwise control the serving and availability of alcoholic beverages to customers of the permit holder during private charters under contract provided by the permit holder. A charter ship operator's permit shall authorize such action by the

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3299 permit holder and its employees only as to alcoholic beverages 3300 brought onto the permit holder's ship by customers of the permit holder as part of such a private charter. All such alcoholic 3301 3302 beverages must be removed from the charter ship at the conclusion 3303 of each private charter. A charter ship operator's permit shall 3304 not authorize the permit holder to sell, charge for or otherwise 3305 supply alcoholic beverages to customers, except as authorized in 3306 this paragraph (p). For the purposes of this paragraph (p), 3307 "charter ship operator" means a common carrier that (i) is certified to carry at least one hundred fifty (150) passengers 3308 3309 and/or provide overnight accommodations for at least fifty (50) 3310 passengers, (ii) operates only in the waters within the State of 3311 Mississippi, which lie adjacent to the State of Mississippi south 3312 of the three (3) most southern counties in the State of 3313 Mississippi, and (iii) provides charters under contract for tours 3314 and trips in such waters.

3315 Distillery retailer's permit. The holder of a (a) Class 1 manufacturer's permit may obtain a distillery retailer's 3316 3317 permit. A distillery retailer's permit shall authorize the holder 3318 thereof to sell at retail alcoholic beverages to consumers for 3319 on-premises consumption, or to consumers by the sealed and 3320 unopened bottle from a retail location at the distillery for 3321 off-premises consumption. The holder may only sell product 3322 manufactured by the manufacturer at the distillery described in 3323 the permit. However, when selling to consumers for on-premises

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3324 consumption, a holder of a distillery retailer's permit may add 3325 other beverages, alcoholic or not, so long as the total volume of 3326 other beverage components containing alcohol does not exceed 3327 twenty percent (20%). Hours of sale shall be the same as those 3328 authorized for on-premises permittees in the city or county in 3329 which the distillery retailer is located.

3330 The holder shall not sell at retail more than ten percent 3331 (10%) of the alcoholic beverages produced annually at its 3332 distillery. The holder shall not make retail sales of more than 3333 two and twenty-five one-hundredths (2.25) liters, in the 3334 aggregate, of the alcoholic beverages produced at its distillery 3335 to any one (1) individual for consumption off the premises of the 3336 distillery within a twenty-four-hour period. The hours of sale 3337 shall be the same as those hours for package retailers under this article. 3338 The holder of a distillery retailer's permit is not 3339 required to purchase the alcoholic beverages authorized to be sold 3340 by this paragraph from the department's liquor distribution warehouse; however, if the holder does not purchase the alcoholic 3341 3342 beverages from the department's liquor distribution warehouse, the 3343 holder shall pay to the department all taxes, fees and surcharges 3344 on the alcoholic beverages that are imposed upon the sale of 3345 alcoholic beverages shipped by the department or its warehouse 3346 operator. In addition to alcoholic beverages, the holder of a 3347 distillery retailer's permit may sell at retail promotional products from the same retail location, including shirts, hats, 3348

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3349 glasses, and other promotional products customarily sold by 3350 alcoholic beverage manufacturers.

3351 Festival Wine Permit. Any wine manufacturer or (r) 3352 native wine producer permitted by Mississippi or any other state 3353 is eligible to obtain a Festival Wine Permit. This permit 3354 authorizes the entity to transport product manufactured by it to 3355 festivals held within the State of Mississippi and sell sealed, 3356 unopened bottles to festival participants. The holder of this 3357 permit may provide samples at no charge to participants. 3358 "Festival" means any event at which three (3) or more vendors are 3359 present at a location for the sale or distribution of goods. The 3360 holder of a Festival Wine Permit is not required to purchase the 3361 alcoholic beverages authorized to be sold by this paragraph from 3362 the department's liquor distribution warehouse. However, if the 3363 holder does not purchase the alcoholic beverages from the 3364 department's liquor distribution warehouse, the holder of this 3365 permit shall pay to the department all taxes, fees and surcharges 3366 on the alcoholic beverages sold at such festivals that are imposed 3367 upon the sale of alcoholic beverages shipped by the Alcoholic 3368 Beverage Control Division of the Department of Revenue. 3369 Additionally, the entity shall file all applicable reports and 3370 returns as prescribed by the department. This permit is issued per festival and provides authority to sell for two (2) 3371 consecutive days during the hours authorized for on-premises 3372 permittees' sales in that county or city. The holder of the 3373

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3374 permit shall be required to maintain all requirements set by Local 3375 Option Law for the service and sale of alcoholic beverages. This 3376 permit may be issued to entities participating in festivals at 3377 which a Class 1 temporary permit is in effect.

3378 This paragraph (r) shall stand repealed from and after July 3379 1, 2026.

3380 Charter vessel operator's permit. Subject to the (s) 3381 provisions of this paragraph (s), a charter vessel operator's 3382 permit shall authorize the holder thereof and its employees to 3383 sell and serve alcoholic beverages to passengers of the permit 3384 holder during public tours, historical tours, ecological tours and 3385 sunset cruises provided by the permit holder. The permit shall 3386 authorize the holder to only sell alcoholic beverages, including 3387 native wines, to passengers of the charter vessel operator during public tours, historical tours, ecological tours and sunset 3388 3389 cruises provided by the permit holder aboard the charter vessel 3390 operator for consumption during such tours and cruises on the premises of the charter vessel operator described in the permit. 3391 3392 For the purposes of this paragraph (s), "charter vessel operator" 3393 means a common carrier that (i) is certified to carry at least 3394 forty-nine (49) passengers, (ii) operates only in the waters 3395 within the State of Mississippi, which lie south of Interstate 10 3396 in the three (3) most southern counties in the State of 3397 Mississippi, and lie adjacent to the State of Mississippi south of the three (3) most southern counties in the State of Mississippi, 3398

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3399 extending not further than one (1) mile south of such counties, 3400 and (iii) provides vessel services for tours and cruises in such waters as provided in this paragraph(s). 3401

3402 (t) Native spirit retailer's permit. Except as 3403 otherwise provided in subsection (5) of this section, a native 3404 spirit retailer's permit shall be issued only to a holder of a 3405 Class 4 manufacturer's permit, and shall authorize the holder 3406 thereof to make retail sales of native spirits to consumers for 3407 on-premises consumption or to consumers in originally sealed and 3408 unopened containers at an establishment located on the premises of 3409 or in the immediate vicinity of a native distillery. When selling 3410 to consumers for on-premises consumption, a holder of a native 3411 spirit retailer's permit may add to the native spirit alcoholic 3412 beverages not produced on the premises, so long as the total 3413 volume of foreign beverage components does not exceed twenty 3414 percent (20%) of the mixed beverage. Hours of sale shall be the 3415 same as those authorized for on-premises permittees in the city or 3416 county in which the native spirit retailer is located.

3417 Delivery service permit. Any individual, limited (u) 3418 liability company, corporation or partnership registered to do 3419 business in this state is eligible to obtain a delivery service 3420 permit. Subject to the provisions of Section 67-1-51.1, this permit authorizes the permittee, or its employee or an independent 3421 3422 contractor acting on its behalf, to deliver alcoholic 3423

beverages \* \* \* and light intoxicating beverages from a licensed

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3424 retailer to a person in this state who is at least twenty-one (21) 3425 years of age for the individual's use and not for resale. This 3426 permit does not authorize the delivery of alcoholic 3427 beverages \* \* \* or light intoxicating beverages to the premises of 3428 a location with a permit for the manufacture, distribution or 3429 retail sale of alcoholic beverages **\* \* \*** or light intoxicating beverages. The holder of a package retailer's permit or an 3430 3431 on-premises retailer's permit under Section 67-1-51 or of a \* \* \* 3432 light intoxicating beverage permit under Section 67-3-19 is authorized to apply for a delivery service permit as a privilege 3433 3434 separate from its existing retail permit.

3435 Food truck permit. A food truck permit shall (V) 3436 authorize the holder of an on-premises retailer's permit to use a 3437 food truck to sell alcoholic beverages off its premises to quests 3438 who must consume the beverages in open containers. For the 3439 purposes of this paragraph (v), "food truck" means a fully encased 3440 food service establishment on a motor vehicle or on a trailer that a motor vehicle pulls to transport, and from which a vendor, 3441 3442 standing within the frame of the establishment, prepares, cooks, 3443 sells and serves food for immediate human consumption. The term "food truck" does not include a food cart that is not motorized. 3444 3445 Food trucks shall maintain such distance requirements from 3446 schools, churches, kindergartens and funeral homes as are required for on-premises retailer's permittees under this article, and all 3447 sales must be made within a valid leisure and recreation district 3448

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established under Section 67-1-101. Food trucks cannot sell or 3449 3450 serve alcoholic beverages unless also offering food prepared and 3451 cooked within the food truck, and permittees must maintain a 3452 twenty-five percent (25%) food sale revenue requirement based on 3453 the food sold from the food truck alone. The hours allowed for 3454 sale shall be the same as those for on-premises retailer's 3455 permittees in the location. This permit will not be required for 3456 the holder of a caterer's permit issued under this article to 3457 cater an event as allowed by law. Permittees must provide notice 3458 of not less than forty-eight (48) hours to the department of each 3459 location at which alcoholic beverages will be sold.

3460 **On-premises tobacco permit.** An on-premises tobacco (w) 3461 permit shall authorize the permittee to sell alcoholic beverages 3462 for consumption on the licensed premises. In addition to all 3463 other requirements to obtain an alcoholic beverage permit, the 3464 permittee must obtain and maintain a tobacco permit issued by the 3465 State of Mississippi, and have a capital investment of not less 3466 than Five Hundred Thousand Dollars (\$500,000.00) in the premises 3467 for which the permit is issued. In addition to alcoholic 3468 beverages, the permittee is authorized to sell only cigars, 3469 cheroots, tobacco pipes, pipe tobacco, and/or stogies. 3470 Additionally, seventy-five percent (75%) of the permittee's annual 3471 gross revenue must be derived from the sale of cigars, cheroots, tobacco pipes, pipe tobacco, and/or stogies. No food sales shall 3472 3473 be required, but food may be sold on the premises. The issuance

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3474 of this permit does not remove any obligation a permittee may have 3475 to follow local ordinances or actions prohibiting the use of 3476 tobacco products.

3477 (2) Except as otherwise provided in subsection (4) of this
3478 section, retail permittees may hold more than one (1) retail
3479 permit, at the discretion of the department.

3480 Except as otherwise provided in this subsection, no (3) (a) 3481 authority shall be granted to any person to manufacture, sell or 3482 store for sale any intoxicating liquor as specified in this article within four hundred (400) feet of any church, school 3483 (excluding any community college, junior college, college or 3484 3485 university), kindergarten or funeral home. However, within an 3486 area zoned commercial or business, such minimum distance shall be 3487 not less than one hundred (100) feet.

3488 A church or funeral home may waive the distance (b) 3489 restrictions imposed in this subsection in favor of allowing 3490 issuance by the department of a permit, pursuant to subsection (1) 3491 of this section, to authorize activity relating to the 3492 manufacturing, sale or storage of alcoholic beverages which would 3493 otherwise be prohibited under the minimum distance criterion. 3494 Such waiver shall be in written form from the owner, the governing 3495 body, or the appropriate officer of the church or funeral home 3496 having the authority to execute such a waiver, and the waiver 3497 shall be filed with and verified by the department before becoming effective. 3498

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3499 (C)The distance restrictions imposed in this 3500 subsection shall not apply to the sale or storage of alcoholic beverages at a bed and breakfast inn listed in the National 3501 3502 Register of Historic Places or to the sale or storage of alcoholic 3503 beverages in a historic district that is listed in the National 3504 Register of Historic Places, is a qualified resort area and is 3505 located in a municipality having a population greater than one 3506 hundred thousand (100,000) according to the latest federal 3507 decennial census.

3508 (d) The distance restrictions imposed in this
3509 subsection shall not apply to the sale or storage of alcoholic
3510 beverages at a qualified resort area as defined in Section
3511 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.

3518 (f) The distance restrictions imposed in this 3519 subsection shall not apply to the sale or storage of alcoholic 3520 beverages at a licensed premises in a building consisting of at 3521 least five thousand (5,000) square feet and located approximately 3522 six hundred (600) feet from the intersection of Mississippi 3523 Highway 15 and Mississippi Highway 4.

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(g) 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 located at or near
the intersection of Ward and Tate Streets and adjacent properties
in the City of Senatobia, Mississippi.

3529 (h) The distance restrictions imposed in this 3530 subsection shall not apply to the sale or storage of alcoholic 3531 beverages at a theatre facility that features plays and other 3532 theatrical performances and productions and (i) is capable of seating more than seven hundred fifty (750) people, (ii) is owned 3533 3534 by a municipality which has a population greater than ten thousand 3535 (10,000) according to the latest federal decennial census, (iii) 3536 was constructed prior to 1930, (iv) is on the National Register of 3537 Historic Places, and (v) is located in a historic district.

(i) 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 located
approximately one and six-tenths (1.6) miles north of the
intersection of Mississippi Highway 15 and Mississippi Highway 4
on the west side of Mississippi Highway 15.

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

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3549 household of such person, any relative of such person, if living 3550 in the same household of such person, or any other person living 3551 in the same household with such person own any interest in any 3552 other package retailer's permit; however, in the case of a person 3553 holding a package retailer's permit issued before July 1, 2024, 3554 such a person may own one (1) additional package retailer's permit 3555 if the additional permit is issued for a premises with a minimum 3556 capital investment of Twenty Million Dollars (\$20,000,000.00) that 3557 is part of a major retail development project and located in one (1) of the three (3) most southern counties in the State of 3558 3559 Mississippi, and not within one hundred (100) miles of another 3560 location in the State of Mississippi, for which the permittee 3561 holds such a permit.

3562 In addition to any other authority granted under (5)(a) 3563 this section, the holder of a permit issued under subsection 3564 (1)(c), (e), (f), (g), (l), (n) and/or (o) of this section may 3565 sell or otherwise provide alcoholic beverages and/or wine to a patron of the permit holder in the manner authorized in the permit 3566 3567 and the patron may remove an open glass, cup or other container of 3568 the alcoholic beverage and/or wine from the licensed premises and 3569 may possess and consume the alcoholic beverage or wine outside of 3570 the licensed premises if: (i) the licensed premises is located within a leisure and recreation district created under Section 3571 67-1-101 and (ii) the patron remains within the boundaries of the 3572

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3573 leisure and recreation district while in possession of the 3574 alcoholic beverage or wine.

3575 (b) Nothing in this subsection shall be construed to 3576 allow a person to bring any alcoholic beverages into a permitted 3577 premises except to the extent otherwise authorized by this 3578 article.

3579 **SECTION 57.** Section 67-1-51.1, Mississippi Code of 1972, is 3580 amended as follows:

3581 67-1-51.1. (1) The holder of a delivery service permit 3582 under Section 67-1-51:

(a) May contract with the holder of a package
retailer's permit or an on-premises retailer's permit under
Section 67-1-51 or the holder of a \* \* \* <u>light intoxicating</u>
<u>beverage</u> retail permit under Section 67-3-19 for the purpose of
intrastate delivery of alcoholic beverages or \* \* \* <u>light</u>
<u>intoxicating beverages</u>, as authorized to be sold under the
respective permits;

(b) May deliver alcoholic beverages or \* \* \* <u>light</u> intoxicating beverages without a delivery contract, if the permittee holds a package retailer's permit or an on-premises retailer's permit under Section 67-1-51 or a \* \* \* <u>light</u> <u>intoxicating beverage</u> retail permit under Section 67-3-19, respectively;

3596 (c) May use its own employees or independent 3597 contractors who are at least twenty-one (21) years of age to

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deliver such alcoholic beverages **\* \* \*** <u>or light intoxicating</u> <u>beverages</u> under this section, provided all delivery agents are trained and certified consistent with the training program submitted to the division as required by subsection (2)(d) of this section. If independent contractors are used, the delivery service permittee must enter into a contract with the retailer as required by subsection (2)(c) of this section;

3605 May facilitate orders by telephone, internet or (d) 3606 other electronic means for the sale and delivery of alcoholic 3607 beverages **\* \* \*** or light intoxicating beverages under this The full amount of each order must be handled in a 3608 section. 3609 manner that gives the retail permittee control over the ultimate 3610 receipt of payment from the consumer. The retail permittee shall remain responsible for the proper remittance of all applicable 3611 3612 taxes on the sale of the product;

3613 (e) May deliver only sealed containers of alcoholic 3614 beverages \* \* \* or light intoxicating beverages to an individual 3615 in Mississippi;

3616 (f) Shall obtain from the customer a confirmation that 3617 he or she is at least twenty-one (21) years of age at the time the 3618 order is placed;

3619 (g) Shall place a stamp, print or label on the outside 3620 of the sealed package to indicate that the sealed package contains 3621 alcoholic beverages \* \* \* <u>or light intoxicating beverages</u>;

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

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

3633 Shall return all alcoholic beverages \* \* \* or light (i) 3634 intoxicating beverages to the retailer if the recipient is under 3635 the age of twenty-one (21) years, appears intoxicated, fails to provide proof of identification, fails or refuses to sign for 3636 3637 delivery, fails to complete the identification verification 3638 process or declines to accept delivery, or if any circumstances in the delivery environment indicate illegal conduct, overconsumption 3639 3640 of alcohol, or an otherwise unsafe environment for the consumption 3641 of alcohol;

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

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3646 (1) May not deliver any alcoholic beverage \* \* \* or 3647 <u>light intoxicating beverage</u> in a jurisdiction during times 3648 prohibited for lawful sale in that jurisdiction;

3649 (m) May not deliver any alcoholic beverage \* \* \* or 3650 <u>light intoxicating beverage</u> more than thirty (30) miles from the 3651 retailer's licensed premises;

3652 (n) Shall permit the division to perform an audit of 3653 the licensee's records upon request and with sufficient 3654 notification; and

3655 (o) Shall be deemed to have consented to the 3656 jurisdiction of the division or any law enforcement agency and the 3657 Mississippi courts concerning enforcement of this section and any 3658 related laws or rules.

