

SECOND REGULAR SESSION

# SENATE BILL NO. 826

94TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR JUSTUS.

Pre-filed December 1, 2007, and ordered printed.

TERRY L. SPIELER, Secretary.

3381S.011

## AN ACT

To repeal section 311.060, RSMo, and to enact in lieu thereof one new section relating to liquor licenses.

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

Section A. Section 311.060, RSMo, is repealed and one new section  
2 enacted in lieu thereof, to be known as section 311.060, to read as follows:

311.060. 1. No person shall be granted a license hereunder unless such  
2 person is of good moral character and a qualified legal voter and a taxpaying  
3 citizen of the county, town, city or village, nor shall any corporation be granted  
4 a license hereunder unless the managing officer of such corporation is of good  
5 moral character and a qualified legal voter and taxpaying citizen of the county,  
6 town, city or village; and no person shall be granted a license or permit hereunder  
7 whose license as such dealer has been revoked, or who has been convicted, since  
8 the ratification of the twenty-first amendment to the Constitution of the United  
9 States, of a violation of the provisions of any law applicable to the manufacture  
10 or sale of intoxicating liquor, or who employs in his business as such dealer, any  
11 person whose license has been revoked or who has been convicted of violating  
12 such law since the date aforesaid; provided, that nothing in this section contained  
13 shall prevent the issuance of licenses to nonresidents of Missouri or foreign  
14 corporations for the privilege of selling to duly licensed wholesalers and soliciting  
15 orders for the sale of intoxicating liquors to, by or through a duly licensed  
16 wholesaler, within this state.

17 2. (1) No person, partnership or corporation shall be qualified for a  
18 license under this law if such person, any member of such partnership, or such  
19 corporation, or any officer, director, or any stockholder owning, legally or

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

20 beneficially, directly or indirectly, ten percent or more of the stock of such  
21 corporation, or other financial interest therein, or ten percent or more of the  
22 interest in the business for which the person, partnership or corporation is  
23 licensed, or any person employed in the business licensed under this law shall  
24 have had a license revoked under this law or shall have been convicted of  
25 violating the provisions of any law applicable to the manufacture or sale of  
26 intoxicating liquor since the ratification of the twenty-first amendment to the  
27 Constitution of the United States, or shall not be a person of good moral  
28 character.

29 (2) No license issued under this chapter or chapter 312, RSMo, shall be  
30 denied, suspended, revoked or otherwise affected based solely on the fact that an  
31 employee of the licensee has been convicted of a felony unrelated to the  
32 manufacture or sale of intoxicating liquor [so long as any such employee does not  
33 directly participate in retail sales of intoxicating liquor]. Each employer shall  
34 report the identity of any employee convicted of a felony to the division of liquor  
35 control. The division of liquor control shall promulgate rules to enforce the  
36 provisions of this subdivision. **Such rules may include provisions regarding**  
37 **categories of offenders and offenses and the types of employment and**  
38 **activities within licensed establishments in which different categories**  
39 **of offenders may engage.**

40 (3) No wholesaler license shall be issued to a corporation for the sale of  
41 intoxicating liquor containing alcohol in excess of five percent by weight, except  
42 to a resident corporation as defined in this section.

43 3. A "resident corporation" is defined to be a corporation incorporated  
44 under the laws of this state, all the officers and directors of which, and all the  
45 stockholders, who legally and beneficially own or control sixty percent or more of  
46 the stock in amount and in voting rights, shall be qualified legal voters and  
47 taxpaying citizens of the county and municipality in which they reside and who  
48 shall have been bona fide residents of the state for a period of three years  
49 continuously immediately prior to the date of filing of application for a license,  
50 provided that a stockholder need not be a voter or a taxpayer, and all the resident  
51 stockholders of which shall own, legally and beneficially, at least sixty percent of  
52 all the financial interest in the business to be licensed under this law; provided,  
53 that no corporation, licensed under the provisions of this law on January 1, 1947,  
54 nor any corporation succeeding to the business of a corporation licensed on  
55 January 1, 1947, as a result of a tax-free reorganization coming within the

56 provisions of Section 112, United States Internal Revenue Code, shall be  
57 disqualified by reason of the new requirements herein, except corporations  
58 engaged in the manufacture of alcoholic beverages containing alcohol in excess  
59 of five percent by weight, or owned or controlled, directly or indirectly, by  
60 nonresident persons, partnerships or corporations engaged in the manufacture of  
61 alcoholic beverages containing alcohol in excess of five percent by weight.

62 4. The term "financial interest" as used in this chapter is defined to mean  
63 all interest, legal or beneficial, direct or indirect, in the capital devoted to the  
64 licensed enterprise and all such interest in the net profits of the enterprise, after  
65 the payment of reasonable and necessary operating business expenses and taxes,  
66 including interest in dividends, preferred dividends, interest and profits, directly  
67 or indirectly paid as compensation for, or in consideration of interest in, or for use  
68 of, the capital devoted to the enterprise, or for property or money advanced,  
69 loaned or otherwise made available to the enterprise, except by way of ordinary  
70 commercial credit or bona fide bank credit not in excess of credit customarily  
71 granted by banking institutions, whether paid as dividends, interest or profits,  
72 or in the guise of royalties, commissions, salaries, or any other form whatsoever.

73 5. The supervisor shall by regulation require all applicants for licenses to  
74 file written statements, under oath, containing the information reasonably  
75 required to administer this section. Statements by applicants for licenses as  
76 wholesalers and retailers shall set out, with other information required, full  
77 information concerning the residence of all persons financially interested in the  
78 business to be licensed as required by regulation. All material changes in the  
79 information filed shall be promptly reported to the supervisor.

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