HLS 14RS-682 ORIGINAL

Regular Session, 2014

HOUSE BILL NO. 281

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BY REPRESENTATIVE LEGER

ALCOHOLIC BEVERAGES: Provides relative to the regulation of craft breweries

1 AN ACT 2 To amend and reenact R.S. 26:2(11) and 241(10) and to repeal R.S. 26:85.1 and 273(C), 3 relative to the regulation of craft breweries; to provide for definitions; to provide for 4 certain requirements relative to manufacturers or brewers of certain alcoholic 5 beverages; and to provide for related matters. 6 Be it enacted by the Legislature of Louisiana: 7 Section 1. R.S. 26:2(11) and 241(10) are hereby amended and reenacted to read as 8 follows: 9 §2. Definitions 10 11 (11) "Manufacturer" means any person, other than a wine producer, who 12 personally or through any agent whatever engages in the making, blending, 13 rectifying, or processing of any alcoholic beverage in Louisiana; engages in the 14 making, blending, rectifying, or processing any alcoholic beverage outside Louisiana 15 for sale in Louisiana; or engages in the business of supplying alcoholic beverages to 16 licensed wholesale dealers in Louisiana. A manufacturer who engages in the

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making, blending, rectifying, or processing of any alcoholic beverage in a facility

located entirely in the state of Louisiana may sell only its products made, blended,

rectified, or processed at that facility to the public only at that facility for

consumption on or off the premises but not for resale. The total amount of such sales

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

to the public for any given month shall not exceed one case per person each thirty-day period. Any manufacturer who sells their products to the public pursuant to this Paragraph shall remit all state and parish or municipal sales and excise taxes to the proper sales or excise tax collecting authority for all products sold to the public. All products sold to the public pursuant to this Paragraph shall be sold at a price no less than the minimum price retail dealers in the immediate area of the manufacturing facility would have to charge. A manufacturer who sells their products to the public pursuant to this Paragraph shall obtain a state health permit authorizing such sales to the public and shall comply with all local zoning laws and regulations. No person under the age of eighteen shall be allowed in the area of the manufacturing facility where alcoholic beverages are sold for consumption on the premises.

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§241. Definitions

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(10) "Manufacturer or brewer" means any person who, directly or indirectly, personally or through any agency, person, or establishment, engages in the making, blending, rectifying, brewing, or other processing of alcoholic beverages in Louisiana or outside the state for shipments to licensed wholesale dealers within the state subject to the provisions of R.S. 26:364. A manufacturer or brewer who operates a brewing facility located entirely in the state of Louisiana may sell only its products brewed at that facility to the public only at that facility for consumption on or off the premises but not for resale. The total amount of such sales to the public for any given month shall not exceed ten percent of the total amount of product brewed at that facility for that month or two hundred fifty barrels, whichever is greater. Any manufacturer or brewer who sells their products to the public pursuant to this Paragraph shall remit all state and parish or municipal sales and excise taxes to the proper sales or excise tax collecting authority for all products sold to the public. All products sold to the public pursuant to this Paragraph shall be at a price no less than the minimum price retail dealers in the immediate area of the brewing

facility would have to charge. A manufacturer or brewer who sells their products to
the public pursuant to this Paragraph shall obtain a state health permit authorizing
such sales to the public and shall comply with all local zoning laws and regulations.

No person under the age of eighteen shall be allowed in the brewing facility where
alcoholic beverages are sold for consumption on the premises.

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Section 2. R.S. 26:85.1 and 273(C) are hereby repealed in their entirety.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Leger HB No. 281

Abstract: Provides for amendments to provisions regarding the regulation of craft breweries.

<u>Present law</u> defines "manufacturer" to mean any person, other than a wine producer, who personally or through an agent engages in the making, blending, rectifying, or processing of any alcoholic beverage in La. or outside of La. for sale in La. or engages in the business of supplying alcoholic beverages to licensed wholesale dealers in La.

<u>Proposed law</u> retains <u>present law</u> and adds that a manufacturer may only sell products made, blended, rectified, or processed at its facility to the public at its facility for consumption on or off the premises but not for resale and the total amount of sales to the public for any month shall not exceed one case per person each 30-day period.

<u>Present law</u> provides for the definition of "manufacturer or brewer" to mean any person who, directly or indirectly, personally or through any agency, person, or establishment, engages in the making, blending, rectifying, brewing, or other processing of alcoholic beverages in La. or outside for shipments to licensed wholesale dealers within the state subject to provisions of law relative to enforcement of any shipment into this state of any alcoholic beverage.

<u>Proposed law</u> retains <u>present law</u> and adds that a manufacturer or brewer who operates a brewing facility located entirely in La. may sell only its products brewed at that facility to the public only at that facility for consumption on or off the premises but not for resale. The total amount of sales to the public for any month shall not exceed 10% of the total amount of product brewed at that facility for that month or 250 barrels, whichever is greater.

<u>Proposed law</u> provides that a "manufacturer" and "manufacturer or brewer" shall remit all sales and taxes to the proper sales or tax collecting authority for all products sold to the public at a price no less than the minimum price retail dealers in the immediate area are required to charge. A "manufacturer" and "manufacturer or brewer" shall obtain a state health permit authorizing sales to the public and shall comply with all local zoning laws and regulations. No person under 18 years of age shall be allowed in the brewing facility where alcoholic beverages are sold for consumption.

<u>Present law</u> provides that the commissioner may issue a Class A-General retail permit or a Class B Retail Liquor Permit, or both, to any person, provided the person complies with certain provisions of <u>present law</u> and meets certain requirements, who holds a valid manufacturer's permit issued by the state of La.

Proposed law repeals present law.

<u>Present law</u> provides that the commissioner may issue a Class A retail permit to any person lawfully engaged in the brewing of beer and other malt beverages and whose brewing facility is entirely located in La. Such permit only authorizes the holder to sell its brewed product for consumption on or off the licensed premises and restricts the total amount of sales for any given month not exceeding 10% of the total amount of all beverages produced on the premises for that month.

Proposed law repeals present law.

(Amends R.S. 26:2(11) and 241(10); Repeals R.S. 85.1 and 273(C))