3659 (2) In order to receive a delivery service permit, an 3660 applicant shall:

3661 (a) File an application with the division;
3662 (b) Pay the privilege license tax of Five Hundred
3663 Dollars (\$500.00) as provided in Section 27-71-5;

3664 (c) Provide to the division a sample contract that the 3665 applicant intends to enter into with a retailer for the delivery 3666 of alcoholic beverages \* \* \* <u>or light intoxicating beverages</u>, 3667 unless the applicant is the retailer;

3668 (d) Submit to the division an outline of an internal or3669 external training and certification program for delivery service

3670 personnel that addresses topics such as identifying underage 3671 persons, intoxicated persons, and fake or altered identification;

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

3675 (f) Shall provide proof of a general liability
3676 insurance policy in an amount not less than One Million Dollars
3677 (\$1,000,000.00) per occurrence; and

3678 (g) Shall be properly registered to conduct business in3679 Mississippi.

3680 (3) Nothing in this section shall be construed to require a 3681 technology services company to obtain a delivery service permit if 3682 the company does not employ or contract with delivery agents but 3683 merely provides software or a digital network application that 3684 connects consumers and licensed retailers for the delivery of 3685 alcoholic beverages from the licensed retailer. However, the act 3686 of connecting consumers to licensed retailers shall serve to grant 3687 jurisdiction to the State of Mississippi.

3688 (4) The division may enforce the requirements of this 3689 section by the same administrative proceedings that apply to other 3690 alcoholic beverage licenses or permits, including, without 3691 limitation, any disciplinary action applicable to the package 3692 retailer's permittee, on-premises retailer's permittee, retail 3693 permittee for \* \* \* <u>light intoxicating beverages</u>, or delivery 3694 service permittee resulting from any unlawful sale to a minor.

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3695 (5)The division may enforce the requirements of this 3696 section against the package retailer's permittee, on-premises 3697 retailer's permittee, retail permittee for \* \* \* light 3698 intoxicating beverages, or delivery service permittee, and any 3699 employee or independent contractor of such permittee. If a 3700 package retailer permittee, an on-premises retailer's permittee, 3701 or a retail permittee for **\* \* \*** light intoxicating beverages is 3702 also a delivery permittee, a violation of alcohol law by its 3703 employee or independent contractor during delivery will subject both the retailer permit and the delivery service permit to 3704 3705 disciplinary action for the violation. Delivery to a minor shall 3706 be treated as furnishing to a minor and shall result in any 3707 applicable disciplinary action.

3708 Nothing in this section shall be construed to limit or (6) 3709 otherwise diminish the ability of the division to enforce the 3710 provisions of Chapters 1 and 3, Title 67, Mississippi Code of 3711 1972, with respect to the liability of any package retailer's permittee, on-premises retailer's permittee, retail permittee 3712 3713 for \* \* \* light intoxicating beverages, or delivery service 3714 permittee engaging in delivery activity authorized by this 3715 section.

3716 (7) Nothing in this section shall be construed to authorize
 3717 the direct shipment of alcoholic beverages \* \* \* or light
 3718 <u>intoxicating beverages</u> from any manufacturer or distributor

3719 holding a permit under this article, or under Title 67, Chapter 3, 3720 Mississippi Code of 1972, to consumers in this state.

3721 SECTION 58. Section 67-1-72, Mississippi Code of 1972, is 3722 amended as follows:

3723 67-1-72. (1) Except as otherwise provided in this article, 3724 any applicant or holder of a permit issued under this article 3725 which is aggrieved by an action of the department \* \* \* to deny 3726 his application for a permit, to deny the renewal of his permit or 3727 to revoke or suspend his permit shall be allowed to appeal to the 3728 Board of Tax Appeals from this action. This appeal is to be filed 3729 by the aggrieved person with the Executive Director of the Board 3730 of Tax Appeals, with a copy being sent to the department \* \* \*, 3731 within fifteen (15) days from the date that person received notice 3732 of the action of the department being aggrieved. If the person 3733 aggrieved fails to appeal within this fifteen-day period, the 3734 action of the department \* \* \* shall take effect as set out in the 3735 The department **\* \* \*** retains the authority to change at notice. 3736 any time the action aggrieved to in an appeal under this 3737 subsection. The applicant or holder of any permit issued under 3738 this article may waive his right to notice and opportunity to a 3739 hearing as provided by this subsection and agree to the action 3740 being taken by the department. The inability of the department \* \* \* to issue or renew a permit due to an incomplete 3741 3742 application or due to the failure of the applicant to pay the annual privilege taxes and fees provided by Section 27-71-5 and/or 3743

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3744 the failure of the applicant to post or deposit the bond, cash or 3745 securities as required by Section 27-71-21 shall not constitute a 3746 denial for purposes of this subsection.

3747 (2)Any applicant for approval as a manager of an 3748 establishment operating under a permit issued under this article 3749 or who holds the designation of an approved manager of an 3750 establishment operating under a permit issued under this article 3751 and who is aggrieved by an action of the department \* \* \* to deny 3752 his application for approval as a manager or to revoke or suspend 3753 his designation as an approved manager shall be allowed to appeal 3754 to the Board of Tax Appeals from this action. This appeal is to 3755 be filed by the aggrieved person with the Executive Director of 3756 the Board of Tax Appeals, with a copy being sent to the 3757 department \* \* \*, within fifteen (15) days from the date that 3758 person received notice of the action of the department being 3759 aggrieved. If the person aggrieved fails to appeal within this 3760 fifteen-day period, the action of the department \* \* \* shall take 3761 effect as set out in the notice. The department \* \* \* retains the 3762 authority to change at any time the action aggrieved to in an 3763 appeal under this subsection. The applicant or holder of an 3764 approved manager designation may waive his right to notice and 3765 opportunity to a hearing as provided by this subsection and agree to the action being taken by the department. The inability of the 3766 3767 department \* \* \* to consider an application for approval of an 3768 applicant as a manager due to an incomplete application shall not

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3769 constitute a denial of the application for purposes of this 3770 subsection.

Any applicant for approval of an area or locality as a 3771 (3) qualified resort area under this article who is apprieved by the 3772 3773 decision of the department \* \* \* to deny the qualified resort area 3774 as requested and any county or municipality wherein the proposed 3775 qualified resort area is located may appeal to the Board of Tax 3776 Appeals from such decision. This appeal is to be filed by the 3777 aggrieved applicant or by the affected county or municipality with 3778 the Executive Director of the Board of Tax Appeals, with a copy 3779 being sent to the department \* \* \*, within fifteen (15) days from 3780 the date that the person or entity filing the appeal received 3781 notice of the decision of the department \* \* \* to deny the 3782 qualified resort area. If an appeal is not filed within this 3783 fifteen-day period, the decision of the department \* \* \* shall 3784 become final. The Department \* \* \* retains the authority to 3785 change at any time the decision aggrieved to in an appeal under 3786 this subsection. The inability of the department \* \* \* to 3787 consider an application for the approval of an area or locality as 3788 a qualified resort area due to an incomplete application shall not 3789 constitute a denial of that application for purposes of this 3790 subsection.

(4) Any person, including any county or municipality in which the qualified resort area is located, who is aggrieved by the decision of the department \* \* \* to revoke the approval of an

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3794 area or locality as a qualified resort area may appeal to the 3795 Board of Tax Appeals from such decision. This appeal is to be 3796 filed by the aggrieved person with the Executive Director of the 3797 Board of Tax Appeals, with a copy being sent to the 3798 department \* \* \*, within fifteen (15) days from the date that the 3799 person or entity filing the appeal received notice of the decision 3800 of the department to revoke approval of the qualified resort area. 3801 At the discretion of the department \* \* \*, in addition to any 3802 other notice to be provided under this subsection, the department may provide notice of its decision to revoke approval of the 3803 3804 qualified resort area by publication in the same manner as 3805 provided by regulation when approval of a gualified resort area is 3806 In regard to such publication, the fifteen-day period sought. 3807 provided herein will begin on the date that notice is first 3808 published. If an appeal is not filed within this fifteen-day 3809 period, the decision of the department \* \* \* shall become final. 3810 The department \* \* \* retains the authority to change at any time the decision aggrieved to in an appeal under this subsection. 3811

(5) Any person objecting to an application for the issuance or transfer of a permit, other than a temporary retailer's permit, issued under this article and who timely requests in writing a hearing on his objection shall be given a hearing before the Board of Tax Appeals unless the permit is denied by the department **\* \* \*** and an appeal is not taken by the applicant to the Board of Tax Appeals from that denial or the applicant withdraws his

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3819 application. Any written request for a hearing on an objection 3820 must be filed with the department \* \* \* within fifteen (15) days from the first date of publication of the notice of such 3821 3822 application under Section 67-1-53. If the department determines that the permit should be denied, notice will be provided to the 3823 3824 applicant as set out in subsection (1) of this section, and if the 3825 applicant timely requests a hearing on the denial as provided by 3826 this subsection (5), the department will advise the Executive 3827 Director of the Board of Tax Appeals and the applicant of the 3828 written request for a hearing on an objection to the permit. The 3829 hearing on the objection to the permit and the hearing on the 3830 appeal by the applicant from the denial of the department of the 3831 application shall be consolidated and heard by the Board of Tax 3832 Appeals at the same time. If the department determines that the 3833 permit should be issued, the department will advise the applicant 3834 and the Executive Director of the Board of Tax Appeals of the 3835 timely written request for a hearing on an objection to the 3836 application and a hearing will be set before the Board of Tax 3837 Appeals on this objection. If prior to the hearing, either the 3838 person requesting the hearing withdraws his request or the 3839 applicant withdraws his application, the hearing will be cancelled 3840 and the objection proceedings before the Board of Tax Appeals on the application will be dismissed as moot. In the case of such 3841 3842 withdrawals, the Board of Tax Appeals is authorized to assess to 3843 either or both parties any costs incurred by it prior to such

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3844 withdrawal. The department \* \* \* retains authority to issue the 3845 permit to the applicant where the person objecting to the 3846 application withdraws his request for a hearing.

3847 (6) Any person objecting to an application for approval by 3848 the department \* \* \* of \* \* \* an area or locality as a qualified 3849 resort area under this article and who timely requests in writing 3850 a hearing on his objection shall be given a hearing before the 3851 Board of Tax Appeals unless approval of the application is denied 3852 by the department \* \* \* and an appeal is not taken by the 3853 applicant or the county or municipality in which the proposed 3854 qualified resort area is located to the Board of Tax Appeals from 3855 that denial or the applicant withdraws his application. Anv 3856 written request for a hearing on an objection must be filed with 3857 the department  $\star$   $\star$  within fifteen (15) days from the first date of publication of the notice of such application as provided by 3858 3859 regulation. If the department determines that the application for 3860 approval of the proposed area or locality as a qualified resort 3861 area should be denied, the department will proceed with denial of such application as set out in subsection (3) of this section, and 3862 3863 if the applicant or the county or municipality in which the 3864 proposed qualified resort area is located timely requests a 3865 hearing on the denial as provided by subsection (3) of this section, the department will advise the Executive Director of the 3866 3867 Board of Tax Appeals and the applicant of the written request for a hearing on an objection to the application. The hearing on the 3868

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3869 objection to approval of the proposed qualified resort area and 3870 the hearing on the appeal from the denial of the department of the application for such approval shall be consolidated and heard by 3871 3872 the Board of Tax Appeals at the same time. If the department 3873 determines that the proposed qualified resort area should be 3874 approved, the department will advise the applicant and the 3875 Executive Director of the Board of Tax Appeals of the timely 3876 written request for a hearing on an objection to the application 3877 and a hearing will be set before the Board of Tax Appeals on this objection. If prior to the hearing, either the person requesting 3878 3879 the hearing withdraws his request or the applicant withdraws his 3880 application, the hearing will be cancelled and the objection 3881 proceedings before the Board of Tax Appeals on the application 3882 will be dismissed as moot. In the case of such withdrawals, the 3883 Board of Tax Appeals is authorized to assess to either or both 3884 parties any costs incurred by it prior to such withdrawal. The 3885 department \* \* \* retains authority to approve the proposed area or 3886 locality as a qualified resort area where the person objecting to 3887 the application withdraws his request for a hearing.

3888 (7) Any person having an interest in any alcoholic
3889 beverages \* \* \*, light intoxicating beverages or raw materials
3890 which the department \* \* \* intends to dispose of under Section
3891 67-1-18 shall be given reasonable notice of this proposed
3892 disposal, and upon such notice, this person may request a hearing
3893 before the Board of Tax Appeals to establish his right or claim to

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this property. This request for a hearing shall be filed with the Board of Tax Appeals, with a copy sent to the department **\* \* \***, within fifteen (15) days from the date of receipt of the notice provided above by the person filing the request. If a request is not received by the Board of Tax Appeals within this fifteen-day period, the department may order the property disposed of in accordance with Section 67-1-18.

3901 Upon receipt of a written request for hearing or appeal (8) 3902 as set out above, the executive director shall schedule a hearing before the Board of Tax Appeals on this request or appeal. A 3903 3904 notice of the hearing shall be mailed to all persons or entities 3905 having an interest in the matter being heard which shall always 3906 include the person or entity filing the request or appeal for 3907 which the hearing is being set, the applicant or holder of any 3908 permit, approved manager status or qualified resort area status in 3909 issue, any person who filed a written request for a hearing on an 3910 objection to any application in issue and the department \* \* \*. 3911 This notice shall provide the date, time and location of the 3912 hearing. Mailing to the attorney representing a person or entity 3913 in the matter being heard shall be the same as mailing to the 3914 person or entity the attorney represents. Failure of the person 3915 or entity on whose request or appeal the matter was set for 3916 hearing to appear personally or through his designated 3917 representative at the hearing shall constitute an involuntary withdrawal of his request or appeal. Upon such withdrawal, the 3918

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3919 Board of Tax Appeals shall note on the record the failure of the 3920 person or entity to appear at the hearing and shall dismiss the 3921 request or appeal and remand the matter back to the 3922 department **\* \* \*** for appropriate action.

3923 At any hearing before the Board of Tax Appeals on an (9) 3924 appeal or hearing request as set out above, two (2) members of the 3925 Board of Tax Appeals shall constitute a quorum. At the hearing, 3926 the Board of Tax Appeals shall try the issues presented according 3927 to law and the facts and pursuant to any guidelines established by The rules of evidence shall be relaxed at the hearing 3928 regulation. 3929 and the hearing shall be recorded by a court reporter. After 3930 reaching a decision on the issues presented, the Board of Tax 3931 Appeals shall enter an order setting forth its findings and 3932 decision in the matter. A copy of the order of the Board of Tax 3933 Appeals shall be mailed to the person or entity filing the request 3934 or appeal which was heard, the applicant or holder of any permit, 3935 approved manager status or qualified resort area status in issue, 3936 any person who filed a written request for a hearing on an 3937 objection to any application in issue and the department \* \* \* to 3938 notify them of the findings and decision of the Board of Tax 3939 Appeals.

