~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

March 6, 2013

**H. 3512**

Introduced by Reps. Quinn and J.E. Smith

S. Printed 3/6/13--H.

Read the first time February 7, 2013.

**THE COMMITTEE ON JUDICIARY**

To whom was referred a Bill (H. 3512) 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, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, by striking all after the enacting words and inserting:

/ 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. This act takes effect upon approval by the Governor. /

Renumber sections to conform.

Amend title to conform.

F. GREGORY DELLENEY, JR. for Committee.

**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.

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 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 a sale of alcoholic liquor or nonalcoholic items 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 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.

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.

(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. This act takes effect upon approval by the Governor.

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