HCS SB 171 -- LIQUOR CONTROL

SPONSOR: Griesheimer (Schlottach)

COMMITTEE ACTION: Voted "do pass" by the Special Committee on General Laws by a vote of 12 to 0.

This substitute changes the laws regarding liquor control. In its main provisions, the substitute:

(1) Specifies that "wine manufacturers" will mean any person, partnership, association of persons, or corporation which obtains a license and manufactures over 200 gallons of wine per calendar year;

(2) Specifies that no person holding a license will be guilty of a misdemeanor for offering for sale wine or brandy if the manufacturer has provided the Supervisor of Alcohol and Tobacco Control within the Department of Public Safety a copy of the certificate label approval issued by the Alcohol and Tobacco Tax and Trade Bureau and the product name has been properly registered;

(3) Regulates nonintoxicating beer in the same manner as intoxicating liquor by removing all references to nonintoxicating beer as currently defined under Section 312.010, RSMo;

(4) Allows a restaurant bar without an onsite brewery that serves 45 or more different types of draft beer to sell 32 fluid ounces or more of beer to customers for consumption off the premises;

(5) Repeals the provisions allowing certain licensed liquor and wine wholesalers to offer limited price discounts for certain quantities of any brand and type of liquor and wine and for close-out merchandise;

(6) Repeals the requirement that wholesalers follow a monthly price schedule filed with the division supervisor;

(7) Requires wholesalers to make available to retailers certain product information, including price, no later than five days prior to the first day of the month in which the pricing will be effective. Supplemental pricing information can be provided for new or unintentionally omitted items, which can then be sold immediately;

(8) Authorizes wholesalers to offer merchandise below their cost only if it is designated as close-out merchandise in the monthly pricing information for at least six months and prohibits them

from purchasing new liquor and wine while it is designated as close-out merchandise;

(9) Requires delivery orders to be invoiced at the price in effect when the delivery is made, except for delayed shipments which can be invoiced at the price in effect when the order is placed. Currently, delayed shipment orders are those received during the last three business days of a month and delivered during the first three business days of the following month. The substitute changes those time periods from three to five days;

(10) Limits a business to having five liquor licenses rather than three; and

(11) Allows a business to employ a person who has been convicted of a felony unrelated to the manufacture or sale of intoxicating liquor. Currently, a business may not be granted or retain a liquor license if the business employs a person convicted of a felony who directly engages in the retail sale of liquor.

FISCAL NOTE: No impact on state funds in FY 2010, FY 2011, and FY 2012.

PROPONENTS: Supporters say that the bill allows wine manufacturers to label and manufacture wine for one another which is a common practice in the industry.

Testifying for the bill was Senator Griesheimer.

OPPONENTS: There was no opposition voiced to the committee.