

The House Committee on Regulated Industries offers the following substitute to HB 1066:

A BILL TO BE ENTITLED  
AN ACT

To amend Title 3 of the Official Code of Georgia Annotated, relating to alcoholic beverages, so as to change certain provisions relating to alcoholic beverage licenses; to provide for staggered renewal dates for certain licenses; to revise certain provisions relating to sales of alcoholic beverages near churches, school buildings, and other sites; to declare certain distilled spirits to be contraband if not acquired from certain licensees; to establish an annual occupational license tax upon special event applicants; to provide for related matters; to provide for an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

Title 3 of the Official Code of Georgia Annotated, relating to alcoholic beverages, is amended by revising Code Section 3-2-7, relating to the expiration and renewal of licenses generally, continuation of operations by licensee pending final approval or disapproval of application for renewal, penalty for late application for renewal, and temporary permits, as follows:

"3-2-7.

(a)(1) Except as otherwise specifically provided in paragraph (2) of this subsection or elsewhere in this title, all licenses issued pursuant to this title shall expire on December 31 of each year and application for renewal shall be made annually on or before November 1.

(2) On and after July 1, 2013, licenses for retailers and retail dealers shall be issued for a 12 month period to be determined by the commissioner and provided by regulation. Applications for renewal of licenses for retailers and retail dealers shall be made not less than 60 nor more than 90 days prior to expiration.

(b) Any licensee making proper application, with all supporting documents, for a license to operate during the following ~~calendar~~ year and having filed the application prior to ~~November 1~~ the renewal date specified in subsection (a) of this Code section shall be

permitted to continue to operate pending final approval or disapproval of the licensee's application for the following year if final approval or disapproval is not granted prior to ~~January 1~~ the day in which the license is set to expire. The effective date and the expiration date of the license shall be clearly marked on the license.

(c) Any person holding any license issued pursuant to this title who fails to file a proper application for a similar license for the following year, with the proper fee accompanying the application, on or before ~~January 1~~ the renewal date specified in subsection (a) of this Code section and who files an application after ~~January 1~~ such date shall be required to pay, in addition to the license taxes imposed by this title, an additional amount equal to one-half the amount required for the license for which application is made.

(d) Persons making initial applications for licenses issued pursuant to this title, after properly filing all required documents, including a valid local license, may be authorized by the commissioner to operate pursuant to a temporary permit which shall be issued under such regulations and in such form as the commissioner may deem appropriate. No right or property shall vest in any applicant by virtue of the issuance of such permit. The commissioner may impose a prelicense investigative fee upon persons making initial application for licenses issued pursuant to this title, which fee shall not exceed \$100.00. No such fee shall be refundable."

## SECTION 2.

Said title is further amended by revising Code Section 3-3-21, relating to sales of alcoholic beverages near churches, school buildings, or other sites, as follows:

"3-3-21.

(a)(1) No person knowingly and intentionally may sell or offer to sell:

(A) Any distilled spirits in or within 100 yards of any church building or within 200 yards of any school building, educational building, school grounds, or college campus;

(B) Any wine or malt beverages within 100 yards of any school building, school grounds, or college campus. This subparagraph shall not apply at any location for which a license has been issued prior to July 1, 1981, nor to the renewal of such license. Nor shall this subparagraph apply at any location for which a new license is applied for if the sale of wine and beer was lawful at such location at any time during the 12 months immediately preceding such application; or

(C) Any distilled spirits, wine, or malt beverages within 100 yards of an alcoholic treatment center owned and operated by this state or any county or municipal government therein. This paragraph shall not apply to any business having a license in effect on July 1, 1981.

(2) As used in this subsection, the term 'school building' or 'educational building' shall apply only to state, county, city, or church school buildings and to such buildings at such other schools in which are taught subjects commonly taught in the common schools and colleges of this state and which are public schools or private schools as defined in subsection (b) of Code Section 20-2-690.

