

House Bill 126

By: Representative Carpenter of the 4th

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 3 of the Official Code of Georgia Annotated, relating to alcoholic beverages,
2 so as to provide for the sale or distribution of alcoholic beverages purchased from designated
3 retail dealers by small businesses; to provide for the license and regulation of such small
4 businesses; to provide for the designation of retail dealers by such small businesses; to
5 provide for record keeping and reports; to provide for the transportation of alcoholic
6 beverages purchased from designated retail dealers by small businesses; to provide
7 requirements relating to the sale of alcoholic beverages to small businesses; to provide for
8 rules and regulations; to provide for penalties; to provide for related matters; to repeal
9 conflicting laws; and for other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

11 **SECTION 1.**

12 Title 3 of the Official Code of Georgia Annotated, relating to alcoholic beverages, is
13 amended by adding a new chapter to read as follows:

"CHAPTER 16

3-16-1.

As used in this chapter, the term:

(1) 'Alcoholic beverages' means distilled spirits, malt beverages, and wines.

(2) 'Small business' means a business enterprise whose gross annual revenue from the sale of alcoholic beverages does not:

(1) Exceed \$250,000.00; and

(2) Constitute more than 25 percent of such business enterprise's gross annual revenue from all sources.

3-16-2.

(a) Notwithstanding any other provision of this title to the contrary and subject to the requirements of this chapter, in all counties or municipalities in which the sale of alcoholic beverages is lawful, the commissioner may authorize a small business to sell or otherwise distribute alcoholic beverages purchased from retail dealers for consumption on the premises of such small business.

(b) All alcoholic beverages sold or otherwise distributed by a small business under this chapter shall be purchased from a retail dealer that is designated by such small business as provided in paragraph (1) of Code Section 3-16-3 and that is located in the same municipality or, if not within a municipality, the same county in which the location of the small business where such small business will sell or distribute such alcoholic beverages is located.

3-16-3.

In order for a small business to be authorized to sell or distribute alcoholic beverages purchased from retail dealers under this chapter, such small business shall be required to:

(1) Submit an application to the department in a form and manner as the commissioner may prescribe, which application shall include the name of the small business, the name or names of the owner or owners of such small business, the physical address of the location where the small business will sell or distribute such alcoholic beverages, the total gross revenue the small business received from the sale of alcoholic beverages in the prior calendar year, the total revenue the small business received from all sources in the prior calendar year, and the names and physical addresses of no more than three retail dealers designated by such small business from which such small business will purchase alcoholic beverages along with a signed statement from such retail dealers indicating that they consent to such designation;

(2) Provide satisfactory reports to the commissioner on forms provided by the department stating the quantity of any and all alcoholic beverages purchased from a designated retail dealer and such other information as may be required by the commissioner;

(3) Maintain accurate records, which shall be made available to the department upon request, relating to:

(A) Any and all alcoholic beverages purchased by such small business from a designated retail dealer;

(B) Any and all alcoholic beverages sold or distributed by such small business; and

(C) The revenue received by such small business from all sources; and

(4) Pay to the department an annual registration fee in an amount determined by the commissioner, which shall not exceed \$300.00.

3-16-4.

(a) The commissioner shall issue to each small business authorized to sell or otherwise distribute alcoholic beverages purchased from retail dealers under this chapter a license, which shall be renewed annually.

(b) A separate license under this chapter shall be required for each location of a small business where such small business sells or otherwise distributes alcoholic beverages purchased from retail dealers.

3-16-5.

(a) Notwithstanding any other provision of this title to the contrary and subject to the requirements of this Code section, a small business, or agent thereof, that is authorized to sell or otherwise distribute alcoholic beverages purchased from retail dealers under this chapter shall be authorized to purchase from a retail dealer designated by such owner as provided in paragraph (1) of Code Section 3-16-3 alcoholic beverages for resale or distribution for consumption on the premises of such small business that is identified in the application submitted by such small business pursuant to paragraph (1) of Code Section 3-16-3 and to transport such alcoholic beverages from such retail dealer to such premises.

(b) When purchasing alcoholic beverages from a retail dealer as authorized under this chapter, the small business, or agent thereof, shall present to the retail dealer, at the time of purchase, a valid license issued by the commissioner pursuant to Code Section 3-16-4.

(c) Each retail dealer designated by a small business as provided in paragraph (1) of Code Section 3-16-3 shall maintain accurate records of any and all alcoholic beverages sold to such small business and make such records available to the department upon request.

3-16-6.

The commissioner shall promulgate and enforce such rules and regulations as he or she may deem reasonable and necessary to effectuate the provisions of this chapter.

3-16-7.

(a)(1) Unless otherwise authorized by law, it shall be unlawful for a small business or agent thereof to:

88 (A) Purchase alcoholic beverages from a retail dealer without a valid license issued
89 pursuant to this chapter;

90 (B) Sell or otherwise distribute alcoholic beverages purchased from a retail dealer
91 without a valid license issued pursuant to this chapter;

92 (C) Purchase alcoholic beverages from a retail dealer that is not designated by such
93 small business as provided in paragraph (1) of Code Section 3-16-3; or

94 (D) Otherwise fail to comply with the provisions of this chapter or any rule or
95 regulation promulgated thereunder.

96 (2) Any person who knowingly violates any provision of paragraph (1) of this subsection
97 shall be guilty of a misdemeanor.

98 (3) In addition to the commissioner's power to suspend, revoke, or cancel licenses,
99 permits, or registrations issued pursuant to this chapter, upon a violation of paragraph (1)
100 of this subsection or any rule or regulation promulgated under this chapter by a small
101 business authorized to sell or distribute alcoholic beverages purchased from retail dealers
102 under this chapter, the commissioner shall have the power to impose on such small
103 business a fine not to exceed \$500.00 for each violation and may suspend for up to 30
104 days for each violation the authorization of such small business to sell or otherwise
105 distribute alcoholic beverages purchased from retail dealers. For purposes of this
106 paragraph, any such violation committed by an employee or agent of a small business
107 shall be attributable to and deemed to be an act taken by such small business.

108 (b) In addition to the commissioner's power to suspend, revoke, or cancel licenses, permits,
109 or registrations issued pursuant to this title, upon a violation of subsection (c) of Code
110 Section 3-16-5 or any rule or regulation promulgated under this chapter by a retail dealer,
111 the commissioner shall have the power to impose on such retail dealer a fine not to exceed
112 \$500.00 for each violation. For purposes of this subsection, any such violation committed
113 by an employee or agent of a retail dealer shall be attributable to and deemed to be an act
114 taken by such retail dealer."

115

SECTION 2.

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