3940 **SECTION 59.** Section 67-7-3, Mississippi Code of 1972, is 3941 amended as follows:

3942 67-7-3. The legislative purpose of this chapter is to3943 provide a structure for the business relations between a

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3944 wholesaler and a supplier of light wine, light spirit

3945 product \* \* \*, beer or hemp beverages. Regulation in this area is 3946 considered necessary for the following reasons:

(a) To maintain stability and healthy competition in
the light wine, light spirit product \* \* \*, beer \* \* \* and hemp
beverage industries in this state.

(b) To promote and maintain a sound, stable and viable system of distribution of light \* \* \* <u>intoxicating beverages</u> to the public.

3953 (c) To provide for the private settlement of disputes
3954 between wholesalers and suppliers of light \* \* \* <u>intoxicating</u>
3955 <u>beverages</u> as an alternative to civil litigation which consumes the
3956 time and resources of the parties and the judicial system.

3957 (d) To promote the public health, safety and welfare.
 3958 SECTION 60. Section 67-7-5, Mississippi Code of 1972, is
 3959 amended as follows:

3960 67-7-5. As used in this chapter, the following words or 3961 phrases, or the plural thereof, whenever they appear in this 3962 chapter, unless the context clearly requires otherwise, shall have 3963 the meaning ascribed to them in this section.

(a) "Agreement" means any agreement between a
wholesaler and a supplier, whether oral or written, whereby a
wholesaler is granted the right to purchase and sell a brand or
brands of \* \* \* <u>light intoxicating beverages</u> sold by a supplier.

(b) "Ancillary business" means a business owned by the wholesaler, by a substantial stockholder of a wholesaler, or by a substantial partner of a wholesaler, the primary business of which is directly related to the transporting, storing or marketing of the brand or brands of light **\* \* \*** <u>intoxicating beverages</u> of a supplier with whom the wholesaler has an agreement; or a business owned by a wholesaler, a substantial stockholder of a wholesaler.

3975 (c) "Commission" or "department" means the Department 3976 of Revenue of the State of Mississippi.

3977 (d) "Commissioner" means the Commissioner of Revenue of3978 the Department of Revenue.

"Designated member" means the spouse, child, 3979 (e) 3980 grandchild, parent, brother or sister of a deceased individual who 3981 owned an interest, including a controlling interest, in a 3982 wholesaler, or any person who inherits under the deceased individual's will, or under the laws of intestate succession of 3983 3984 this state; or any person who or entity which has otherwise, 3985 through a valid testamentary device by the deceased individual, 3986 succeeded the deceased individual in the wholesaler's business, or 3987 has succeeded to the deceased individual's ownership interest in 3988 the wholesaler pursuant to a written contract or instrument which 3989 has been previously approved by the supplier; "designated member" 3990 includes the appointed and qualified personal representative and 3991 the testamentary trustee of a deceased individual owning an ownership interest in a wholesaler, and it includes the person 3992

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3993 appointed by a court as the guardian or conservator of the 3994 property of an incapacitated individual owning an ownership 3995 interest in a wholesaler.

3996 (f) "Establish" means to adjust or regulate, to provide 3997 for and uphold.

(g) "Good faith" means honesty in fact and observance of reasonable commercial standards of fair dealing in the trade, as defined in and interpreted under the Uniform Commercial Code.

4001 "Reasonable qualifications" means the standard of (h) 4002 the reasonable criteria established and consistently used by the 4003 respective supplier for similarly situated wholesalers that 4004 entered into, continued or renewed an agreement with the supplier 4005 during a period of twenty-four (24) months before the proposed 4006 transfer of the wholesaler's business, or for similarly situated 4007 wholesalers who have changed managers or designated managers, 4008 under the agreement, during a period of twenty-four (24) months 4009 before the proposed change in the manager or successor manager of 4010 the wholesaler's business.

4011 (i) "Retaliatory action" means the refusal to continue 4012 an agreement, or a material reduction in the quality of service or 4013 quantity of products available to a wholesaler under an agreement, 4014 which refusal or reduction is not made in good faith.

4015 (j) "Sales territory" means a primary area of sales
4016 responsibility for the brand or brands of light \* \* \* intoxicating
4017 <u>beverages</u> sold by a supplier as designated by an agreement.

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4018 (k) "Substantial stockholder or substantial partner"
4019 means a stockholder of or partner in the wholesaler who owns an
4020 interest of ten percent (10%) or more of the partnership or of the
4021 capital stock of a corporate wholesaler.

4022 (1) "Successor" means a person who replaces a supplier
4023 with regard to the right to manufacture, sell, distribute or
4024 import a brand or brands of light \* \* \* intoxicating beverages.

4025 (m) "Supplier" means a manufacturer or importer of 4026 light \* \* <u>intoxicating beverages</u> as regulated by the department 4027 under Sections 67-3-1 through 67-3-73.

4028 "Transfer of wholesaler's business" means the (n) 4029 voluntary sale, assignment or other transfer of ten percent (10%) 4030 or more of control of the business or all or substantially all of 4031 the assets of the wholesaler, or ten percent (10%) or more of 4032 control of the capital stocks of the wholesaler, including without 4033 limitation the sale or other transfer of capital stock or assets 4034 by merger, consolidation or dissolution, or of the capital stock 4035 of the parent corporation, or of the capital stock or beneficial 4036 ownership of any other entity owning or controlling the 4037 wholesaler.

4038 (o) "Wholesaler" means a wholesaler of light \* \* \*
4039 <u>intoxicating beverages</u> as regulated by the department under
4040 Sections 67-3-1 through 67-3-73.

4041 (p) "Similarly situated wholesalers" means wholesalers 4042 of a supplier that are of a generally comparable size and operate

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4043 in markets in Mississippi and adjoining states with similar 4044 demographic characteristics, including population size, density, 4045 distribution and vital statistics, as well as reasonably similar 4046 economic and geographic conditions.

4047 (q) "Light \* \* <u>intoxicating beverage</u>" has the meaning 4048 ascribed \* \* in Section 67-3-3.

4049 **SECTION 61.** Section 67-7-7, Mississippi Code of 1972, is 4050 amended as follows:

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67-7-7. A supplier shall not do the following:

4052 Fail to provide each wholesaler of the supplier's (a) 4053 brand or brands with a written agreement which contains in total 4054 the supplier's agreement with each wholesaler, and designates a 4055 specific sales territory. Any agreement which is in existence on 4056 April 7, 1995, shall be renewed consistent with this chapter, 4057 provided that this chapter may be incorporated by reference in the 4058 agreement. Nothing contained herein shall prevent a supplier from 4059 appointing, one (1) time for a period not to exceed ninety (90) 4060 days, a wholesaler to service temporarily a sales territory not 4061 designated to another wholesaler, until such time as a wholesaler 4062 is appointed by the supplier; and such wholesaler who is 4063 designated to service the sales territory during this period of 4064 temporary service shall not be in violation of the chapter, and, with respect to the temporary service territory, shall not have 4065 4066 any of the rights provided under Sections 67-7-11 and 67-7-15.

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4067 (b) Fix, maintain or establish the price at which a 4068 wholesaler shall sell any light **\* \*** <u>intoxicating beverage</u>.

4069 (c) Enter into an additional agreement with any other 4070 wholesaler for, or to sell to any other wholesaler, the same brand 4071 or brands of light \* \* \* <u>intoxicating beverages</u> in the same 4072 territory or any portion thereof, or to sell directly to any 4073 retailer in this state.

(d) Require any wholesaler to accept delivery of any light \* \* <u>intoxicating beverage</u> or other commodity which has not been ordered by the wholesaler, except that a supplier may impose reasonable inventory requirements upon a wholesaler if the requirements are made in good faith and are generally applied to other similarly situated wholesalers who have an agreement with the supplier.

4081 (e) Require any wholesaler to accept delivery of any 4082 light \* \* <u>intoxicating beverage</u> or other commodity ordered by a 4083 wholesaler if the order was properly cancelled by the wholesaler 4084 in accordance with the supplier's procedure.

4085 (f) Require any wholesaler to do any illegal act or to 4086 violate any law or regulation by threatening to amend, modify, 4087 cancel, terminate or refuse to renew any agreement existing 4088 between the supplier and wholesaler.

(g) Require a wholesaler to assent to any condition, stipulation or provision limiting the wholesaler's right to sell the brand or brands of light \* \* \* intoxicating beverages of any

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4092 other supplier unless the acquisition of the brand or brands of 4093 another supplier would materially impair or adversely affect the wholesaler's quality of service, sales or ability to compete 4094 4095 effectively in representing the brand or brands of the supplier 4096 presently being sold by the wholesaler, except that in any action 4097 challenging a supplier's position, the supplier shall have the 4098 burden of providing that such acquisition of such other brand or 4099 brands would have such effect.

(h) Require a wholesaler to purchase one or more brands of light \* \* intoxicating beverages in order for the wholesaler to purchase another brand or brands of light \* \* \* intoxicating <u>beverages</u> for any reason, except that a wholesaler that has agreed to distribute a brand or brands before April 7, 1995, shall continue to distribute the brand or brands in conformance with this chapter.

(i) Require a wholesaler to submit audited profit and loss statements, balance sheets or financial records as a condition of renewal or continuation of an agreement, except that a supplier may require reasonable proof of a wholesaler's financial condition prior to extending credit terms to a wholesaler.

(j) Withhold delivery of light \* \* intoxicating beverages ordered by wholesaler, or change a wholesaler's quota of a brand or brands if the withholding or change is not made in good faith.

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4117 (k) Require a wholesaler by any means directly to 4118 participate in or contribute to any local or national advertising 4119 fund controlled directly or indirectly by a supplier.

(1) Take any retaliatory action against a wholesaler that files a complaint in good faith regarding an alleged violation by the supplier of federal, state or local law or an administrative rule as a result of that complaint.

4124 Require or prohibit any change in the manager or (m) 4125 successor manager of any wholesaler who has been approved by the supplier as of or after April 7, 1995, unless the supplier acts in 4126 4127 good faith. Should a wholesaler change an approved manager or 4128 successor manager, a supplier shall not require or prohibit the 4129 change unless the person selected by the wholesaler fails to meet 4130 the nondiscriminatory, material and reasonable standards and 4131 qualifications for managers consistently applied to similarly 4132 situated wholesalers by the supplier, except that, in any action 4133 challenging a supplier's decision, the supplier shall have the 4134 burden of proving that such person fails to meet such standards 4135 and qualifications.

(n) Upon written notice of intent to transfer the wholesaler's business, interfere with, prevent or unreasonably delay (not to exceed thirty (30) days) the transfer of the wholesaler's business if the proposed transferee is a designated member.

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4141 Upon written notice of intent to transfer the  $(\circ)$ 4142 wholesaler's business other than to a designated member, withhold consent to or approval of, or unreasonably delay (not to exceed 4143 thirty (30) days after receipt of all material information 4144 4145 reasonably requested) a response to a request by the wholesaler 4146 for any transfer of a wholesaler's business if the proposed 4147 transferee meets the nondiscriminatory material and reasonable 4148 qualifications and standards required by the supplier for 4149 similarly situated wholesalers.

4150 (p) Restrict or inhibit the right of free association 4151 among wholesalers for any lawful purpose.

(q) Threaten to cancel or withhold credit, or to reduce the time period normally given the wholesaler to make payment on a delivery from the supplier as a means of compelling the wholesaler to meet certain standards of performance in any area of business not directly related to credit.

4157 SECTION 62. Section 67-7-9, Mississippi Code of 1972, is 4158 amended as follows:

4159 67-7-9. A wholesaler shall not do any of the following:
4160 (a) Fail to devote such efforts and resources to the
4161 sale and distribution of all the supplier's brands of light \* \* \*
4162 <u>intoxicating beverages</u> which the wholesaler has been granted the
4163 right to sell or distribute as are required in the wholesaler's
4164 agreement with the supplier.

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Sell or deliver light \* \* \* intoxicating beverages 4165 (b) 4166 to a retail licensee located outside the sales territory designated to the wholesaler by the supplier of a particular brand 4167 or brands of light \* \* \* intoxicating beverages, except that 4168 4169 during periods of temporary service interruptions impacting a 4170 particular sales territory, a supplier may appoint another 4171 wholesaler to service the sales territory during the period of 4172 temporary service interruption. A wholesaler who is designated to 4173 service the impacted sales territory during the period of temporary service interruption shall not be in violation of this 4174 4175 chapter and shall not have any of the rights provided under 4176 Sections 67-7-11 and 67-7-15 with respect to the temporary service 4177 territory.

4178 Transfer the wholesaler's business without giving (C) 4179 the supplier written notice of intent to transfer the wholesaler's 4180 business and, where required by this chapter, receiving the 4181 supplier's written approval for the proposed transfer, except that 4182 the consent or approval of the supplier shall not be required of 4183 any transfer of the wholesaler's business to a designated member, 4184 or of any transfer of less than ten percent (10%) of the 4185 wholesaler's business unless such transfer results in a change in 4186 The wholesaler shall give the supplier written notice of control. 4187 any change in ownership of the wholesaler.

4188 **SECTION 63.** Section 67-7-11, Mississippi Code of 1972, is 4189 amended as follows:

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4190 67-7-11. (1) Except as otherwise provided for in this 4191 chapter, a supplier shall not amend or modify an agreement; cause 4192 a wholesaler to resign from an agreement; or cancel, terminate, 4193 fail to renew or refuse to continue under an agreement, unless the 4194 supplier has complied with all of the following:

4195 (a) Has satisfied the applicable notice requirements of4196 this section.

(b) Has acted in good faith.

4198 (c) Has good cause for the amendment, modification,
4199 cancellation, termination, nonrenewal, discontinuance or forced
4200 resignation.

(2) In any action challenging such amendment, modification, termination, cancellation, nonrenewal or discontinuance, the supplier shall have the burden of proving that it has acted in good faith, that the notice requirements under this section have been complied with, and that there was good cause for the amendment, modification, termination, cancellation, nonrenewal or discontinuance.

4208 (3) Except as otherwise provided in this section, and in
4209 addition to the time limits set forth in subsection (4) (d) of this
4210 section, the supplier shall furnish written notice of the
4211 amendment, modification, termination, cancellation, nonrenewal or
4212 discontinuance of an agreement to the wholesaler not less than
4213 thirty (30) days before the effective date of the amendment,
4214 modification, termination, cancellation, nonrenewal or

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4215 discontinuance. The notice shall be by certified mail and shall 4216 contain all of the following:

4217 (a) A statement of intention to amend, modify,4218 terminate, cancel, nonrenew or discontinue the agreement.

4219 (b) A statement of the reason for the amendment,
4220 modification, termination, cancellation, nonrenewal or
4221 discontinuance.

4222 (c) The date on which the amendment, modification, 4223 termination, cancellation, nonrenewal or discontinuance takes 4224 effect.

4225 (4) Good cause shall exist for the purposes of a
4226 termination, cancellation, nonrenewal or discontinuance under
4227 subsection (1)(c) of this section when all of the following occur:

(a) There is a failure by the wholesaler to comply with
a provision of the agreement which is both reasonable and of
material significance to the business relationship between the
wholesaler and the supplier.

(b) The supplier first acquired knowledge of the
failure described in \* \* \* paragraph (a) not more than twenty-four
(24) months before the date notification was given pursuant to
subsection (3) of this section.

4236 (c) The wholesaler was given notice by the supplier of 4237 failure to comply with this agreement.

4238 (d) The wholesaler has been afforded thirty (30) days 4239 in which to submit a plan of corrective action to comply with the

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4240 agreement and an additional ninety (90) days to cure such 4241 noncompliance in accordance with the plan.

4242 (5) Notwithstanding subsections (1) and (3) of this section, 4243 a supplier may terminate, cancel, fail to renew or discontinue an 4244 agreement immediately upon written notice given in the manner and 4245 containing the information required by subsection (3)(a), (b) and 4246 (c) of this section if any of the following occur:

(a) Insolvency of the wholesaler, the filing of any
petition by or against the wholesaler under any bankruptcy or
receivership law or the assignment for the benefit of creditors or
dissolution or liquidation of the wholesaler which materially
affects the wholesaler's ability to remain in business.

4252 (b) Revocation or suspension of the wholesaler's state 4253 or federal license by the appropriate regulatory agency whereby 4254 the wholesaler cannot service the wholesaler's sales territory for 4255 more than thirty-one (31) days.

