

HCS HB 433 -- RETAILERS OF INTOXICATING LIQUOR (Cornejo)

COMMITTEE OF ORIGIN: Standing Committee on General Laws

This bill changes the law to allow manufacturers of beer and wine to offer consumer cash rebate coupons. Currently, only manufacturers of intoxicating liquor other than beer or wine can offer such coupons. The bill specifies that a wholesaler cannot directly or indirectly fund the cost of any cash rebate coupon provided by manufacturers of intoxicating liquor, beer, or wine.

The bill also authorizes retailers of intoxicating liquor or beer to offer and advertise coupons, premiums, prizes, rebates, and other promotional programs of any type to consumers as an inducement to purchase alcoholic or nonalcoholic merchandise, so long as no advertisement for intoxicating liquor or beer contains a price that is below the retailer's actual cost. The retailer must also assume the cost of the sale or discounted price. Retailers who offer a loyalty program for nonalcoholic merchandise or intoxicating liquor purchases must include all nonalcoholic merchandise or intoxicating liquors in the loyalty program and the rewards must be applied at the same rate for all nonalcoholic merchandise or intoxicating liquor purchases. The bill allows retainers to purchase, publish, or display advertisements of intoxicating liquors that list the amount of the rebate or discount and the retail price after the rebate or discount (Section 311.355 RSMo).

This bill makes changes to the law regarding wine direct shipper licenses. The bill requires a \$100 per year licensing fee. It also requires a winery located out of state to make monthly rather than yearly reports to the supervisor of Alcohol and Tobacco Control listing the total amount of wine shipped into the state. This bill requires an alcohol carrier license in order to transport and deliver shipments of intoxicating liquor directly to a resident of this state. The bill sets out certain requirements the alcohol carrier licensees need to meet, including obtaining the signature of a person at least 21 years of age as a condition of delivery. This bill specifies that intoxicating liquor can only be shipped from a wine direct shipper or licensed retailer. However, a retailer without an alcohol carrier license can deliver intoxicating liquor, except powdered alcohol, directly to a resident under certain circumstances. The bill requires anyone shipping or delivering powdered alcohol to a resident of this state for personal use to have an alcohol carrier license. The bill also adds powdered alcohol to the definition of intoxicating liquor used in state liquor control laws (Sections 311.020, 311.185, 311.186, and 311.187).

The bill states that beer and other malt liquors brewed, manufactured, and sold exclusively in this state do not need a certificate of label approval or any other inspection by the Alcohol and Tobacco Tax and Trade Bureau. Such products shall be under the sole supervision of the state liquor control which shall not require product samples prior to granting approval for sale (Section 311.510).

This bill requires the supervisor of Alcohol and Tobacco Control to approve or deny any application for primary American source of supply for any intoxicating liquor product within five working days following the receipt of the properly completed application. Any application that is not approved or denied within five working days shall be considered conditionally approved and the product may be solicited, sold, shipped, ordered, purchased, and received in Missouri (Section 311.275).

This bill allows certain additional goods related to the sale and use of alcohol, including ice buckets, napkin holders, and similar goods, to be distributed to retailers for use in promotion of sales. The dollar limit for the total value of product displays given or sold to alcohol retailers at any one time by distillers, wholesalers, winemakers, and brewers is raised from \$300 dollars per brand, per retail outlet, to \$500 dollars under this act. The dollar limit for the total value of all permanent point-of-sale advertising materials is also raised from \$500 dollars to \$800 dollars per year, per brand, per retail outlet. The replacement of similar permanent point-of-sale advertising materials does not apply towards the maximum of \$800 dollars. Certain restrictions and requirements are implemented under this bill relating to the giving or lending of alcohol vending equipment to retailers by solicitors, wholesalers, and brewers. These include removing distillers and winemakers from the categories of alcohol producers allowed to give or lend alcohol vending equipment to retailers, specifying that only nonrefrigeration beer may be dispensed, and altering the list of specific tools which may be used to dispense that beer. Currently, a broader list of such tools is permitted than is permitted under this bill. A deposit payment for such equipment is required if an equipment item is loaned for more than 10 days within a 30 day period. A complete record of equipment given, rented, sold, installed, and loaned, and repairs and services made to a retailer, is required for a period of not less than two years. Distillers, brewers, and winemakers are permitted to directly sell certain merchandise, as long as that merchandise meets certain criteria set forth in this act (Section 311.070).