

SECOND REGULAR SESSION

SENATE BILL NO. 1240

94TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR DEMPSEY.

Read 1st time February 27, 2008, and ordered printed.

TERRY L. SPIELER, Secretary.

5333S.011

AN ACT

To repeal sections 311.332, 311.334, 311.335, 311.336, 311.338, and 311.490, RSMo, and to enact in lieu thereof three new sections relating to liquor control, with penalty provisions.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 311.332, 311.334, 311.335, 311.336, 311.338, and
2 311.490, RSMo, are repealed and three new sections enacted in lieu thereof, to be
3 known as sections 311.332, 311.338, and 311.490, to read as follows:

311.332. 1. [Except as provided in subsections 2 and 3 of this section,] It
2 shall be unlawful for any wholesaler licensed to sell intoxicating liquor and wine
3 containing alcohol in excess of five percent by weight to persons duly licensed to
4 sell such intoxicating liquor and wine at retail, to discriminate between retailers
5 or in favor of or against any retailer or group of retailers, directly or indirectly,
6 in price, in discounts for time of payment, or in discounts on quantity of
7 merchandise sold, or to grant directly or indirectly any discount, rebate, free
8 goods, allowance or other inducement[, excepting a discount not in excess of one
9 percent for quantity of liquor and wine, and a discount not in excess of one
10 percent for payment on or before a certain date]. The delivery of manufacturer
11 rebate coupons by wholesalers to retailers shall not be a violation of this
12 subsection.

13 2. [Except as provided in subsection 3 of this section, any wholesaler
14 licensed to sell intoxicating liquor and wine containing alcohol in excess of five
15 percent by weight to persons duly licensed to sell such intoxicating liquor and
16 wine at retail may offer a price reduction of not more than four percent of the
17 wholesaler's price schedule for any brand, age, proof, and size bottle or

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

18 package. Such price reduction shall apply for a thirty-day period, shall not be
19 offered by any wholesaler more than three times in any calendar year, and shall
20 not be offered during successive months.

21 3. Any wholesaler licensed to sell intoxicating liquor and wine containing
22 alcohol in excess of five percent by weight to persons duly licensed to sell such
23 intoxicating liquor and wine at retail may offer a price reduction of more than
24 four percent of the scheduled price on close-out merchandise. "Close-out
25 merchandise" is any item which has been in the wholesaler's inventory for more
26 than six months. The price of close-out merchandise may be decreased, but shall
27 not be increased, monthly for up to and including twelve consecutive months. A
28 wholesaler shall not purchase any item of intoxicating liquor or wine of the same
29 year and vintage the wholesaler has classified as close-out merchandise during
30 the period of such classification. A wholesaler shall not purchase, sell, or offer
31 to sell any item of intoxicating liquor or wine of the same year and vintage the
32 wholesaler has classified as close-out merchandise until twenty-four months have
33 elapsed since the wholesaler's last offer to sell the item as close-out merchandise.

34 4.] Manufacturers or wholesalers shall be permitted to donate or deliver
35 or cause to be delivered beer, wine, brandy, or nonintoxicating beer for nonresale
36 purposes to any unlicensed person or any licensed retail dealer who is a
37 charitable or religious organization as defined in section 313.005, RSMo, or
38 educational institution, at any location or licensed premises, provided, such beer,
39 wine, brandy, or nonintoxicating beer is unrelated to the organization's or
40 institution's licensed retail operation. A charge for admission to an event or
41 activity at which beer, wine, brandy, or nonintoxicating beer is available without
42 separate charge shall not constitute resale for the purposes of this
43 subsection. Wine used in religious ceremonies may be sold by wholesalers to a
44 religious organization as defined in section 313.005, RSMo. Any manufacturer
45 or wholesaler providing nonresale items shall keep a record of any deliveries
46 made pursuant to this subsection.

47 [5.] 3. Manufacturers, wholesalers, retailers and unlicensed persons may
48 donate wine in the original package to a charitable or religious organization as
49 defined in section 313.005, RSMo, or educational institution for the sole purpose
50 of being auctioned by the organization or institution for fund-raising purposes,
51 provided the auction takes place on a retail-licensed premises and all proceeds
52 from the sale go into a fund of an organization or institution that is unrelated to
53 any licensed retail operation.

311.338. Any person violating any provisions of [sections] **section**
2 311.332 [to 311.336] shall be deemed guilty of a misdemeanor, and it shall be the
3 duty of the supervisor of liquor control to suspend or revoke the license of any
4 wholesaler violating any of the provisions of [sections] **section** 311.332 [to
5 311.336].