4256 The wholesaler, or a partner or an individual who (C) 4257 owns ten percent (10%) or more of the partnership or stock of a 4258 corporate wholesaler, has been convicted of a felony under the 4259 United States Code or the laws of any state which reasonably may 4260 adversely affect the good will or interest of the wholesaler or 4261 supplier. However, an existing stockholder or stockholders, or 4262 partner or partners, or a designated member or members, shall 4263 have, subject to the provisions of this chapter, the right to purchase the partnership interest or the stock of the offending 4264

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4265 partner or stockholder prior to the conviction of the offending 4266 partner or stockholder, and if the sale is completed prior to 4267 conviction the provisions of this \* \* \* paragraph shall not apply.

(d) There was fraudulent conduct relating to a material matter on the part of the wholesaler in dealings with the supplier or its product, except that the supplier shall have the burden of proving fraudulent conduct relating to a material matter on the part of the wholesaler in any legal action challenging such termination.

(e) The wholesaler failed to confine to the designated sales territory its sales of a brand or brands to retailers except that this subsection does not apply if there is a dispute between two (2) or more wholesalers as to the boundaries of the assigned territory, and the boundaries cannot be determined by a reading of the description contained in the agreements between the supplier and the wholesalers.

(f) A wholesaler has failed to pay for light \* \* \*
intoxicating beverages ordered and delivered in accordance with
established terms and the wholesaler fails to make full payment
within five (5) business days after receipt of written notice of
the delinquency and demand for immediate payment from the
supplier.

4287 (g) A wholesaler intentionally has made a transfer of 4288 wholesaler's business, other than a transfer to a designated 4289 member without prior written notice to the supplier.

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4290 A wholesaler intentionally has made a transfer of (h) 4291 wholesaler's business, other than a transfer to a designated 4292 member, although the wholesaler has prior to said transfer 4293 received from supplier a timely notice of disapproval of said 4294 transfer in accordance with this chapter.

4295 (i) The wholesaler intentionally ceases to carry on 4296 business with respect to any of supplier's brand or brands 4297 previously serviced by wholesaler in its territory designated by 4298 the supplier, unless such cessation is due to force majeure or to 4299 labor dispute and the wholesaler has made good faith efforts to 4300 overcome such events. Provided, however, this shall affect only 4301 that brand or brands with respect to which the wholesaler ceased 4302 to carry on business.

4303 Notwithstanding subsections (1), (3) and (5) of this (6) 4304 section, a supplier may terminate, cancel, not renew or 4305 discontinue an agreement upon not less than thirty (30) days prior 4306 written notice if the supplier discontinues production or 4307 discontinues distribution in this state of all the brands sold by 4308 the supplier to the wholesaler, except that nothing in this 4309 section shall prohibit a supplier from: (a) upon not less than thirty (30) days notice, discontinuing the distribution of any 4310 4311 particular brand or package of light \* \* \* intoxicating beverage; 4312 or (b) conducting test marketing of a new brand of light \* \* \* 4313 intoxicating beverage which is not currently being sold in this state, except that the supplier has notified the department in 4314

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4315 writing of its plans to test market, which notice shall describe 4316 the market area in which the test shall be conducted; the name or 4317 names of the wholesaler or wholesalers who will be selling the 4318 light \* \* <u>intoxicating beverage</u>; the name or names of the brand 4319 of light \* \* <u>intoxicating beverage</u> being tested; and the period 4320 of time, not to exceed eighteen (18) months, during which the 4321 testing will take place.

4322 SECTION 64. Section 67-9-1, Mississippi Code of 1972, is 4323 amended as follows:

4324 67-9-1. Notwithstanding the provisions of any section of 4325 Title 27 or 67, Mississippi Code of 1972, it shall be lawful for 4326 any person holding an alcohol processing permit to transport and 4327 possess alcoholic beverages **\* \* \*** and light intoxicating 4328 beverages, in any part of the state, for his or her use in 4329 cooking, processing or manufacturing products which contain 4330 alcoholic beverages as an integral ingredient, in amounts as 4331 limited by the Alcoholic Beverage Control Division of the 4332 Department of Revenue. The authority to transport and possess 4333 alcoholic beverages \* \* \* and light intoxicating beverages under 4334 this section exists regardless of whether (a) the county or 4335 municipality in which the transportation or possession takes place 4336 has voted for or against coming out from under the dry law, or (b) 4337 the transportation, storage, sale, distribution, receipt or manufacture of light \* \* \* intoxicating beverages otherwise is 4338 4339 prohibited.

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The provisions of this section shall not be construed as amending, repealing or otherwise affecting any statute or any lawfully adopted ordinance, rule or regulation that prohibits or restricts the location at which, or the premises upon which, alcoholic beverages **\* \* \*** <u>or light intoxicating beverages</u> may be sold or consumed.

4346 <u>The term "alcoholic beverages" has the meaning ascribed in</u> 4347 <u>Section 67-1-5, and the term "light intoxicating beverages" has</u> 4348 the meaning ascribed in Section 67-3-3.

4349 SECTION 65. Section 27-65-241, Mississippi Code of 1972, is 4350 amended as follows:

4351 27-65-241. (1) As used in this section, the following terms
4352 shall have the meanings ascribed to them in this section unless
4353 otherwise clearly indicated by the context in which they are used:

(a) "Hotel" or "motel" means and includes a place of
lodging that at any one time will accommodate transient guests on
a daily or weekly basis and that is known to the trade as such.
Such terms shall not include a place of lodging with ten (10) or
less rental units.

(b) "Municipality" means any municipality in the State of Mississippi with a population of one hundred fifty thousand (150,000) or more according to the most recent federal decennial census.

4363 (c) "Restaurant" means and includes all places where 4364 prepared food is sold and whose annual gross proceeds of sales or

25/HR21/HB1502A.1J PAGE 177 () 4365 gross income for the preceding calendar year equals or exceeds One 4366 Hundred Thousand Dollars (\$100,000.00). The term "restaurant" 4367 shall not include any nonprofit organization that is exempt from 4368 federal income taxation under Section 501(c)(3) of the Internal 4369 Revenue Code. For the purpose of calculating gross proceeds of 4370 sales or gross income, the sales or income of all establishments 4371 owned, operated or controlled by the same person, persons or 4372 corporation shall be aggregated.

4373 Subject to the provisions of this section, the (2)(a) 4374 governing authorities of a municipality may impose upon all 4375 persons as a privilege for engaging or continuing in business or 4376 doing business within such municipality, a special sales tax at 4377 the rate of not more than one percent (1%) of the gross proceeds 4378 of sales or gross income of the business, as the case may be, 4379 derived from any of the activities taxed at the rate of seven 4380 percent (7%) or more under the Mississippi Sales Tax Law, Section 4381 27-65-1 et seq.

(b) The tax levied under this section shall apply to
every person making sales of tangible personal property or
services within the municipality but shall not apply to:
(i) Sales exempted by Sections 27-65-19,
27-65-101, 27-65-103, 27-65-105, 27-65-107, 27-65-109 and

4387 27-65-111 of the Mississippi Sales Tax Law;

4388 (ii) Gross proceeds of sales or gross income of 4389 restaurants derived from the sale of food and beverages;

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(iii) Gross proceeds of sales or gross income of hotels and motels derived from the sale of hotel rooms and motel rooms for lodging purposes;

(iv) Retail sales of food for human consumption
not purchased with food stamps issued by the United States
Department of Agriculture, or other federal agency, but which
would be exempt under Section 27-65-111(o) from the taxes imposed
by this chapter if the food items were purchased with food stamps;
(v) Gross income of businesses engaging or

4399 continuing in the business of TV cable systems, subscription TV 4400 services, and other similar activities, including, but not limited 4401 to, cable Internet services;

(vi) Wholesale sales of food and drink for human consumption sold to full service vending machine operators; and (vii) Wholesale sales of light \* \* \* <u>intoxicating</u> beverages, as defined in Section 67-3-3, and alcoholic beverages, as defined in Section 67-1-5.

4407 Before any tax authorized under this section may be (3)(a) 4408 imposed, the governing authorities of the municipality shall adopt 4409 a resolution declaring its intention to levy the tax, setting 4410 forth the amount of the tax to be imposed, the purposes for which 4411 the revenue collected pursuant to the tax levy may be used and expended, the date upon which the tax shall become effective, the 4412 date upon which the tax shall be repealed, and calling for an 4413 election to be held on the question. The date of the election 4414

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4415 shall be set in the resolution. Notice of the election shall be 4416 published once each week for at least three (3) consecutive weeks in a newspaper published or having a general circulation in the 4417 municipality, with the first publication of the notice to be made 4418 4419 not less than twenty-one (21) days before the date fixed in the 4420 resolution for the election and the last publication to be made 4421 not more than seven (7) days before the election. At the 4422 election, all qualified electors of the municipality may vote. 4423 The ballots used at the election shall have printed thereon a 4424 brief description of the sales tax, the amount of the sales tax 4425 levy, a description of the purposes for which the tax revenue may be used and expended and the words "FOR THE LOCAL SALES TAX" and 4426 4427 "AGAINST THE LOCAL SALES TAX" and the voter shall vote by placing 4428 a cross (X) or check mark ( $\sqrt{}$ ) opposite his choice on the proposition. When the results of the election have been canvassed 4429 4430 by the election commissioners of the municipality and certified by 4431 them to the governing authorities, it shall be the duty of such 4432 governing authorities to determine and adjudicate whether at least 4433 three-fifths (3/5) of the qualified electors who voted in the 4434 election voted in favor of the tax. If at least three-fifths 4435 (3/5) of the qualified electors who voted in the election voted in 4436 favor of the tax, the governing authorities shall adopt a resolution declaring the levy and collection of the tax provided 4437 4438 in this section and shall set the first day of the second month following the date of such adoption as the effective date of the 4439

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4440 tax levy. A certified copy of this resolution, together with the 4441 result of the election, shall be furnished to the Department of 4442 Revenue not less than thirty (30) days before the effective date 4443 of the levy.

4444 (b) A municipality shall not hold more than two (2)4445 elections under this subsection.

(4) The revenue collected pursuant to the tax levy imposed under this section may be expended to pay the cost of road and street repair, reconstruction and resurfacing projects based on traffic patterns, need and usage, and to pay the costs of water, sewer and drainage projects in accordance with a master plan adopted by the commission established pursuant to subsection (7).

4452 (5) The special sales tax authorized by this section (a) 4453 shall be collected by the Department of Revenue, shall be 4454 accounted for separately from the amount of sales tax collected 4455 for the state in the municipality and shall be paid to the 4456 municipality. The Department of Revenue may retain one percent 4457 (1%) of the proceeds of such tax for the purpose of defraying the 4458 costs incurred by the department in the collection of the tax. 4459 Payments to the municipality shall be made by the Department of 4460 Revenue on or before the fifteenth day of the month following the 4461 month in which the tax was collected. However, if a municipality 4462 fails to comply with the audit, reporting and/or report filing 4463 requirements of paragraph (b) of this subsection and does not remedy such noncompliance within thirty (30) days after receiving 4464

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4465 written notice of noncompliance, the Department of Revenue shall 4466 withhold payments otherwise payable to the municipality under this 4467 paragraph (a) until the department receives written notice that 4468 the municipality has complied with such requirements.

4469 The proceeds of the special sales tax shall be (b) 4470 placed into a special municipal fund apart from the municipal 4471 general fund and any other funds of the municipality, and shall be 4472 expended by the municipality solely for the purposes authorized in 4473 subsection (4) of this section. The records reflecting the receipts and expenditures of the revenue from the special sales 4474 tax shall be provided in detail to the members of the commission 4475 4476 monthly, to include the name of the vendor and the project, and 4477 the dates and amounts received and paid, and shall also be audited 4478 annually by an independent certified public accountant. The 4479 accountant shall make a report of his findings to the governing 4480 authorities of the municipality and file a copy of his report with 4481 the Secretary of the Senate and the Clerk of the House of 4482 Representatives and the commission members. The audit shall be 4483 made and completed as soon as practical after the close of the 4484 fiscal year of the municipality, and expenses of the audit shall 4485 be paid from the funds derived by the municipality pursuant to 4486 this section.

4487 (c) Any expenditure from the special municipal fund 4488 defined in paragraph (b) above that was not for a project approved

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4489 by the commission, or was in excess of the amount approved by the 4490 commission, shall be reimbursed by the city to the special fund.

4491 All provisions of the Mississippi Sales Tax Law (d) 4492 applicable to filing of returns, discounts to the taxpayer, 4493 remittances to the Department of Revenue, enforced collection, 4494 rights of taxpayers, recovery of improper taxes, refunds of 4495 overpaid taxes or other provisions of law providing for imposition 4496 and collection of the state sales tax shall apply to the special 4497 sales tax authorized by this section, except where there is a 4498 conflict, in which case the provisions of this section shall 4499 control. Any damages, penalties or interest collected for the 4500 nonpayment of taxes imposed under this section, or for 4501 noncompliance with the provisions of this section, shall be paid 4502 to the municipality on the same basis and in the same manner as 4503 the tax proceeds. Any overpayment of tax for any reason that has 4504 been disbursed to a municipality or any payment of the tax to a 4505 municipality in error may be adjusted by the Department of Revenue 4506 on any subsequent payment to the municipality pursuant to the 4507 provisions of the Mississippi Sales Tax Law. The Department of 4508 Revenue may, from time to time, make such rules and regulations 4509 not inconsistent with this section as may be deemed necessary to 4510 carry out the provisions of this section, and such rules and regulations shall have the full force and effect of law. 4511

4512 If a municipality expands its corporate boundaries, the (6) governing authorities of the municipality may not impose the 4513

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4514 special sales tax in the annexed area unless the tax is approved 4515 at an election conducted, as far as is practicable, in the manner 4516 provided in subsection (3) of this section, except that only 4517 qualified electors in the annexed area may vote in the election.

(7) (a) Any municipality that levies the special sales tax authorized under this section shall establish a commission as provided for in this section. Expenditures of revenue from the special sales tax authorized by this section shall be in accordance with a master plan adopted by the commission pursuant to this subsection.

4524 (b) The commission shall be composed of ten (10) voting 4525 members who shall be known as commissioners appointed as follows: 4526 Four (4) members representing the business (i) 4527 community in the municipality appointed by the local chamber of 4528 commerce for initial terms of one (1), two (2), four (4) and five 4529 (5) years respectively. The members appointed pursuant to this 4530 paragraph shall be persons who represent businesses located within 4531 the city limits of the municipality.

(ii) Three (3) members shall be appointed at large by the mayor of the municipality, with the advice and consent of the legislative body of the municipality, for initial terms of two (2), three (3) and four (4) years respectively. All appointments made by the mayor pursuant to this paragraph shall be residents of the municipality.

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(iii) One (1) member shall be appointed at large
by the Governor for an initial term of four (4) years. All
appointments made by the Governor pursuant to this paragraph shall
be residents of the municipality.

(iv) One (1) member shall be appointed at large by
the Lieutenant Governor for an initial term of four (4) years.
All appointments made by the Lieutenant Governor pursuant to this
paragraph shall be residents of the municipality.

(v) One (1) member shall be appointed at large by the Speaker of the House of Representatives for a term of four (4) years. All appointments made by the Speaker of the House of Representatives pursuant to this paragraph shall be residents of the municipality.

4551 (c) The terms of all appointments made subsequent to 4552 the initial appointment shall be made for five (5) years. Any 4553 vacancy which may occur shall be filled in the same manner as the 4554 original appointment and shall be made for the unexpired term.

(d) The mayor of the municipality shall designate a chairman of the commission from among the membership of the commission. The vice chairman and secretary shall be elected by the commission from among the membership of the commission for a term of two (2) years. The vice chairman and secretary may be reelected, and the chairman may be reappointed.

4561 (e) The commissioners shall serve without compensation.

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4562 (f) Any commissioner shall be disqualified and shall be 4563 removed from office for either of the following reasons:

4564 Conviction of a felony in any state court or (i) 4565 in federal court; or

4566 (ii) Failure to attend three (3) consecutive 4567 meetings without just cause.

4568 If a commissioner is removed for any of the above reasons, 4569 the vacancy shall be filled in the manner prescribed in this 4570 section and shall be made for the unexpired term.

4571 A quorum shall consist of six (6) voting members of (q) 4572 the commission. The commission shall adopt such rules and 4573 regulations as may govern the time and place for holding meetings, 4574 regular and special.