(b) Nothing contained in this Code section shall prohibit the licensing of the sale or distribution of alcoholic beverages by:

(1) Hotels of 50 rooms or more which have been in continuous operation for a period of at least five years preceding July 1, 1981;

(2) Bona fide private clubs, owning their own homes, subject to licensing under Chapter 7 of this title; and

(3) Licensees for the retail sale of alcoholic beverages for consumption on the premises only who shall be subject to regulation as to distances from ~~churches, schools, and colleges~~ church buildings, school buildings, educational buildings, school grounds, and college campuses by counties and municipalities.

(c)(1) For purposes of this Code section, distances shall be measured by the most direct route of travel on the ground to be measured as follows:

(A) From the property line of the tract on which is located the business regulated under this title;

(B) To the property line of the tract on which is located the church building, school building, educational building, school grounds, or college campus; and

(C) Along a straight line which describes the shortest distance between the two property lines, regardless of obstacles.

(2) No license in effect on June 30, 2012, shall be revoked before its date of expiration by reason of the method of measurement set out in this subsection if the license was granted in reliance on another method of measurement. No application for a license or for a renewal shall be denied by reason of the method of measurement set out in this subsection if the application is for premises for which a license was granted prior to June 30, 2012, in reliance on another method of measurement.

~~(d)(1) In counties having a population of not less than 175,000 nor more than 195,000, according to the United States decennial census of 1970 or any future such census, the distances provided in subparagraph (a)(1)(A) of this Code section for separation of businesses licensed under this title from churches and schools shall be measured as follows:~~

~~(A) From the property line of the tract on which is located the business regulated under this title;~~

~~(B) To the property line of the tract on which is located the church, school ground, or college campus; and~~

~~(C) Along a straight line which describes the shortest distance between the two property lines.~~

~~(2) No license in effect on April 13, 1979, shall be revoked before its date of expiration by reason of the method of measurement set out in this subsection if the license was granted in reliance on another method of measurement. No application for a license or for a renewal shall be denied by reason of the method of measurement set out in this subsection if the application is for premises for which a license was granted prior to April 13, 1979, in reliance on another method of measurement.~~

~~(e)(1)(d)(1)~~ As used in this subsection, the term 'housing authority property' means any property containing 300 housing units or fewer owned or operated by a housing authority created by Article 1 of Chapter 3 of Title 8, the 'Housing Authorities Law.'

(2) No person knowingly and intentionally may sell any alcoholic beverages for consumption on the premises within 100 yards of any housing authority property. This subsection shall not apply at any location for which a license has been issued prior to July 1, 2000, nor to the renewal of such license. Nor shall this subsection apply at any location for which a new license is applied for if the sale of alcoholic beverages for consumption on the premises was lawful at such location at any time during the 12 months immediately preceding such application."

### SECTION 3.

Said title is further amended by revising Code Section 3-4-20, relating to the levy and amount of state occupational license tax, as follows:

"3-4-20.

(a) An annual occupational license tax is imposed upon each distiller, manufacturer, broker, importer, wholesaler, fruit grower, and retail dealer of distilled spirits in this state, as follows:

(1) Upon each distiller and manufacturer	\$ 1,000.00
(2) Upon each wholesale dealer	1,000.00
(3) Upon each importer	1,000.00
(4) Upon each fruit grower	500.00
(5) Upon each broker	100.00
(6) Upon each retail dealer	100.00
(7) Upon each special event use permit applicant	100.00

(b) An annual occupational license tax shall be paid for each place of business operated. An application for the applicable license required pursuant to this title along with the payment of the tax required by subsection (a) of this Code section shall be submitted to the department immediately upon assuming control of the place of business and annually thereafter for so long as the business is operated."

#### SECTION 4.

Said title is further amended by revising Code Section 3-4-111, relating to sale by wholesalers to licensees and purchases by licensees from wholesalers, as follows:

"3-4-111.

(a) Those persons who are duly licensed as wholesalers of distilled spirits under this title may sell distilled spirits at wholesale prices to any person or persons licensed as provided in this article. Persons licensed under this article may purchase distilled spirits from a licensed wholesaler at wholesale prices.

(b) Any distilled spirits possessed, sold, or offered for sale by a retail dealer or retail consumption dealer which are purchased or otherwise acquired from any person other than a wholesale dealer authorized to do business under this chapter are declared to be contraband and shall be seized and disposed of by the commissioner in the manner provided in this title."