311.490. No person, partnership or corporation engaged in the brewing,
2 manufacture or sale of beer as defined, in this chapter, or other intoxicating malt
3 liquor, shall use in the manufacture or brewing thereof, or shall sell any such
4 beer or other intoxicating malt liquor which contains ingredients not in
5 compliance with the following standards:

6 (1) Beer shall be brewed from malt or a malt substitute, which only
7 includes rice, grain of any kind, bean, glucose, sugar, and molasses. Honey, fruit,
8 fruit juices, fruit concentrate, herbs, spices, and other food materials may be used
9 as adjuncts in fermenting beer;

10 (2) Flavor and other nonbeverage ingredients containing alcohol may be
11 used in producing beer, but may contribute to no more than forty-nine percent of
12 the overall alcohol content of the finished beer. In the case of beer with an
13 alcohol content of more than six percent by volume, no more than one and
14 one-half percent of the volume of the beer may consist of alcohol derived from
15 added flavors and other nonbeverage ingredients containing alcohol; and

16 (3) Beer, intoxicating malt liquor, and malt beverages, as defined in this
17 section, shall not be subject to the requirements of [subsections] **subsection 1** [,
18 2, and 3] of section 311.332 and [sections 311.334 to] **section** 311.338.

[311.334. No intoxicating liquor and wine of any kind shall
2 be sold by a wholesaler to a retailer duly licensed to sell
3 intoxicating liquor and wine at retail, or purchased by a wholesaler
4 for a retailer or by a retailer through a wholesaler, unless a
5 schedule as provided by this section shall be filed by the wholesaler
6 with the supervisor of liquor control and is then in effect. The
7 schedule shall be in writing, duly verified and filed in the number
8 of copies and in such form as required by the supervisor, and shall
9 contain with respect to each item thereon the exact brand or trade
10 name, capacity of package, nature of contents, age and proof, the
11 per bottle and per case price to retailers, the number of bottles
12 contained in each case, and the size thereof, which prices shall be
13 individual for each item, and not in "combination" with any other

14 item or items, the discounts for quantity, if any, and the discounts
15 for time of payment, if any.]

[311.335. 1. Any wholesaler licensed to sell intoxicating
2 liquor and wine containing alcohol in excess of five percent by
3 weight pursuant to chapter 311 shall ship and deliver intoxicating
4 liquor and wine to a retailer in the amount for which the scheduled
5 price set forth on the invoice is in effect.

6 2. Such wholesaler licensed to sell intoxicating liquor and
7 wine containing alcohol in excess of five percent by weight shall not
8 take an order for delivery in a month subsequent to the month in
9 which the order is taken, provided that on and after the date on
10 which amended price schedules are filed with the supervisor of
11 liquor control, orders may be taken for delivery in the following
12 month at the price in effect for that following month and provided,
13 further, that for any order received within the last three business
14 days of a month, the wholesaler may, with the consent of the
15 retailer placing such order or upon the request of the retailer
16 placing such order, deliver such order to the retailer within the
17 first three business days of the month following the month in which
18 the order was received by such wholesaler at the price in effect for
19 the month in which the order was placed. Such order received
20 within the last three business days of a month and delivered within
21 the first three business days of the subsequent month shall be
22 known as a "delayed shipment". A delayed shipment shall be
23 deemed delivered on the last business day of the month in which
24 the order was received for purposes of implementing and enforcing
25 rules and regulations of the supervisor of liquor control relating to
26 invoicing, discounts and ordinary commercial credit terms.

27 3. Any wholesaler licensed to sell intoxicating liquor or
28 wine containing alcohol in excess of five percent by weight violating
29 any provision of this section shall be subject to, and punished
30 pursuant to, the penalties and provisions of section 311.680.]

[311.336. Each such schedule shall be filed on or before the
2 tenth day of each month, and the prices and discounts therein set
3 forth shall become effective on the first day of the calendar month
4 following the filing thereof, and shall be in effect for and during

5 such calendar month. Within ten days after the filing of such
6 schedule the supervisor shall make all of such schedules or a
7 composite thereof available for inspection by all wholesale
8 licensees. Within three days, excluding Sundays, after such
9 inspection is provided for, a wholesaler may amend his filed
10 schedule for sales to a retailer, or purchase for a retailer or by a
11 retailer through a wholesaler in order to meet lower competing
12 prices and discounts for liquor or wine of the same brand and trade
13 name and of like age and quality, filed pursuant to this section or
14 section 311.334 by any licensee selling such brand; provided,
15 however, such amended prices may not be lower and discounts not
16 greater than those to be met. Any amended schedule so filed shall
17 become effective on the first day of the calendar month following
18 the filing thereof, and shall be in effect for and during such
19 calendar month. No brand of liquor or wine shall be sold or
20 purchased for a retailer by a wholesaler or by a retailer through a
21 wholesaler except at the price or prices then in effect according to
22 the wholesaler's filed schedule, and no discount shall be granted
23 except as set forth in the schedule then in effect. All schedules
24 filed shall be subject to public inspection from the time that they
25 are required to be made available for inspection by licensees and
26 shall not be in any manner considered confidential. Each
27 wholesaler shall retain in his licensed premises for inspection by
28 licensees a copy of his filed schedules then in effect. The
29 supervisor of liquor control may make such rules and regulations
30 as shall be appropriate to carry out the purpose of this section and
31 sections 311.332 and 311.334.]

Section B. If any provision of section 311.332 or the application thereof
2 to anyone or to any circumstance is held invalid, the remainder of section 311.332
3 and the application of such provisions to others or other circumstances shall not
4 be affected thereby.

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