4575 The commission shall, with input from the (h) 4576 municipality, establish a master plan for road and street repair, 4577 reconstruction and resurfacing projects based on traffic patterns, 4578 need and usage, and for water, sewer and drainage projects. 4579 Expenditures of the revenue from the tax authorized to be imposed 4580 pursuant to this section shall be made at the discretion of the 4581 governing authorities of the municipality if the expenditures 4582 comply with the master plan. The commission shall monitor the 4583 compliance of the municipality with the master plan.

4584 The governing authorities of any municipality that (8)4585 levies the special sales tax authorized under this section are authorized to incur debt, including bonds, notes or other 4586

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4587 evidences of indebtedness, for the purpose of paying the costs of 4588 road and street repair, reconstruction and resurfacing projects based on traffic patterns, need and usage, and to pay the costs of 4589 4590 water, sewer and drainage projects in accordance with a master 4591 plan adopted by the commission established pursuant to subsection 4592 (7) of this section. Any bonds or notes issued to pay such costs 4593 may be secured by the proceeds of the special sales tax levied 4594 pursuant to this section or may be general obligations of the 4595 municipality and shall satisfy the requirements for the issuance of debt provided by Sections 21-33-313 through 21-33-323. 4596

4597 (9) This section shall stand repealed from and after July 1, 4598 2035.

4599 SECTION 66. Section 27-71-301, Mississippi Code of 1972, is 4600 amended as follows:

4601 27-71-301. When used in this article the words and terms4602 hereafter mentioned shall have the following definitions:

(a) "State Auditor" means the State Auditor of Public
Accounts of the State of Mississippi or any legally appointed
deputy, clerk or agent.

(b) "Person" includes all natural persons or corporations, a partnership, an association, a joint venture, an estate, a trust, or any other group or combination acting as a unit and shall include the plural as well as the singular unless an intention to give another meaning thereto is disclosed in the context.

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(c) "Consumer" means a person who comes into the possession of \* \* \* <u>any light intoxicating beverage</u> for the purpose of consuming it, giving it away or otherwise disposing of it in any manner except by sale, barter or exchange.

4616 (d) "Retailer" means any person who comes into the 4617 possession of such light \* \* \* intoxicating beverage for the 4618 purpose of selling it to the consumer, or giving it away, or 4619 exposing it where it may be taken or purchased or acquired in any 4620 other manner by the consumer. The term "retailer" shall include small craft breweries and microbreweries; however, the term 4621 4622 "retailer" shall not include a person who offers and provides beer 4623 on the premises of a brewery for the purpose of tasting or 4624 sampling as authorized in Section 67-3-47.

(e) "Wholesaler" means any person who comes into
possession of such light \* \* \* <u>intoxicating beverage</u> for the
purpose of selling, distributing, or giving it away to retailers
or other wholesalers or dealers inside or outside of this state.

4629 (f) "Commissioner" means the Commissioner of Revenue of 4630 the Department of Revenue or his duly appointed agents or 4631 employees.

(g) "Sale" includes the exchange of such light \* \* \*
intoxicating beverages for money, or giving away or distributing
any such light \* \* <u>intoxicating beverages</u> for anything of value;
however, the term "sale" shall not include beer offered and

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4636 provided on the premises of a brewery for the purpose of tasting 4637 or sampling as authorized in Section 67-3-47.

4638 (h) \* \* "Beer," "light wine," "light spirit product," 4639 "hemp beverage" and "light intoxicating beverage" have the 4640 meanings ascribed in Section 67-3-3.

(i) "Distributor" includes every person who receives, either from within or from without this state, from a brewery, a winery or any other source, light \* \* \* <u>intoxicating beverages</u> for the purpose of distributing or otherwise disposing of such light \* \* <u>intoxicating beverages</u> to a wholesaler or retailer of such light \* \* intoxicating beverages.

"Brewpub" means the premises of any location in 4647 (i) 4648 which any light \* \* \* intoxicating beverage is manufactured or 4649 brewed, for retail sale if the total amount of light \* \* \* 4650 intoxicating beverage produced on the premises does not exceed the 4651 production limitation imposed in Section 67-3-22, and the 4652 light **\* \* \*** intoxicating beverage is produced for consumption on 4653 the premises, although without prohibition on sales for 4654 off-premises consumption.

(k) "Hospitality cart" means a mobile cart from which alcoholic beverages and light \* \* \* <u>intoxicating beverages</u> are sold on a golf course and for which a hospitality cart permit has been issued under Section 67-1-51.

4659 (1) "Small craft brewery" shall have the meaning4660 ascribed to such term in Section 67-3-3.

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4661 (m) "Manufacturer" means a person who brews beer at a 4662 brewery; however, the term does not include "brewpubs."

4663 (n) "Microbrewery" shall have the meaning ascribed to 4664 such term in Section 67-3-3.

4665 **SECTION 67.** Section 27-71-303, Mississippi Code of 1972, is 4666 amended as follows:

4667 27-71-303. (1) Upon each person approved for a permit to 4668 engage in the business of selling light wines, light spirit 4669 products or beer, there is hereby imposed, levied and assessed, to 4670 be collected and paid as herein provided, annual privilege taxes 4671 in the following amounts:

4672 (a) Retailers--for each place of business.....\$ \* \* \* 150.00 4673 4674 (b) Wholesalers or distributors--for 4675 each \* \* \* location.....\$ \* \* \* 2,000.00 4676 (c) Manufacturers--for each place of 4677 business.....\$ \* \* \* 2,000.00 4678 (d) Brewpubs--for each place of business.....\$ \* \* \* 2,000.00 4679 4680 (e) Microbrewery--for each place of 4681 business.....\$ \* \* \* 2,000.00 4682 (f) Small craft brewery--for each place of business.....\$ \* \* 2,000.00 4683 4684 (2) Upon each person approved to engage in the business of 4685 selling hemp beverages, there is hereby imposed, levied and

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4686 <u>assessed, to be collected and paid as herein provided, separate</u> 4687 <u>annual privilege taxes in the same amounts as provided in</u> 4688 <u>subsection (1) of this section for each category of business.</u> 4689 <u>(3)</u> Upon each person operating an airline, bus, boat or 4690 railroad car upon which light \* \* \* <u>intoxicating beverages</u> may be 4691 sold<u>,</u> there is hereby imposed, levied and assessed, to be

4692 collected and paid, annual privilege taxes of Thirty Dollars 4693 (\$30.00) for each airplane, bus, boat or railroad car so operated 4694 in this state.

4695  $\star \star \star (4)$  The amount of the privilege tax to be paid for a 4696 permit issued for a period of less than twelve (12) months shall 4697 be that proportionate amount of the annual privilege tax that the 4698 number of months, or part of a month, remaining until its 4699 expiration date bears to twelve (12) months, but in no case shall 4700 the privilege tax be less than Ten Dollars (\$10.00).

4701 SECTION 68. Section 27-71-307, Mississippi Code of 1972, is 4702 amended as follows:

27 - 71 - 307. (1) 4703 (a) In addition to the specific tax imposed 4704 in Section 27-71-303, there is hereby imposed, levied, assessed 4705 and shall be collected, as hereinafter provided, an excise or 4706 privilege tax upon each person engaged or continuing in the 4707 business of wholesaler or distributor of light **\* \* \*** intoxicating 4708 beverages equivalent to Forty-two and Sixty-eight One-hundredths 4709 Cents (42.68¢) per gallon upon all light **\* \* \*** intoxicating beverages acquired for sale or distribution in this state. 4710 The

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4711 excise or privilege tax is also imposed at the same rate upon each 4712 gallon of light \* \* \* intoxicating beverage manufactured by brewpubs, each of which shall accurately and reliably measure the 4713 quantity of light \* \* \* intoxicating beverage produced by using a 4714 4715 measuring device such as a meter or gauge glass or any other 4716 suitable method approved by the commissioner. The excise or 4717 privilege tax is also imposed at the same rate upon each gallon of 4718 light \* \* \* intoxicating beverage provided by a small craft 4719 brewery or microbrewery for sale as authorized under Section 67-3-48 and upon each gallon of light \* \* \* intoxicating beverage 4720 4721 provided for tasting or sampling under Section 67-3-47. The tax 4722 is hereby imposed as an additional tax for the privilege of 4723 engaging or continuing in business.

(b) The excise tax imposed in this section shall be
paid to the department \* \* \* monthly on or before the fifteenth
day of the month following the month in which the \* \* <u>light</u>
<u>intoxicating beverage</u> was manufactured or received in this state.
Monthly report forms shall be furnished by the commissioner to the
wholesalers, distributors, brewpubs, microbreweries and small
craft breweries.

(c) Provided that persons operating a railroad dining car, club car or other car in interstate commerce upon which light \* \* <u>intoxicating beverages</u> may be sold and who are licensed under the provisions of Section 67-3-27 and any other law relating to the sale of such beverages shall keep such records of

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4736 the sales of such light **\* \* \*** <u>intoxicating beverages</u> in this state 4737 as the commissioner shall prescribe and shall submit monthly 4738 reports of such sales to the commissioner within fifteen (15) days 4739 after the end of each month on a form prescribed therefor by the 4740 commissioner, and shall pay the tax due under the provisions of 4741 this section at the time such reports are filed.

No official crowns, lids, labels or stamps with the word 4742 4743 "MISSISSIPPI" or "MS" imprinted thereon or any other evidence of 4744 tax payment is required by this section, or may be required under 4745 rule or regulation promulgated by the commissioner, to be affixed 4746 on or to any part of a \* \* \* light intoxicating beverage or malt 4747 cooler bottle, can or other light \* \* \* intoxicating beverage or 4748 malt cooler container. For purposes of this section, malt cooler 4749 products shall be defined as a flavored malt beverage made from a 4750 base of malt beverage and flavored with fruit juices, aromatics 4751 and essences of other flavoring in quantities and proportions such 4752 that the resulting product possesses a character and flavor 4753 distinctive from the base malt beverage and distinguishable from 4754 other malt beverages.

4755 (2) A licensed wholesaler or distributor of \* \* \* <u>light</u>
4756 <u>intoxicating beverages</u> may not import \* \* \* <u>light intoxicating</u>
4757 <u>beverages</u> from any source other than a brewer or importer
4758 authorized by the commissioner to sell such \* \* <u>light</u>
4759 <u>intoxicating beverages</u> in Mississippi. Any person who violates
4760 the provisions of this subsection, upon conviction thereof, shall

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4761 be punished by a fine of not more than One Thousand Dollars 4762 (\$1,000.00) or by imprisonment in the county jail for not more 4763 than six (6) months, or by both such fine and imprisonment, in the 4764 discretion of the court and shall be subject to license forfeiture 4765 following an appropriate hearing before the Department of Revenue. 4766 (3) The wholesaler, distributor, microbrewery or small craft 4767 brewery shall be allowed credit for tax paid on \* \* \* any light 4768 intoxicating beverage which is no longer marketable and which is 4769 destroyed by same when such destruction is witnessed by an agent of the commissioner and when the amount of the excise tax exceeds 4770 4771 One Hundred Dollars (\$100.00). No other loss will be allowed.

4772 A brewpub shall be allowed credit for any light \* \* \* 4773 intoxicating beverage which has passed through the meter, gauge 4774 glass or other approved measuring device and which has been soured 4775 or damaged. The brewpub shall record the removal of sour or 4776 damaged light \* \* \* intoxicating beverages and may take credit 4777 after the destruction is witnessed by an agent of the commissioner 4778 and when the amount of excise tax exceeds Twenty-five Dollars 4779 (\$25.00). No other loss shall be allowed.

4780 (4) All manufacturers, brewers and importers of \* \* \*
4781 <u>intoxicating beverages</u> shall file monthly reports as prescribed by
4782 the commissioner listing sales to each wholesaler or distributor
4783 by date, invoice number, quantity and container size, and any
4784 other information deemed necessary.

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4785 (5) All small craft breweries and microbreweries shall file 4786 monthly reports as prescribed by the commissioner regarding the 4787 sale of light \* \* \* <u>intoxicating beverages</u> authorized under 4788 Section 67-3-48.

(6) Manufacturers who offer and provide limited amounts of beer for tasting or sampling under Section 67-3-47 shall file monthly reports as prescribed by the commissioner regarding the beer provided for such tasting or sampling.

4793 All administrative provisions of the Mississippi Sales (7)4794 Tax Law, including those which fix damages, penalties and interest 4795 for nonpayment of taxes and for noncompliance with the provisions 4796 of such chapter, and all other requirements and duties imposed 4797 upon taxpayers, shall apply to all persons liable for taxes under 4798 the provisions of this chapter, and the commissioner shall 4799 exercise all the power and authority and perform all the duties 4800 with respect to taxpayers under this chapter as are provided in 4801 the sales tax law except where there is conflict, then the 4802 provisions of this chapter shall control.

4803 SECTION 69. Section 27-71-311, Mississippi Code of 1972, is 4804 amended as follows:

4805 27-71-311. Before any person shall engage in the business of 4806 manufacturing light \* \* \* intoxicating beverages, in the business 4807 of wholesaler or distributor of light \* \* \* intoxicating 4808 <u>beverages</u>, or in the business of a brewpub, he shall be required 4809 to enter into a good and sufficient bond. The bond shall be made

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4810 payable to the State of Mississippi, in a sum of not less than 4811 Five Thousand Dollars (\$5,000.00) nor more than Two Hundred 4812 Thousand Dollars (\$200,000.00), the amount to be determined by the department \* \* \*. The bond of a wholesaler, distributor or 4813 4814 brewpub shall not exceed the amount of excise tax estimated to be 4815 owed by such wholesaler, distributor or brewpub for any sixty-day If a manufacturer is operating a small craft brewery and 4816 period. 4817 is distributing light \* \* \* intoxicating beverages for sale as 4818 authorized under Section 67-3-48, the manufacturer, in addition to 4819 any other required bond, shall enter into a bond not to exceed the 4820 amount of excise tax estimated to be owed by such manufacturer for any sixty-day period. The bond shall be conditioned that he will 4821 4822 conduct his business strictly in accordance with the laws of the 4823 State of Mississippi, and that he will comply with the rules and 4824 regulations prescribed by the commissioner, and pay the taxes 4825 imposed under the provisions of this article for the privilege of 4826 engaging or continuing in such business. Such bond shall be made 4827 in a surety company authorized to do business in the State of 4828 Mississippi, and shall be approved by the commissioner. The 4829 commissioner shall be authorized to institute suit in the proper 4830 court on said bond for any violation of the conditions of said 4831 bond.

4832 SECTION 70. Section 27-71-315, Mississippi Code of 1972, is 4833 amended as follows:

25/HR21/HB1502A.1J PAGE 196 () 4834 27-71-315. Except as otherwise provided in Section 67-9-1 4835 for the transportation of limited amounts of alcoholic beverages 4836 for the use of an alcohol processing permittee, it shall be unlawful for any person to transport from any point outside of 4837 4838 this state to any point within this state, any light \* \* \* 4839 intoxicating beverage except for delivery to a licensed wholesaler 4840 or distributor in this state; and except by common carrier. The 4841 commissioner may, however, upon application of a licensed 4842 wholesaler or distributor in this state, and under rules and 4843 regulations duly promulgated by him, issue a permit for the 4844 transportation by a licensed wholesaler or distributor of 4845 light \* \* \* intoxicating beverages in trucks owned by such 4846 licensee, from without the state to the place of business of such 4847 licensee within the state, for distribution by said licensee. 4848 Such permit shall be granted for a specified period, not to exceed 4849 one (1) year.

4850 Any person engaged in transporting any light \* \* \* 4851 intoxicating beverage from any point outside of this state to any 4852 point within this state, shall have in his possession during the 4853 entire time he is engaged in transporting such light \* \* \* 4854 intoxicating beverage, an invoice, bill of sale, or bill of 4855 lading, showing the true name and address of the consignor, and 4856 also the true name and address of the licensed wholesaler or 4857 distributor to whom such light \* \* \* intoxicating beverage is to be delivered, and the quantity of such light **\* \* \*** intoxicating 4858

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<u>beverage</u>, unless such common carrier maintains a permanent office within this state where complete records of all light **\* \* \*** <u>intoxicating beverages</u> transported from without this state to points within this state are kept, and open to inspection by the commissioner or his duly authorized agent, at all reasonable times.