#### SECTION 5.

Said title is further amended by revising Code Section 3-4-111.1, relating to occupational license tax upon retail consumption dealers and bond required of applicants for a retail consumption dealer's license, as follows:

"3-4-111.1.

(a) An annual occupational license tax in the amount of \$100.00 is imposed upon each retail consumption dealer in this state.

~~(b) Every applicant for a retail consumption dealer's license shall file with the commissioner, along with each application, a bond conditioned to pay all sums which may become due by the applicant to this state as taxes, license fees, or otherwise by reason of or incident to the operation of the business for which licensure is sought and conditioned in order to pay all penalties which may be imposed upon the applicant for failure to comply with the laws, rules, and regulations pertaining to distilled spirits. Surety for the bond shall be a surety company licensed to do business in this state and the bond shall be in such form as may be required by the commissioner. Such bond shall be in the amount of \$2,500.00. The annual occupational license tax shall be paid for each place of business operated. An application for a retail consumption dealer's license required pursuant to this title along~~

with the payment of the tax required by subsection (a) of this Code section shall be submitted to the department immediately upon assuming control of the place of business and annually thereafter for so long as the business is operated."

## SECTION 6.

Said title is further amended by revising Code Section 3-5-20, relating to levy and amount of state occupational license tax, as follows:

"3-5-20.

(a) An annual occupational license tax is imposed upon each brewer, manufacturer, broker, importer, wholesaler, and retail dealer of beer in this state, as follows:

(1) Upon each brewer . . . . .	\$ 1,000.00
(2) Upon each wholesale dealer . . . . .	500.00
(3) Upon each importer . . . . .	500.00
(4) Upon each broker . . . . .	50.00
(5) Upon each retail dealer . . . . .	50.00
(6) Upon each brewpub operator . . . . .	1,000.00
(7) <u>Upon each special event use permit applicant . . . . .</u>	<u>50.00</u>

~~(b) The tax provided in this Code section shall be paid on each place of business operated and shall be paid to the commissioner when the licensee enters business and annually thereafter so long as the business is operated and conducted.~~ An annual occupational license tax shall be paid for each place of business operated. An application for the applicable license required pursuant to this title along with the payment of the tax required by subsection (a) of this Code section shall be submitted to the department immediately upon assuming control of the place of business and annually thereafter for so long as the business is operated."

## SECTION 7.

Said title is further amended by revising Code Section 3-6-20, relating to levy and amount of tax, as follows:

"3-6-20.

(a) An annual occupational license tax is imposed upon each winery, manufacturer, broker, importer, wholesaler, and retail dealer of wine in this state, as follows:

(1) Upon each winery and manufacturer . . . . .	\$ 1,000.00
(2) Upon each wholesale dealer . . . . .	500.00
(3) Upon each importer . . . . .	500.00
(4) Upon each broker . . . . .	50.00

201 (5) Upon each retail dealer ..... 50.00  
202 (6) Upon each special event use permit applicant ..... 50.00  
203 (b) An annual occupational license tax shall be paid for each place of business operated.  
204 An application for the applicable license required pursuant to this title along with the  
205 payment of the tax required by subsection (a) of this Code section shall be submitted to the  
206 department immediately upon assuming control of the place of business and annually  
207 thereafter for so long as the business is operated."

208 **SECTION 8.**

209 Said title is further amended by adding a new chapter to read as follows:

210 "CHAPTER 14

211 3-14-1.

212 The commissioner may issue a special event use permit for the sale of alcoholic beverages  
213 for certain events which would otherwise require a retailer or retail dealers license. The  
214 commissioner shall specify by rule or regulation the events that shall qualify for a special  
215 event use permit; provided, however, that estate sales, the sale of inventory authorized  
216 under a bankruptcy proceeding, and activities that are similar in nature shall so qualify.  
217 Such permit shall not be valid for more than ten days."

218 **SECTION 9.**

219 This Act shall become effective on July 1, 2012.

220 **SECTION 10.**

221 All laws and parts of laws in conflict with this Act are repealed.