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Indicates New Matter

AMENDED--NOT PRINTED IN THE HOUSE

Amt. No. 1A (Doc. Path 3512c001.bh.dg14)

May 14, 2014

**H. 3512**

Introduced by Reps. Quinn and J.E. Smith

S. Printed 5/7/14--S.

Read the first time April 9, 2013.

**A** **BILL**

TO AMEND SECTION 61‑6‑1560, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DISCOUNTS ON ALCOHOLIC LIQUORS OR NONALCOHOLIC ITEMS, SO AS TO ALLOW A RETAIL DEALER TO OFFER DISCOUNTS AT THE REGISTER THROUGH THE USE OF PREMIUMS, COUPONS, OR STAMPS, SO LONG AS THE COST RELATED TO THE DISCOUNT IS PROVIDED ONLY BY THE RETAIL DEALER AND IS NOT PROHIBITED BY FEDERAL LAW; AND TO AMEND SECTION 61‑6‑1500, RELATING TO RESTRICTIONS ON RETAIL DEALERS OF CERTAIN ALCOHOLIC PRODUCTS, SO AS TO PROHIBIT CERTAIN TRANSACTIONS TO ANOTHER RETAIL DEALER IN CERTAIN SITUATIONS, TO PROHIBIT CERTAIN TRANSACTIONS BETWEEN LOCATIONS OWNED BY THE SAME RETAIL DEALER, AND TO PROVIDE ADDITIONAL PENALTIES.

Amend Title To Conform

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 61‑6‑1560 of the 1976 Code is amended to read:

“Section 61‑6‑1650. (A) Notwithstanding any other provision of law, a retail dealer, wholesaler, or producer may offer discounts on alcoholic liquors or nonalcoholic items, listed in Section 61‑6‑1540(A), through the use of premiums, coupons, or stamps redeemable by mail.

(B) In addition to the provisions of subsection (A), a retail dealer may offer a discount on the sale of alcoholic liquor or nonalcoholic items, listed in Section 61‑6‑1540(A), at the register through the use of premiums, coupons, or stamps, so long as all costs related to the discount, including, but not limited to printing, redemption services, and the actual cost of the discount, are provided and borne only by the retail dealer and the discount is not prohibited by any federal law.”

SECTION 2. Section 61‑6‑1500 of the 1976 Code is amended to read:

“Section 61‑6‑1500. (A) A retail dealer may not:

(1) sell, barter, exchange, give, or offer for sale, barter, or exchange, or permit the sale, barter, exchange, or gift, of alcoholic liquors without regard to the size of the container:

(a) between the hours of 7:00 p.m. and 9:00 a.m.;

(b) for consumption on the premises;

(c) to a person under twenty‑one years of age;

(d) to an intoxicated person; ~~or~~

(e) to a mentally incompetent person; or

(f) to a person the retail dealer knows is another retail dealer, except as provided in Section 61‑6‑950 or between locations owned by the same retail dealer;

(2) permit the drinking of alcoholic liquors in his store or place of business;

(3) sell alcoholic liquors on credit; however, this item does not prohibit payment by electronic transfer of funds if:

(a) the transfer of funds is initiated by an irrevocable payment order on or before delivery of the alcoholic liquors; and

(b) the electronic transfer is initiated by the retailer no later than one business day after delivery; ~~or~~

(4) redeem proof‑of‑purchase certificates for any promotional item; or

(5) purchase, barter, exchange, receive, or offer to purchase, barter, exchange, receive or permit the purchase, barter, exchange, or receipt, of alcoholic liquors without regard to the size of the container from another retail dealer, except as provided in Section 61‑6‑950 or between locations owned by the same retail dealer.

However, during restricted hours a retail dealer is permitted to receive, stock, and inventory merchandise, provide for maintenance and repairs, and other necessary, related functions that do not involve the sale of alcoholic liquors.

(B)(1) It is unlawful for a person licensed to sell alcoholic liquors pursuant to the provisions of this section to knowingly and willfully refill, partially refill, or reuse a bottle of lawfully purchased alcoholic liquor, or otherwise tamper with the contents of the bottle.

(2) A person who violates the provisions of this section is guilty of a misdemeanor and, upon conviction:

(a) for a first offense, must be fined five hundred dollars or imprisoned for not more than thirty days, or both;

(b) for a second or subsequent offense, must be fined one thousand dollars or imprisoned not more than six months, or both.

(3) In addition to the penalties provided in subsection (B), a violation of this section may subject the licensee or permit holder to revocation or suspension of the license or permit by the department. A third or subsequent violation of subsection (A)(1)(f) within three years of the first violation must result in a mandatory suspension of the license or permit for a period of at least thirty days. A violation of subsection (A)(5) must result in a mandatory suspension of the license or permit for a period of at least thirty days.

(4) The possession of a refilled or reused bottle or other container of alcoholic liquors is prima facie evidence of a violation of this section. A person who violates this provision must, upon conviction, have his license revoked permanently.

(C) A retail dealer must keep a record of all sales of alcoholic liquors sold to establishments licensed for on‑premises consumption. The record must include the name of the purchaser and the date and quantity of the sale by brand and bottle size.

(D) It is unlawful to sell alcoholic liquors except during lawful hours of operation.”

SECTION 3. Subarticle 1, Article 3, Chapter 6, Title 61 of the 1976 Code is amended by adding:

“Section 61‑6‑195. The department must not issue or renew a retail dealer’s license until the applicant has certified that the applicant has not purchased and will not purchase alcoholic liquors from another person that does not hold a wholesaler’s license.”