It is hereby made the duty of all common carriers, and licensed wholesalers and distributors, transporting light \* \* \* <u>intoxicating beverages</u> from without the State of Mississippi into the State of Mississippi, to furnish the commissioner on or before the fifteenth day of each month, a report showing the amount of beer transported within the state during the preceding month, the consignor, the consignee, and the quantity of light \* \* \*

4872 intoxicating beverages so transported.

4873 SECTION 71. Section 27-71-317, Mississippi Code of 1972, is 4874 amended as follows:

4875 27-71-317. It shall be unlawful for any person to transport 4876 from any point within this state to another point within this 4877 state, any light \* \* \* intoxicating beverage on which the tax 4878 imposed in Section 27-71-307 of this article has not been paid, 4879 except for immediate delivery to a licensed wholesaler or 4880 distributor in this state. And any person engaged in transporting any light **\* \* \*** intoxicating beverage on which the tax imposed in 4881 4882 Section 27-71-307 of this article has not been paid, from any point within this state to another point within this state shall 4883

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4884 have in his possession during the entire time he is engaged in 4885 transporting such light \* \* \* intoxicating beverage an invoice, 4886 bill of sale, or bill of lading showing the true name and address 4887 of the consignor, and also the true name and address of the 4888 licensed wholesaler or distributor to whom such light \* \* \* 4889 <u>intoxicating beverage</u> is to be delivered and the quantity of such 4890 light \* \* \* intoxicating beverage.

4891 SECTION 72. Section 27-71-325, Mississippi Code of 1972, is 4892 amended as follows:

4893 27-71-325. It shall be the duty of every wholesaler or 4894 distributor of light \* \* \* intoxicating beverages licensed under the provisions of Section 67-3-27,  $\star$   $\star$   $\star$  to file with the 4895 4896 commissioner, on or before the fifteenth day of each month, a 4897 report covering all sales of such light **\* \* \*** intoxicating 4898 beverages during the preceding month. Such report shall show the 4899 names and post-office addresses of all persons to whom such 4900 light \* \* \* intoxicating beverages have been sold or delivered and 4901 the quantities and invoice prices of the light **\* \* \*** intoxicating 4902 beverages thus sold or delivered.

It shall be the duty of each retail dealer in such light \* \* \* <u>intoxicating beverages</u> to procure from the distributor or wholesaler from whom such light \* \* \* <u>intoxicating beverages</u> were purchased or acquired, invoices showing the quantity of the light \* \* <u>intoxicating beverages</u> purchased or acquired, and the date of each delivery thereof. Such invoices shall be preserved

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4909 by the retailer and shall be open for inspection by the 4910 commissioner or his duly authorized agent for a period of two (2) years. It shall likewise be the duty of such retail dealer to 4911 file with the commissioner, on or before the fifteenth day of each 4912 4913 calendar month, a report showing all purchases of such light \* \* \* 4914 intoxicating beverages made by him during the preceding month. 4915 Such report shall disclose the names and addresses of all persons from whom such light \* \* \* intoxicating beverages have been 4916 4917 purchased or received by him during the preceding month and the 4918 quantities thus purchased or received.

4919 SECTION 73. Section 27-71-327, Mississippi Code of 1972, is 4920 amended as follows:

4921 27-71-327. Any person engaged in the business of 4922 manufacturer, distributor, wholesaler or retailer of light \* \* \* 4923 intoxicating beverages and any brewpub shall keep such additional 4924 records and make such additional reports with respect to the 4925 manufacture, receipt, distribution and sale of such light \* \* \* 4926 intoxicating beverages as the commissioner may require. It shall 4927 be the duty of the commissioner to prescribe and promulgate 4928 uniform rules and regulations for keeping such records and making 4929 such reports.

4930 SECTION 74. Section 27-71-333, Mississippi Code of 1972, is 4931 amended as follows:

4932 27-71-333. Whenever it shall be determined by the4933 commissioner that any wholesaler or distributor having in his

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4934 possession, or engaging in the sale or distribution of light \* \* \* 4935 intoxicating beverages, has failed to pay the tax, as provided 4936 herein, the commissioner shall compute the correct amount of tax 4937 due and unpaid and shall notify the taxpayer of the amount as 4938 being actually due and unpaid, and penalties, and interest and 4939 shall state in what manner this article is violated. The taxpayer so notified shall be given a period of ten (10) days in which to 4940 4941 make objection and show cause why the additional tax, and 4942 penalties, and interest, should not be paid. On petition of the 4943 taxpayer, a hearing before the commissioner shall be granted, a 4944 final decision thereon shall be rendered, and the taxpayer 4945 notified as early as practicable. Any tax or deficiency in tax 4946 shall be assessed and paid, together with penalties and interest, 4947 if any, applicable thereto, within ten (10) days after notice and 4948 demand by the commissioner.

4949 If no objection be made to the finding of the commissioner, 4950 and no hearing be had before the commissioner within the time 4951 herein specified, the findings of the commissioner shall be final. 4952 If a hearing be had, and the amount of tax due and unpaid be 4953 determined, notice of the amount of such tax, penalties and 4954 interest shall be mailed to the taxpayer, and, if not paid within 4955 ten (10) days thereafter, the commissioner shall forthwith issue a 4956 warrant under official seal directed to the sheriff of any county 4957 of the state commanding him to levy upon and sell the real and personal property of the person owing the tax, found within his 4958

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4959 county, for the payment of the amount thereof, with added damages, 4960 interest and cost of executing the warrant, and to return such warrant to the commissioner and pay to him money collected by 4961 4962 virtue thereof by a time to be therein specified not more than 4963 sixty (60) days from the date of the warrant. The sheriff shall, 4964 within five (5) days after the receipt of the warrant, file with 4965 the circuit clerk of his county a copy thereof, and thereupon the 4966 circuit clerk shall enter in the judgment roll, in the column for 4967 judgment debtors, the name of the taxpayer mentioned in the 4968 warrant, and in appropriate columns, the amount of the tax, or 4969 portion thereof and damages for which the warrant is issued, and 4970 the date when such copy is filed; and thereupon the amount of such 4971 warrant or warrants so docketed shall become a lien upon the title 4972 to and interest in the real and personal property, including 4973 choses in action, of the person against whom it is issued in the 4974 same manner as a judgment duly enrolled in the office of such 4975 The sheriff thereupon shall proceed upon the same in all clerk. 4976 respects, with like effect, and in the same manner prescribed by 4977 law in respect to executions issued against property upon judgment 4978 or attachment proceedings of a court of record; and he shall be 4979 entitled to the same fee for his service in executing the warrant 4980 as now allowed by law for like service, to be collected in the same manner as provided by law for like service. 4981

4982 SECTION 75. Section 27-71-335, Mississippi Code of 1972, is 4983 amended as follows:

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4984 27-71-335. Any light \* \* \* intoxicating beverage found at 4985 any point within this state which has been in the possession of 4986 any wholesaler or distributor for a period of more than 4987 forty-eight (48) hours and any light \* \* \* intoxicating beverage 4988 transported into this state from a point outside this state, or 4989 from point-to-point within this state in violation of the 4990 provisions of this article, or any light **\* \* \*** intoxicating 4991 beverage held or possessed by any person within this state on 4992 which the legal and proper tax has not been paid when due, whether such person be a wholesaler, retailer or distributor, or 4993 4994 individual, and whether the light \* \* \* intoxicating beverages be 4995 for sale or storage or individual use, except light \* \* \* 4996 intoxicating beverages in possession of a licensed wholesaler or 4997 distributor for a period of time less than forty-eight (48) hours 4998 after receipt of the light \* \* \* intoxicating beverages within 4999 this state, and light \* \* \* intoxicating beverages held in storage 5000 by licensed manufacturers or producers, are hereby declared to be 5001 contraband goods, and there is hereby imposed and assessed, as tax 5002 and penalty, to be collected by the commissioner, an amount equal 5003 to the amount of the excise tax otherwise imposed under the 5004 Mississippi Wine and Beer Tax Law, plus a penalty of one hundred 5005 percent (100%) of the amount of the tax; or, at the option of the commissioner, the light \* \* \* intoxicating beverages may be seized 5006 by the commissioner or his agents or any sheriff, or other lawful 5007

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5008 officer, and shall be dealt with in the same manner as provided 5009 for in Section 67-1-18 for alcoholic beverages.

5010 SECTION 76. Section 27-71-345, Mississippi Code of 1972, is 5011 amended as follows:

5012 27-71-345. Any municipality, in which any business licensed 5013 under \* \* \* Section 67-3-27 \* \* \* may be carried on, shall have 5014 the right to impose upon persons engaged in such business an 5015 annual privilege tax of not more than fifty percent (50%) of the 5016 tax imposed by Section 27-71-303 of this article, and any county, in which any business licensed under \* \* \* Section 67-3-27 \* \* \* 5017 5018 may be carried on outside of the territory taxed by 5019 municipalities, shall have the right to impose upon persons 5020 engaged in such business an annual privilege tax of not more than 5021 fifty percent (50%) of the tax imposed by Section 27-71-303 of 5022 this article; provided, however, that no person engaged in the 5023 business of manufacturer, brewpub, wholesaler or distributor of 5024 light **\* \* \*** intoxicating beverages shall be taxed by any 5025 municipality other than that in which the warehouse or plant of 5026 such wholesaler or distributor, or the premises of such brewpub, 5027 is located, nor shall any county impose any such tax upon such 5028 manufacturer, brewpub, wholesaler or distributor of light \* \* \* 5029 intoxicating beverages if the place of business is located within 5030 the jurisdiction of any municipality.

5031 SECTION 77. Section 27-71-349, Mississippi Code of 1972, is 5032 amended as follows:

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27-71-349. (1) 5033 Every manufacturer or importer of 5034 light \* \* \* intoxicating beverages shall designate sales 5035 territories for each of its brands sold in Mississippi and shall 5036 name one (1) licensed light \* \* \* intoxicating beverage wholesaler 5037 in each territory who, within such territory, shall be the 5038 licensed wholesaler for the brand or brands assigned by the 5039 manufacturer or importer. If the manufacturer or importer 5040 supplies more than one (1) brand, sales territories may be granted 5041 to a different wholesaler for the sale of each brand. No licensed 5042 wholesaler shall distribute the specified brand or brands of 5043 light **\* \* \*** intoxicating beverages outside his assigned territory, 5044 nor shall he knowingly sell to a retailer whose licensed retail 5045 establishment is located outside his assigned territory.

5046 A licensed wholesaler designated as the licensed (2) 5047 wholesaler for light \* \* \* intoxicating beverages within a 5048 designated sales territory shall present that light \* \* \* 5049 intoxicating beverage for sale to all licensed retailers within 5050 the designated sales territory without discrimination in service. 5051 A licensed wholesaler shall not sell, supply or deliver, either 5052 directly or indirectly through a third party, any light \* \* \* 5053 intoxicating beverage to a licensed retailer outside of the 5054 designated sales territory of the designated wholesaler, nor to 5055 any person the licensed wholesaler has reason to believe will sell 5056 or supply any quantity of the light \* \* \* intoxicating beverage to

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5057 any retail location outside of the designated sales territory of 5058 the licensed wholesaler.

(3) All light \* \* \* <u>intoxicating beverages</u> shall be transported only by a marked conveyance owned or leased by the licensed wholesaler and operated by the licensed wholesaler or an employee of the wholesaler for the products of a manufacturer or importer within the designated sales territory to the address and location of a licensed retail dealer within that designated sales territory.

5066 (4) Any light \* \* \* intoxicating beverage sold by the 5067 licensed wholesaler shall not be delivered to, received by or 5068 stored at any place other than the address and location of the 5069 licensed retailer for which the required licenses and permits have 5070 been issued.

5071 (5) With the approval of the designated manufacturer, a 5072 licensed wholesaler may sell the designated brands to a licensed 5073 retailer located in a designated sales territory of another 5074 licensed wholesaler if the former licensed wholesaler is unable 5075 temporarily for any reason to provide the designated brands of the 5076 designated manufacturer within its designated sales territory.

5077 (6) All light **\* \* \*** <u>intoxicating beverages</u> purchased by a 5078 licensed wholesaler for resale in this state shall come into the 5079 physical possession of the licensed wholesaler and be unloaded in 5080 and distributed from the warehouse of the licensed wholesaler 5081 located in this state before being resold in this state.

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5082 (7) As used in this section, the term "sales territory"
5083 shall have the meaning ascribed to such term in Section 67-7-5.
5084 SECTION 78. Section 27-71-509, Mississippi Code of 1972, is

5085 amended as follows:

5086 27-71-509. It shall be unlawful for any brewer, 5087 manufacturer, wholesaler, distributor or retailer of light \* \* \* 5088 intoxicating beverages to whom a permit has been issued under \* \* \* Sections 67-3-15 and 67-3-23 \* \* \* to write or print 5089 5090 on any label or container of either of the above-named commodities 5091 any matter relating to the alcoholic or THC content of such 5092 beverage or beverages, except a statement \* \* \* to the effect that 5093 the contents of the vessel or container in which light wine shall 5094 be sold does not contain alcohol in excess of five percent (5%) of 5095 the contents thereof, by weight, that the contents of the vessel 5096 or container in which light spirit product shall be sold does not 5097 contain alcohol in excess of six percent (6%) of the contents 5098 thereof, by weight, \* \* \* that the contents of the vessel or 5099 container in which beer shall be sold does not contain alcohol in 5100 excess of eight percent (8%) of the contents thereof, by weight, 5101 and that the contents of the vessel or container in which hemp 5102 beverage shall be sold does not contain THC in excess of 5103 three-tenths percent (0.3%) of the contents thereof. It shall be unlawful for any such brewer, manufacturer, wholesaler, 5104 distributor or retailer to sell any such commodity with any 5105 statement in conflict with the provisions of this section, with 5106

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5107 reference to the alcoholic content of such beverage or beverages, 5108 except that a statement of alcoholic content may be expressed on 5109 any light wine, light spirit product or beer label in terms of 5110 volume or weight, at the manufacturer's option; and such 5111 statement, if by volume, shall be subject to the same permitted 5112 tolerance allowed for wine containing fourteen percent (14%) alcohol by volume or less by Section 4.36(b)(1) of the Federal 5113 5114 Labeling Requirements for Wine, 27 CFR Part 4, subpart D, and 5115 Section 7.71(c) 27 CFR Part 7, subpart G, and, if by weight, shall 5116 be subject to an equivalent permitted tolerance, determined in 5117 terms of alcohol by weight.

5118 <u>The terms "light intoxicating beverage," "light wine," "light</u> 5119 <u>spirit product," "beer," and "hemp beverage" have the meanings</u> 5120 <u>ascribed in Section 67-3-3.</u>

5121 SECTION 79. Section 45-9-101, Mississippi Code of 1972, is 5122 amended as follows:

45 - 9 - 101. (1) 5123 (a) Except as otherwise provided, the Department of Public Safety is authorized to issue licenses to 5124 5125 carry stun guns, concealed pistols or revolvers to persons 5126 qualified as provided in this section. Such licenses shall be 5127 valid throughout the state for a period of five (5) years from the 5128 date of issuance, except as provided in subsection (25) of this section. Any person possessing a valid license issued pursuant to 5129 this section may carry a stun gun, concealed pistol or concealed 5130 5131 revolver.

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5132 (b) The licensee must carry the license, together with 5133 valid identification, at all times in which the licensee is carrying a stun gun, concealed pistol or revolver and must display 5134 5135 both the license and proper identification upon demand by a law 5136 enforcement officer. A violation of the provisions of this 5137 paragraph (b) shall constitute a noncriminal violation with a 5138 penalty of Twenty-five Dollars (\$25.00) and shall be enforceable 5139 by summons.

