SENATE SUBSTITUTE

FOR

SENATE COMMITTEE SUBSTITUTE

FOR

SENATE BILL NO. 197

AN ACT

To repeal sections 311.198 and 311.300, RSMo, and to enact in lieu thereof two new sections relating to intoxicating liquor.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

Section A. Sections 311.198 and 311.300, RSMo, are repealed
 and two new sections enacted in lieu thereof, to be known as
 sections 311.198 and 311.300, to read as follows:

4 311.198. 1. Notwithstanding any other provision of law, 5 rule, or regulation to the contrary, a brewer may lease to the 6 retail licensee and the retail licensee may accept portable refrigeration units at a total lease value equal to the cost of 7 8 the unit to the brewer plus two percent of the total lease value 9 as of the execution of the lease. Such portable refrigeration units shall remain the property of the brewer. The brewer may 10 11 also enter into lease agreements with wholesalers, who may enter into sublease agreements with retail licensees in which the value 12 13 contained in the sublease is equal to the unit cost to the brewer 14 plus two percent of the total lease value as of the execution of 15 the lease. If the lease agreement is with a wholesaler, the 16 portable refrigeration units shall become the property of the 17 wholesaler at the end of the lease period, which is to be defined

between the brewer and the wholesaler. A wholesaler may not 1 2 directly or indirectly fund the cost or maintenance of the portable refrigeration units. Brewers shall be responsible for 3 4 maintaining adequate records of retailer payments to be able to 5 verify fulfillment of lease agreements. No portable 6 refrigeration unit may exceed forty cubic feet in storage space. 7 A brewer may lease, or wholesaler may sublease, not more than one 8 portable refrigeration unit per retail location. Such portable 9 refrigeration unit may bear in a conspicuous manner substantial 10 advertising matter about a product or products of the brewer and shall be visible to consumers inside the retail outlet. 11 12 Notwithstanding any other provision of law, rule, regulation, or 13 lease to the contrary, the retail licensee is hereby authorized 14 to stock, display, and sell any product in and from the portable 15 refrigeration units. No dispensing equipment shall be attached 16 to a leased portable refrigeration unit, and no beer, wine, or 17 intoxicating liquor shall be dispensed directly from a leased portable refrigeration unit. Any brewer or wholesaler that 18 19 provides portable refrigeration units shall within thirty days 20 thereafter notify the division of alcohol and tobacco control on 21 forms designated by the division of the location, lease terms, 22 and total cubic storage space of the units. The division is 23 hereby given authority, including rulemaking authority, to 24 enforce this section and to ensure compliance by having access to 25 and copies of lease, payment, and portable refrigeration unit records and information. 26

27 2. Any lease or sublease executed under this section shall
28 not exceed five years in duration and shall not contain any

provision allowing for or requiring the automatic renewal of the lease or sublease.

3. Any rule or portion of a rule, as that term is defined 3 4 in section 536.010, that is created under the authority delegated 5 in this section shall become effective only if it complies with 6 and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are 7 8 nonseverable and if any of the powers vested with the general 9 assembly pursuant to chapter 536 to review, to delay the 10 effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking 11 12 authority and any rule proposed or adopted after January 1, 2017, 13 shall be invalid and void.

4. This section shall expire on January 1, [2020] <u>2026</u>.
Any lease or sublease executed under this section prior to
January 1, [2020] <u>2026</u>, shall remain in effect until the
expiration of such lease or sublease.

18 311.300. 1. Except as provided in [subsections 2, 3 and 4 19 of] this section, no person under the age of twenty-one years 20 shall sell or assist in the sale or dispensing of intoxicating 21 liquor.

22 2. In any place of business licensed in accordance with 23 section 311.200, persons at least eighteen years of age may 24 stock, arrange displays, operate the cash register or scanner 25 connected to a cash register and accept payment for, and sack for 26 carryout, intoxicating liquor. Delivery of intoxicating liquor 27 away from the licensed business premises cannot be performed by 28 anyone under the age of twenty-one years. Any licensee who

employs any person under the age of twenty-one years, as authorized by this subsection, shall, when at least fifty percent of the licensee's gross sales does not consist of nonalcoholic sales, have an employee twenty-one years of age or older on the licensed premises during all hours of operation.

6 3. In any distillery, warehouse, wholesale distributorship, 7 or similar place of business which stores or distributes 8 intoxicating liquor but which does not sell intoxicating liquor 9 at retail, persons at least eighteen years of age may be employed 10 and their duties may include the handling of intoxicating liquor 11 for all purposes except consumption, sale at retail, or 12 dispensing for consumption or sale at retail.

Any wholesaler licensed pursuant to this chapter may
employ persons of at least eighteen years of age to:

15 (1) Rotate, stock and arrange displays at retail
16 establishments licensed to sell intoxicating liquor; and

17 <u>(2) Unload delivery vehicles and transfer intoxicating</u>
18 liquor into retail licensed premises if such persons are
19 supervised by a delivery vehicle drivers who are twenty-one years
20 of age or older.

[4.] <u>5.</u> Persons eighteen years of age or older may, when acting in the capacity of a waiter or waitress, accept payment for or serve intoxicating liquor in places of business which sell food for consumption on the premises if at least fifty percent of all sales in those places consists of food; provided that nothing in this section shall authorize persons under twenty-one years of age to mix or serve across the bar intoxicating beverages.