SECTION 4. Section 61‑6‑1530 of the 1976 Code is amended by adding an appropriately numbered item at the end to read:

“( ) ‘The purchase of alcoholic liquors from this location by or on behalf of another retail dealer is unlawful and will result in the suspension of the purchaser’s retail dealer’s license’. The department must prescribe by regulation the size of the lettering and the location of the sign on the seller’s premises.”

SECTION 5. A. Section 61‑2‑90 of the 1976 Code is amended to read:

“Section 61‑2‑90. A person desiring a license or permit under this title must file with the department an application in writing on forms provided by the department containing a statement under oath setting forth:

(1) the name, address, date of birth, race, and nationality of the person applying for the license or permit;

(2) the exact location where the business is proposed to be operated;

(3) a description of the type of business to be operated;

(4) whether the applicant or an owner of the business has been involved in the sale of alcoholic liquors, beer, or wine in this or another state and whether ~~he~~ the applicant or owner has had a license or permit suspended or revoked; and

(5) ~~whether the applicant has been a legal resident of this State for at least thirty days before the date of application, and has maintained his principal place of abode in the State for at least thirty days before the date of application;~~

~~(6)~~ other information required by the department to determine if the application meets all statutory requirements for the license or permit and to determine the true owners of the business seeking the license or permit.”

B. Article 17, Chapter 4, Title 61 of the 1976 Code is amended to read:

“Article 17

Brewpubs

Section 61‑4‑1700. For purposes of this article:

(1) ‘Brewpub’ means a tavern, public house, restaurant, or hotel which produces on the permitted premises a maximum of ~~two~~ five hundred thousand barrels a year of beer for sale to consumers, wholesalers, or exporters on the permitted premises.

(2) ‘Permitted premises’ means those areas normally used by the permittee or licensee to conduct his business and includes, but is not limited to, the selling areas, brewing areas, storage areas, food preparation areas, and parking areas.

(3) ‘Person’ means an individual, partnership, corporation, or other form of business organization.

Section 61‑4‑1710. The department may issue a brewpub permit to a person to operate a brewpub in this State subject to the requirements of this chapter and the payment of a biennial brewpub permit fee of two thousand dollars.

Section 61‑4‑1720. The brewpub permit provided for in this article is in lieu of a permit required for the manufacture of beer or sale of beer and wine including, but not limited to, a brewer’s and retailer’s permit. The sale of alcoholic liquors for consumption on the premises by the drink requires an appropriate license which may be issued to the holder of a brewpub permit who meets all other qualifications for the license under this title.

Section 61‑4‑1730. Beer brewed on a permitted premises pursuant to this article must be taxed as provided in Section 12‑21‑1035. The permittee shall maintain adequate records as determined by the department to ensure the collection of this tax.

Section 61‑4‑1740. A brewpub permit authorizes the holder to:

(1) produce on the permitted premises a maximum of ~~two~~ five hundred thousand barrels of beer a year ~~of beer~~ for sale:

(a) on draft for consumption on the permitted premises;

(b) in a sanitary container ~~brought to the premises by the purchaser and~~ filled at the tap by the permittee at the time of sale; ~~and~~

(c) in bottles and cans for consumption by the purchaser off the premises; and

(d) in kegs, bottles, and cans to a wholesaler;

(2) sell the beer of a producer ~~which~~ that has been purchased from a wholesaler through the normal three‑tier distribution chain set forth in Section 61‑4‑940;

(3) serve food or otherwise be qualified as a public eating establishment. This provision may not be construed to exempt a permittee or licensee from the requirement that food must be served in order for a license for the consumption of alcoholic liquors on the premises to be issued; and

(4) sell beer produced on the permitted premises to wholesalers licensed under Chapter 4, Title 61; however, beer produced on the permitted premises shall be sold to exporters and nonresident wholesalers only when the purchase is not for resale in this State.

Section 61‑4‑1750. No person holding a brewpub permit ~~may~~ shall sell beer, ale, porter, or other similar malt or fermented beverages on draft, on tap, from kegs, or from other containers unless approved by the rules and regulations of the Department of Health and Environmental Control governing eating and drinking establishments and other retail food establishments, if the brewpub permittee is subject to those rules and regulations.

Section 61‑4‑1760. ~~No brewpub permittee may sell or ship the beer produced on the permitted premises for sale in another location.~~ Reserved.

Section 61‑4‑1770. The department may suspend or revoke the permit or license of a person who violates the provisions of this article.”

C. Notwithstanding the general effective date of this act, this SECTION takes effect upon approval by the Governor.

SECTION 6. A. Section 61‑6‑4160 of the 1976 Code is amended to read:

“Section 61‑6‑4160. It is unlawful to sell alcoholic liquors on Sunday except as authorized by law, on ~~statewide election days~~ Christmas Day, or during periods proclaimed by the Governor in the interest of law and order or public morals and decorum. Full authority to proclaim these periods is conferred upon the Governor in addition to all his other powers. A person who violates a provision of this section is guilty of a misdemeanor and, upon conviction, must be punished as follows:

(a) for a first offense, by a fine of two hundred dollars or imprisonment for sixty days;

(b) for a second offense, by a fine of one thousand dollars or imprisonment for one year; and

(c) for a third or subsequent offense, by a fine of two thousand dollars or imprisonment for two years.”

B. This SECTION takes effect upon approval by the Governor.

SECTION 7. This act takes effect July 1, 2014

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