5140 (2) The Department of Public Safety shall issue a license if 5141 the applicant:

5142 (a) Is a resident of the state. However, this residency requirement may be waived if the applicant possesses a 5143 5144 valid permit from another state, is a member of any active or 5145 reserve component branch of the United States of America Armed 5146 Forces stationed in Mississippi, is the spouse of a member of any 5147 active or reserve component branch of the United States of America 5148 Armed Forces stationed in Mississippi, or is a retired law enforcement officer establishing residency in the state; 5149 5150 (b) Is twenty-one (21) years of age or older; or (i) 5151 Is at least eighteen (18) years of age but (ii) 5152 not yet twenty-one (21) years of age and the applicant: 5153 1. Is a member or veteran of the United 5154 States Armed Forces, including National Guard or Reserve; and 5155 2. Holds a valid Mississippi driver's license or identification card issued by the Department of Public Safety 5156

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5157 or a valid and current tribal identification card issued by a 5158 federally recognized Indian tribe containing a photograph of the 5159 holder;

5160 (c) Does not suffer from a physical infirmity which 5161 prevents the safe handling of a stun gun, pistol or revolver;

(d) Is not ineligible to possess a firearm by virtue of having been convicted of a felony in a court of this state, of any other state, or of the United States without having been pardoned or without having been expunged for same;

5166 (e) Does not chronically or habitually abuse controlled substances to the extent that his normal faculties are impaired. 5167 It shall be presumed that an applicant chronically and habitually 5168 5169 uses controlled substances to the extent that his faculties are 5170 impaired if the applicant has been voluntarily or involuntarily 5171 committed to a treatment facility for the abuse of a controlled 5172 substance or been found guilty of a crime under the provisions of 5173 the Uniform Controlled Substances Law or similar laws of any other state or the United States relating to controlled substances 5174 5175 within a three-year period immediately preceding the date on which 5176 the application is submitted;

(f) Does not chronically and habitually use alcoholic beverages to the extent that his normal faculties are impaired. It shall be presumed that an applicant chronically and habitually uses alcoholic beverages to the extent that his normal faculties are impaired if the applicant has been voluntarily or

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5182 involuntarily committed as an alcoholic to a treatment facility or 5183 has been convicted of two (2) or more offenses related to the use 5184 of alcohol under the laws of this state or similar laws of any 5185 other state or the United States within the three-year period 5186 immediately preceding the date on which the application is 5187 submitted;

5188 (g) Desires a legal means to carry a stun gun, 5189 concealed pistol or revolver to defend himself;

5190 (h) Has not been adjudicated mentally incompetent, or 5191 has waited five (5) years from the date of his restoration to 5192 capacity by court order;

(i) Has not been voluntarily or involuntarily committed to a mental institution or mental health treatment facility unless he possesses a certificate from a psychiatrist licensed in this state that he has not suffered from disability for a period of five (5) years;

5198 (j) Has not had adjudication of guilt withheld or 5199 imposition of sentence suspended on any felony unless three (3) 5200 years have elapsed since probation or any other conditions set by 5201 the court have been fulfilled;

5202

(k) Is not a fugitive from justice; and

5203 (1) Is not disqualified to possess a weapon based on 5204 federal law.

5205 (3) The Department of Public Safety may deny a license if 5206 the applicant has been found guilty of one or more crimes of

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5207 violence constituting a misdemeanor unless three (3) years have 5208 elapsed since probation or any other conditions set by the court 5209 have been fulfilled or expunction has occurred prior to the date 5210 on which the application is submitted, or may revoke a license if 5211 the licensee has been found guilty of one or more crimes of 5212 violence within the preceding three (3) years. The department 5213 shall, upon notification by a law enforcement agency or a court 5214 and subsequent written verification, suspend a license or the 5215 processing of an application for a license if the licensee or 5216 applicant is arrested or formally charged with a crime which would 5217 disgualify such person from having a license under this section, 5218 until final disposition of the case. The provisions of subsection 5219 (7) of this section shall apply to any suspension or revocation of 5220 a license pursuant to the provisions of this section.

5221 (4) The application shall be completed, under oath, on a 5222 form promulgated by the Department of Public Safety and shall 5223 include only:

5224 (a) The name, address, place and date of birth, race, 5225 sex and occupation of the applicant;

5226 (b) The driver's license number or social security 5227 number of applicant;

5228 (c) Any previous address of the applicant for the two5229 (2) years preceding the date of the application;

5230 (d) A statement that the applicant is in compliance 5231 with criteria contained within subsections (2) and (3) of this 5232 section;

5233 (e) A statement that the applicant has been furnished a 5234 copy of this section and is knowledgeable of its provisions; 5235 (f) A conspicuous warning that the application is 5236 executed under oath and that a knowingly false answer to any question, or the knowing submission of any false document by the 5237 5238 applicant, subjects the applicant to criminal prosecution; and 5239 (q) A statement that the applicant desires a legal 5240 means to carry a stun gun, concealed pistol or revolver to defend 5241 himself.

5242 (5) The applicant shall submit only the following to the Department of Public Safety: 5243

A completed application as described in subsection 5244 (a) 5245 (4) of this section;

5246 A full-face photograph of the applicant taken (b) within the preceding thirty (30) days in which the head, including 5247 5248 hair, in a size as determined by the Department of Public Safety, 5249 except that an applicant who is younger than twenty-one (21) years 5250 of age must submit a photograph in profile of the applicant; 5251 A nonrefundable license fee of Eighty Dollars (C)

5252 (\$80.00). Costs for processing the set of fingerprints as 5253 required in paragraph (d) of this subsection shall be borne by the applicant. Honorably retired law enforcement officers, disabled 5254

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5255 veterans and active duty members of the Armed Forces of the United 5256 States, and law enforcement officers employed with a law 5257 enforcement agency of a municipality, county or state at the time 5258 of application for the license, shall be exempt from the payment 5259 of the license fee;

5260 (d) A full set of fingerprints of the applicant 5261 administered by the Department of Public Safety; and

(e) A waiver authorizing the Department of Public Safety access to any records concerning commitments of the applicant to any of the treatment facilities or institutions referred to in subsection (2) of this section and permitting access to all the applicant's criminal records.

5267 (6) (a) The Department of Public Safety, upon receipt of 5268 the items listed in subsection (5) of this section, shall forward 5269 the full set of fingerprints of the applicant to the appropriate 5270 agencies for state and federal processing.

5271 The Department of Public Safety shall forward a (b) copy of the applicant's application to the sheriff of the 5272 5273 applicant's county of residence and, if applicable, the police 5274 chief of the applicant's municipality of residence. The sheriff 5275 of the applicant's county of residence, and, if applicable, the 5276 police chief of the applicant's municipality of residence may, at 5277 his discretion, participate in the process by submitting a 5278 voluntary report to the Department of Public Safety containing any readily discoverable prior information that he feels may be 5279

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5280 pertinent to the licensing of any applicant. The reporting shall 5281 be made within thirty (30) days after the date he receives the 5282 copy of the application. Upon receipt of a response from a 5283 sheriff or police chief, such sheriff or police chief shall be 5284 reimbursed at a rate set by the department.

5285 (c) The Department of Public Safety shall, within 5286 forty-five (45) days after the date of receipt of the items listed 5287 in subsection (5) of this section:

5288

(i) Issue the license;

5289 (ii) Deny the application based solely on the 5290 ground that the applicant fails to qualify under the criteria listed in subsections (2) and (3) of this section. 5291 If the 5292 Department of Public Safety denies the application, it shall 5293 notify the applicant in writing, stating the ground for denial, 5294 and the denial shall be subject to the appeal process set forth in 5295 subsection (7); or

(iii) Notify the applicant that the department is unable to make a determination regarding the issuance or denial of a license within the forty-five-day period prescribed by this subsection, and provide an estimate of the amount of time the department will need to make the determination.

(d) In the event a legible set of fingerprints, as
determined by the Department of Public Safety and the Federal
Bureau of Investigation, cannot be obtained after a minimum of two
(2) attempts, the Department of Public Safety shall determine

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5305 eligibility based upon a name check by the Mississippi Highway 5306 Safety Patrol and a Federal Bureau of Investigation name check 5307 conducted by the Mississippi Highway Safety Patrol at the request 5308 of the Department of Public Safety.

5309 (7)If the Department of Public Safety denies the (a) 5310 issuance of a license, or suspends or revokes a license, the party aggrieved may appeal such denial, suspension or revocation to the 5311 5312 Commissioner of Public Safety, or his authorized agent, within 5313 thirty (30) days after the aggrieved party receives written notice of such denial, suspension or revocation. The Commissioner of 5314 5315 Public Safety, or his duly authorized agent, shall rule upon such 5316 appeal within thirty (30) days after the appeal is filed and 5317 failure to rule within this thirty-day period shall constitute sustaining such denial, suspension or revocation. 5318 Such review shall be conducted pursuant to such reasonable rules and 5319 5320 regulations as the Commissioner of Public Safety may adopt.

5321 If the revocation, suspension or denial of issuance (b) is sustained by the Commissioner of Public Safety, or his duly 5322 5323 authorized agent pursuant to paragraph (a) of this subsection, the 5324 aggrieved party may file within ten (10) days after the rendition 5325 of such decision a petition in the circuit or county court of his 5326 residence for review of such decision. A hearing for review shall 5327 be held and shall proceed before the court without a jury upon the 5328 record made at the hearing before the Commissioner of Public 5329 Safety or his duly authorized agent. No such party shall be

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5330 allowed to carry a stun gun, concealed pistol or revolver pursuant 5331 to the provisions of this section while any such appeal is 5332 pending.

5333 The Department of Public Safety shall maintain an (8)5334 automated listing of license holders and such information shall be 5335 available online, upon request, at all times, to all law 5336 enforcement agencies through the Mississippi Crime Information 5337 However, the records of the department relating to Center. 5338 applications for licenses to carry stun guns, concealed pistols or revolvers and records relating to license holders shall be exempt 5339 5340 from the provisions of the Mississippi Public Records Act of 1983, and shall be released only upon order of a court having proper 5341 5342 jurisdiction over a petition for release of the record or records.

Within thirty (30) days after the changing of a 5343 (9) 5344 permanent address, or within thirty (30) days after having a 5345 license lost or destroyed, the licensee shall notify the 5346 Department of Public Safety in writing of such change or loss. Failure to notify the Department of Public Safety pursuant to the 5347 5348 provisions of this subsection shall constitute a noncriminal 5349 violation with a penalty of Twenty-five Dollars (\$25.00) and shall 5350 be enforceable by a summons.

(10) In the event that a stun gun, concealed pistol or revolver license is lost or destroyed, the person to whom the license was issued shall comply with the provisions of subsection (9) of this section and may obtain a duplicate, or substitute

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5355 thereof, upon payment of Fifteen Dollars (\$15.00) to the 5356 Department of Public Safety, and furnishing a notarized statement 5357 to the department that such license has been lost or destroyed. 5358 (11) A license issued under this section shall be revoked if 5359 the licensee becomes ineligible under the criteria set forth in 5360 subsection (2) of this section.

5361 Except as provided in subsection (25) of this (12)(a) 5362 section, no less than ninety (90) days prior to the expiration 5363 date of the license, the Department of Public Safety shall send to each licensee a written notice of the expiration and a renewal 5364 5365 form prescribed by the department. The licensee must renew his 5366 license on or before the expiration date by filing with the department the renewal form, a notarized affidavit stating that 5367 5368 the licensee remains qualified pursuant to the criteria specified 5369 in subsections (2) and (3) of this section if necessary, and a 5370 full set of fingerprints administered by the Department of Public 5371 Safety or the sheriff of the county of residence of the licensee. 5372 The first renewal may be processed by mail "or other means as 5373 determined by the Department" and the subsequent renewal must be 5374 made in person. Thereafter every other renewal may be processed 5375 by mail to assure that the applicant must appear in person every 5376 ten (10) years for the purpose of obtaining a new photograph.

5377 (i) Except as provided in this subsection, a 5378 renewal fee of Forty Dollars (\$40.00) shall also be submitted 5379 along with costs for processing the fingerprints;

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(ii) Honorably retired law enforcement officers, disabled veterans, active duty members of the Armed Forces of the United States and law enforcement officers employed with a law enforcement agency of a municipality, county or state at the time of renewal, shall be exempt from the renewal fee; and

5385 (iii) The renewal fee for a Mississippi resident 5386 aged sixty-five (65) years of age or older shall be Twenty Dollars 5387 (\$20.00).

(b) The Department of Public Safety shall forward the full set of fingerprints of the applicant to the appropriate agencies for state and federal processing. The license shall be renewed upon receipt of the completed renewal application and appropriate payment of fees.

5393 A licensee who fails to file a renewal application (C) 5394 on or before its expiration date must renew his license by paying 5395 a late fee of Fifteen Dollars (\$15.00). No license shall be 5396 renewed six (6) months or more after its expiration date, and such 5397 license shall be deemed to be permanently expired. A person whose 5398 license has been permanently expired may reapply for licensure; 5399 however, an application for licensure and fees pursuant to 5400 subsection (5) of this section must be submitted, and a background 5401 investigation shall be conducted pursuant to the provisions of 5402 this section.

5403 (13) No license issued pursuant to this section shall 5404 authorize any person, except a law enforcement officer as defined

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5405 in Section 45-6-3 with a distinct license authorized by the 5406 Department of Public Safety, to carry a stun gun, concealed pistol 5407 or revolver into any place of nuisance as defined in Section 5408 95-3-1, Mississippi Code of 1972; any police, sheriff or highway 5409 patrol station; any detention facility, prison or jail; any 5410 courthouse; any courtroom, except that nothing in this section 5411 shall preclude a judge from carrying a concealed weapon or 5412 determining who will carry a concealed weapon in his courtroom; 5413 any polling place; any meeting place of the governing body of any 5414 governmental entity; any meeting of the Legislature or a committee 5415 thereof; any school, college or professional athletic event not 5416 related to firearms; any portion of an establishment, licensed to 5417 dispense alcoholic beverages for consumption on the premises, that is primarily devoted to dispensing alcoholic beverages; any 5418 portion of an establishment in which \* \* \* light intoxicating 5419 5420 beverages, as defined in Section 67-3-3, are consumed on the 5421 premises, that is primarily devoted to such purpose; any 5422 elementary or secondary school facility; any junior college, 5423 community college, college or university facility unless for the 5424 purpose of participating in any authorized firearms-related 5425 activity; inside the passenger terminal of any airport, except 5426 that no person shall be prohibited from carrying any legal firearm 5427 into the terminal if the firearm is encased for shipment, for 5428 purposes of checking such firearm as baggage to be lawfully transported on any aircraft; any church or other place of worship, 5429

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5430 except as provided in Section 45-9-171; or any place where the 5431 carrying of firearms is prohibited by federal law. In addition to the places enumerated in this subsection, the carrying of a stun 5432 5433 qun, concealed pistol or revolver may be disallowed in any place 5434 in the discretion of the person or entity exercising control over 5435 the physical location of such place by the placing of a written 5436 notice clearly readable at a distance of not less than ten (10) 5437 feet that the "carrying of a pistol or revolver is prohibited." 5438 No license issued pursuant to this section shall authorize the 5439 participants in a parade or demonstration for which a permit is 5440 required to carry a stun qun, concealed pistol or revolver.

5441 (14) A law enforcement officer as defined in Section 45-6-3, 5442 chiefs of police, sheriffs and persons licensed as professional bondsmen pursuant to Chapter 39, Title 83, Mississippi Code of 5443 1972, shall be exempt from the licensing requirements of this 5444 5445 section.

5446 The Commissioner of Public Safety shall promulgate (a) rules and regulations to provide licenses to law enforcement 5447 5448 officers as defined in Section 45-6-3 who choose to obtain a 5449 license under the provisions of this section, which shall include 5450 a distinction that the officer is an "active duty" law enforcement 5451 officer and an endorsement that such officer is authorized to 5452 carry in the locations listed in subsection (13). A law enforcement officer shall provide the following information to 5453 receive the license described in this subsection: (i) a letter, 5454

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5455 with the official letterhead of the agency or department for which 5456 the officer is employed at the time of application and (ii) a 5457 letter with the official letterhead of the agency or department, 5458 which explains that such officer has completed a certified law 5459 enforcement training academy.

5460 (b) The licensing requirements of this section do not 5461 apply to the carrying by any person of a stun gun, pistol or 5462 revolver, knife, or other deadly weapon that is not concealed as 5463 defined in Section 97-37-1.

(15) Any person who knowingly submits a false answer to any question on an application for a license issued pursuant to this section, or who knowingly submits a false document when applying for a license issued pursuant to this section, shall, upon conviction, be guilty of a misdemeanor and shall be punished as provided in Section 99-19-31, Mississippi Code of 1972.

5470 (16) All fees collected by the Department of Public Safety 5471 pursuant to this section shall be deposited into a special fund 5472 hereby created in the State Treasury and shall be used for 5473 implementation and administration of this section. After the 5474 close of each fiscal year, the balance in this fund shall be 5475 certified to the Legislature and then may be used by the 5476 Department of Public Safety as directed by the Legislature.

5477 (17) All funds received by a sheriff or police chief 5478 pursuant to the provisions of this section shall be deposited into 5479 the general fund of the county or municipality, as appropriate,

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5480 and shall be budgeted to the sheriff's office or police department 5481 as appropriate.

5482 Nothing in this section shall be construed to require (18)5483 or allow the registration, documentation or providing of serial 5484 numbers with regard to any stun gun or firearm.

5485 (19)Any person holding a valid unrevoked and unexpired 5486 license to carry stun guns, concealed pistols or revolvers issued 5487 in another state shall have such license recognized by this state 5488 to carry stun guns, concealed pistols or revolvers. The 5489 Department of Public Safety is authorized to enter into a 5490 reciprocal agreement with another state if that state requires a 5491 written agreement in order to recognize licenses to carry stun 5492 guns, concealed pistols or revolvers issued by this state.

5493 The provisions of this section shall be under the (20)5494 supervision of the Commissioner of Public Safety. The 5495 commissioner is authorized to promulgate reasonable rules and 5496 regulations to carry out the provisions of this section.

5497 (21) For the purposes of this section, the term "stun qun" 5498 means a portable device or weapon from which an electric current, 5499 impulse, wave or beam may be directed, which current, impulse, 5500 wave or beam is designed to incapacitate temporarily, injure, 5501 momentarily stun, knock out, cause mental disorientation or 5502 paralyze.

5503 From and after January 1, 2016, the Commissioner (22)(a) of Public Safety shall promulgate rules and regulations which 5504

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5505 provide that licenses authorized by this section for honorably 5506 retired law enforcement officers and honorably retired 5507 correctional officers from the Mississippi Department of 5508 Corrections shall (i) include the words "retired law enforcement 5509 officer" on the front of the license, and (ii) unless the licensee 5510 chooses to have this license combined with a driver's license or 5511 identification card under subsection (25) of this section, that 5512 the license itself have a red background to distinguish it from 5513 other licenses issued under this section.

5514 (b) An honorably retired law enforcement officer and 5515 honorably retired correctional officer shall provide the following 5516 information to receive the license described in this section: (i) 5517 a letter, with the official letterhead of the agency or department from which such officer is retiring, which explains that such 5518 5519 officer is honorably retired, and (ii) a letter with the official 5520 letterhead of the agency or department, which explains that such 5521 officer has completed a certified law enforcement training 5522 academy.

(23) A disabled veteran who seeks to qualify for an exemption under this section shall be required to provide a veterans health services identification card issued by the United States Department of Veterans Affairs indicating a service-connected disability, which shall be sufficient proof of such service-connected disability.

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5529 (24)A license under this section is not required for a 5530 loaded or unloaded pistol or revolver to be carried upon the person in a sheath, belt holster or shoulder holster or in a 5531 purse, handbag, satchel, other similar bag or briefcase or fully 5532 5533 enclosed case if the person is not engaged in criminal activity 5534 other than a misdemeanor traffic offense, is not otherwise prohibited from possessing a pistol or revolver under state or 5535 5536 federal law, and is not in a location prohibited under subsection 5537 (13) of this section. However, the medical use of medical 5538 cannabis by a cardholder who is a registered qualifying patient 5539 which is lawful under the provisions of the Mississippi Medical 5540 Cannabis Act and in compliance with rules and regulations adopted 5541 thereunder shall not disqualify a person under this subsection 5542 (24) solely because the person is prohibited from possessing a firearm under 18 USCS Section 922(g)(3) due to such medical use of 5543 5544 medical cannabis.

5545 An applicant for a license under this section shall (25)have the option of, instead of being issued a separate card for 5546 5547 the license, having the license appear as a notation on the 5548 individual's driver's license or identification card. If the 5549 applicant chooses this option, the license issued under this 5550 section shall have the same expiration date as the driver's 5551 license or identification card, and renewal shall take place at the same time and place as renewal of the driver's license or 5552 identification card. The Commissioner of Public Safety shall have 5553

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5554 the authority to promulgate rules and regulations which may be 5555 necessary to ensure the effectiveness of the concurrent application and renewal processes. 5556 5557 SECTION 80. Section 97-5-49, Mississippi Code of 1972, is 5558 amended as follows: 5559 97-5-49. (1) As used in this section: 5560 "Adult" means a person over the age of twenty-one (a) 5561 (21) years. 5562 "Alcoholic beverage" has the meaning as defined in (b) 5563 Section 67-1-5. 5564 5565 (\* \* \*c) "Minor" means a person under the age of 5566 twenty-one (21) years. 5567 ( \* \* \*d) "Party" means a gathering or event at which a 5568 group of two (2) or more persons assembles for a social occasion 5569 or activity at a private residence or a private premises. 5570 ( \* \* \*e) "Private premises" means privately owned 5571 land, including any appurtenances or improvements on the land. 5572 ( \* \* \*f) "Private residence" means the place where a 5573 person actually lives or has his or her home. 5574 \* \* \* ( \* \* \*g) "Light \* \* \* intoxicating beverage" has the 5575 5576 meaning ascribed in Section 67-3-3. 5577 (2) No adult who owns or leases a private residence or 5578 private premises shall knowingly allow a party to take place or 25/HR21/HB1502A.1J

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5579 continue at the residence or premises if a minor at the party 5580 obtains, possesses or consumes any alcoholic beverage **\* \* \*** <u>or</u> 5581 <u>light intoxicating beverage</u> if the adult knows that the minor has 5582 obtained, possesses or is consuming alcoholic beverages **\* \* \*** <u>or</u> 5583 light intoxicating beverages.

5584 (3) This section shall not apply to legally protected 5585 religious activities or gatherings of family members or to any of 5586 the exemptions set forth in Section 67-3-54.

5587 (4) Each incident in violation of subsection (2) of this 5588 section or any part of subsection (2) constitutes a separate 5589 offense.

(5) Any person who violates subsection (2) of this section shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of One Thousand Dollars (\$1,000.00) or by imprisonment in the county jail for not more than six (6) months, or by both the fine and imprisonment, in the discretion of the court.

5596 SECTION 81. Sections 6 through 10 and Sections 17 and 18 of 5597 this act shall be codified in Article 4 of Chapter 25, Title 69, 5598 Mississippi Code of 1972.

5599 SECTION 82. This act shall take effect and be in force from 5600 and after July 1, 2025, and shall stand repealed on June 30, 5601 2025."

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5602 AMEND FURTHER, THE TITLE, AS FOLLOWS: "AN ACT TO AMEND SECTION 5603 69-25-201, MISSISSIPPI CODE OF 1972, TO RENAME THE "MISSISSIPPI 5604 HEMP CULTIVATION ACT" AS THE "MISSISSIPPI HEMP ACT," AND TO EXPAND 5605 ITS PURPOSE TO REGULATING THE MANUFACTURE, PRODUCTION, 5606 DISTRIBUTION AND SALE OF CONSUMABLE HEMP PRODUCTS OTHER THAN 5607 BEVERAGES; TO AMEND SECTION 69-25-203, MISSISSIPPI CODE OF 1972, 5608 TO DEFINE CERTAIN TERMS; TO AMEND SECTION 69-25-207, MISSISSIPPI 5609 CODE OF 1972, TO TRANSFER THE ADMINISTRATION OF THE MISSISSIPPI 5610 HEMP ACT FROM THE COMMISSIONER AND DEPARTMENT OF AGRICULTURE AND 5611 COMMERCE TO THE STATE HEALTH OFFICER AND THE STATE DEPARTMENT OF 5612 HEALTH; TO AMEND SECTION 69-25-213, MISSISSIPPI CODE OF 1972, TO 5613 REDUCE, FROM A CONCENTRATION OF MORE THAN 0.5% TO A CONCENTRATION 5614 OF MORE THAN 0.3%, THE THRESHOLD FOR VIOLATIONS OF PRODUCING 5615 CANNABIS SATIVA L. WITH A CERTAIN DELTA-9-TETRAHYDROCANNABINOL 5616 CONCENTRATION ON A DRY WEIGHT BASIS; TO AMEND SECTION 69-25-217, 5617 MISSISSIPPI CODE OF 1972, TO PROHIBIT THE SALE, OR MANUFACTURE OR 5618 PRODUCTION FOR SALE, IN MISSISSIPPI OR TO MISSISSIPPI CONSUMERS, 5619 OF PRODUCTS DERIVED FROM ANY CANNABIS PLANT, EXCEPT AS AUTHORIZED 5620 UNDER THE MISSISSIPPI HEMP ACT, THE LIGHT ALCOHOLIC BEVERAGE 5621 STATUTES, OR THE MISSISSIPPI MEDICAL CANNABIS ACT; TO PROHIBIT THE 5622 MANUFACTURE, PRODUCTION OR SALE OF ANY HEMP PRODUCT CONTAINING AN 5623 ARTIFICIALLY DERIVED CANNABINOID; TO PROHIBIT THE SALE OF ANY 5624 CONSUMABLE HEMP PRODUCT TO ANY PERSON UNDER THE AGE OF 21 YEARS; 5625 TO CREATE NEW CODE SECTIONS TO PROVIDE THAT THE STATE DEPARTMENT 5626 OF HEALTH SHALL BE RESPONSIBLE FOR LICENSING RETAILERS,

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5627 WHOLESALERS, MANUFACTURERS AND PROCESSORS OF CONSUMABLE HEMP 5628 PRODUCTS; TO SET THE ANNUAL LICENSE FEES TO BE COLLECTED BY THE 5629 DEPARTMENT AND TO DIRECT THAT SUCH FEES BE DEPOSITED INTO THE 5630 STATE GENERAL FUND; TO REQUIRE THAT LABELS FOR HEMP PRODUCTS BE 5631 APPROVED BY THE DEPARTMENT; TO REQUIRE THAT A FINALIZED SAMPLE OF 5632 FINISHED HEMP PRODUCTS HAVE A CERTIFICATE OF ANALYSIS; TO REQUIRE 5633 ALL PRODUCTS CONTAINING CANNABIDIOL (CBD) TO BE TESTED IN A 5634 FACILITY WITH A UNITED STATES DRUG ENFORCEMENT ADMINISTRATION 5635 (DEA) CERTIFICATION; TO PROVIDE CERTAIN REOUIREMENTS FOR CONSUMABLE FOOD MANUFACTURING DISTRIBUTORS; TO REQUIRE A LICENSED 5636 5637 ENTITY TO PROVIDE A QUARTERLY REPORT TO THE DEPARTMENT; TO REQUIRE THE DEPARTMENT TO IMPLEMENT AN ELECTRONIC REPORTING SYSTEM; TO 5638 5639 PROVIDE THAT ANY CONSUMABLE FOOD MANUFACTURING DISTRIBUTOR OR 5640 CONSUMABLE HEMP MANUFACTURER, PROCESSOR, WHOLESALER OR RETAILER 5641 THAT FAILS TO TIMELY REPORT HEMP PRODUCTS PURCHASED OR SOLD IN 5642 MISSISSIPPI, OR THAT PURCHASES OR SELLS ANY UNLAWFUL HEMP PRODUCT, 5643 SHALL BE SUBJECT TO A FINE AS PRESCRIBED BY THE DEPARTMENT, AND TO 5644 DIRECT THAT SUCH FINES BE DEPOSITED INTO THE STATE GENERAL FUND; 5645 TO IMPOSE A 3% EXCISE TAX ON CONSUMABLE HEMP PRODUCTS AND TO 5646 DIRECT THAT PROCEEDS OF SUCH TAX BE DEPOSITED INTO THE STATE 5647 GENERAL FUND; TO AMEND SECTIONS 69-25-211, 69-25-215, 69-25-219, 5648 69-25-221 AND 69-25-223, MISSISSIPPI CODE OF 1972, TO CONFORM TO 5649 THE PRECEDING PROVISIONS; TO AMEND SECTION 41-137-45, MISSISSIPPI 5650 CODE OF 1972, TO PROVIDE THAT IT IS UNLAWFUL FOR ANY PERSON OR 5651 ENTITY TO SELL OR TRANSFER PRODUCTS DERIVED FROM ANY CANNABIS

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5652 PLANT TO INDIVIDUALS IN THE STATE OF MISSISSIPPI, WITH CERTAIN 5653 EXCEPTIONS; TO PROVIDE PENALTIES FOR A PERSON OR BUSINESS ENTITY 5654 THAT UNLAWFULLY SELLS CANNABIS-DERIVED PRODUCTS; TO CREATE NEW 5655 CODE SECTIONS TO REQUIRE EVERY MANUFACTURER OF A CONSUMABLE HEMP 5656 PRODUCT THAT IS SOLD FOR RETAIL SALE IN MISSISSIPPI TO EXECUTE AND 5657 DELIVER TO THE DEPARTMENT OF REVENUE A CERTIFICATION FORM THAT 5658 SEPARATELY LISTS EACH BRAND NAME, CATEGORY, PRODUCT NAME AND 5659 FLAVOR FOR EACH CONSUMABLE HEMP PRODUCT THAT IS SOLD IN 5660 MISSISSIPPI; TO DIRECT THE DEPARTMENT OF REVENUE TO MAINTAIN AND 5661 MAKE PUBLICLY AVAILABLE ON ITS OFFICIAL WEBSITE A DIRECTORY THAT 5662 LISTS ALL CONSUMABLE HEMP PRODUCT MANUFACTURERS, BRAND NAMES, 5663 CATEGORIES, PRODUCT NAMES AND FLAVORS FOR WHICH CERTIFICATION 5664 FORMS HAVE BEEN SUBMITTED AND APPROVED BY THE DEPARTMENT OF 5665 REVENUE, AND TO UPDATE THE DIRECTORY AT LEAST MONTHLY TO ENSURE 5666 ACCURACY; TO PROVIDE THAT CONSUMABLE HEMP PRODUCTS NOT LISTED IN 5667 THE DIRECTORY AND INTENDED FOR RETAIL SALE IN MISSISSIPPI SHALL BE 5668 SUBJECT TO SEIZURE, FORFEITURE AND DESTRUCTION, AND MAY NOT BE 5669 PURCHASED OR SOLD FOR RETAIL SALE IN MISSISSIPPI; TO PROVIDE A 5670 PENALTY FOR THE RETAIL SALE OF CONSUMABLE HEMP PRODUCTS NOT 5671 INCLUDED IN THE DIRECTORY AND TO DIRECT THAT SUCH PENALTIES BE 5672 DEPOSITED INTO THE STATE GENERAL FUND; TO REQUIRE THAT CONSUMABLE 5673 HEMP PRODUCTS MAY NOT BE SOLD OR OFFERED FOR SALE UNLESS CERTAIN 5674 CLEARLY VISIBLE NOTICE IS POSTED AT THE LOCATION WHERE THE 5675 CONSUMABLE HEMP PRODUCT IS AVAILABLE FOR PURCHASE; TO PROVIDE 5676 FINES FOR SELLING OR OFFERING TO SELL CONSUMABLE HEMP PRODUCTS

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5677 WITHOUT SUCH NOTICE AND TO DIRECT THAT SUCH FINES SHALL BE 5678 DEPOSITED INTO THE STATE GENERAL FUND; TO AMEND SECTIONS 67-3-1, 67-3-3, 67-3-5, 67-3-7, 67-3-9, 67-3-13, 67-3-15, 67-3-17, 5679 67-3-19, 67-3-22, 67-3-25, 67-3-27, 67-3-28, 67-3-29, 67-3-41, 5680 5681 67-3-45, 67-3-46, 67-3-48, 67-3-48.1, 67-3-49, 67-3-51, 67-3-52, 5682 67-3-53, 67-3-54, 67-3-55, 67-3-57, 67-3-59, 67-3-61, 67-3-63, 5683 67-3-65, 67-3-67, 67-3-69, 67-3-70, 67-3-73, 67-3-74, 67-1-5, 5684 67-1-18, 67-1-51, 67-1-51.1, 67-1-72, 67-7-3, 67-7-5, 67-7-7, 5685 67-7-9, 67-7-11, 67-9-1, 27-65-241, 27-71-301, 27-71-303, 27-71-307, 27-71-311, 27-71-315, 27-71-317, 27-71-325, 27-71-327, 5686 27-71-333, 27-71-335, 27-71-345, 27-71-349, 27-71-509, 45-9-101 5687 AND 97-5-49, MISSISSIPPI CODE OF 1972, TO LEGALIZE THE MANUFACTURE 5688 AND SALE OF HEMP BEVERAGES, TO BE REGULATED IN THE SAME MANNER AS 5689 5690 BEER, LIGHT WINE AND LIGHT SPIRIT PRODUCTS, COLLECTIVELY TO BE 5691 REFERRED TO AS "LIGHT INTOXICATING BEVERAGES"; AND FOR RELATED 5692 PURPOSES."