

GREEN SHEET REDIGEST

HB 233

2015 Regular Session

Adams

(KEYWORD, SUMMARY, AND DIGEST as amended by Senate committee amendments)

**ALCOHOLIC BEVERAGES: Authorizes the permitting and operation of microdistilleries in Louisiana**

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DIGEST

**Abstract:** Establishes a microdistillery permit for holders of a Retailers Class A permit and provides relative to fees and permit requirements.

Present law provides for definitions relative to alcoholic beverages.

Proposed law retains present law and adds definitions for the following:

- (1) "Microdistiller" means any person who operates a microdistillery.
- (2) "Microdistillery" means a retail outlet where a microdistiller engages in the distilling, making, blending, rectifying, or processing of any alcoholic beverage in La. in quantities of not more than 12,000 gallons per year for retail sale and consumption on or off the licensed premises.

Proposed law establishes a microdistiller permit of \$1,000, authorizes the holder of a Retailers Class A permit to obtain such permit, and further provides that alcoholic beverages sold by a microdistiller are taxed at the same rate and in the same manner as all other alcoholic beverages.

Proposed law prohibits the holder of a microdistiller permit from selling the manufactured beverages at wholesale or to any wholesale dealer or from selling to any other licensed retail dealer.

Proposed law authorizes a microdistiller to reuse alcoholic beverage containers in connection with distilling and bottling operations.

Proposed law requires a microdistiller to obtain approval from the state fire marshal prior to distilling operations.

Present law provides requirements to be considered a restaurant establishment for the purposes of issuing "R" permits for liquor licenses.

Proposed law retains present law and requires a restaurant establishment to no less than 500 square feet dedicated to the exclusive use of the applicant's or licensee's business. Proposed law authorizes the commissioner to waive the requirement for any building listed as a historic building on an official registry or located withing an officially designated historic district.

Proposed law authorizes the commissioner to waive all state application fees or provide an equal credit to an applicant's account when a permit is not issued within three business days of receipt of a fully and properly completed application.

Present law provides relative to the content requirements of an application for permit.

Proposed law retains present law except that it removes requirement that the original and renewal application be accompanied by a signed sales tax clearance from the collection agency in the parish which is required to be processed within seven days and removes

relative provisions of present law regarding the authority for the commissioner to withhold the permit.

Present law provides relative to the submission requirements for applications.

Proposed law retains present law and further requires the commissioner to verify that the applicant does not owe any delinquent sale taxes, penalties, or interest to the political subdivision in which the business is located. Also authorizes the commissioner to waive state application fees or provide an equal credit to an applicant's account when a permit is not issued within three business days of receipt of a fully and properly completed application.

Present law provides relative to qualifications of applicants for permits.

Proposed law retains present law and extends the prohibition of being convicted or having a judgment of court rendered against a client involving the service of alcoholic beverages.

Present law provides exceptions relative to the distribution through wholesalers for alcoholic beverages produced or manufactured inside or outside the state.

Proposed law retains present law and extends the exception to microdistilleries.

Present law requires the commissioner to annually conduct random, unannounced inspections at locations where tobacco products are sold or distributed.

Proposed law retains present law and further requires the commissioner to annually conduct random, unannounced inspections at locations where alcoholic beverages, alternative nicotine, vapor products, or tobacco products are sold, served, or distributed.

Present law authorizes persons under the age of eighteen to be enlisted by employees of the office of alcohol and tobacco control to test compliance, but such persons may be used only if the testing is conducted under the direct supervision of such employees and written parental consent has been provided.

Proposed law retains present law but requires parental consent only if the person is under eighteen years of age.

Present law requires any person under the age of eighteen to either carry the person's own identification showing the person's correct date of birth or carry no identification.

Proposed law requires any person under the age of eighteen or twenty-one to either carry the person's own identification showing the person's correct date of birth or carry no identification.

Present law requires an undercover operative to present their identification when requested by a seller of server and to truthfully answer any questions about the person's age.

Proposed law provides, except where expressly authorized in writing by the commissioner in furtherance of the objectives of law any other use of persons under the age of eighteen or twenty-one to test compliance with the provisions of law or any other prohibition of like or similar import shall be unlawful and the person or persons responsible for such use shall be subject to the penalties prescribed in present law.

(Amends R.S. 26:2(13-24), 71(A)(3)(d), 71.1(4)(a), 73(C)(1)(e), 78(A), 79, 80(A)(8), 86, 142, 271.2(4)(a), 272(C)(1)(e), 278(A), 279, 280(A)(8), 283, and 793(C)(1); Adds R.S. 26:2(25) and (26), 71(A)(3)(e), and 71.3)

#### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Judiciary to the original bill:

1. Make technical changes.
2. Authorize microdistillers of low and high alcoholic content to reuse alcoholic beverage containers in distilling and bottling operations.
3. Require the microdistiller of low and high alcoholic content to obtain approval from the fire marshal prior to distilling operations.
4. Remove provisions relative to requirements to submit a sales tax clearance with an original or renewal application for low and high alcoholic content permits and the related provisions requiring the commissioner to withhold the permit.
5. Provide an exception for microdistillers regarding the production or manufacturing of alcoholic beverages produced or manufactured inside or outside the state.
6. Require the commissioner to verify that an applicant of a low and high alcoholic content permit does not owe the political subdivision in which the business is located any delinquent taxes, penalties, or interest.

#### Summary of Amendments Adopted by Senate

##### Committee Amendments Proposed by Senate Committee on Judiciary B to the reengrossed bill

1. Adds provisions authorizing the commissioner to waive certain square footage requirements for restaurants located in historic buildings on an official registry or located within an officially designated historic district.
2. Adds provisions authorizing the commissioner to waive all state application fees or provide an equal credit to an applicant's account when a permit is not issued within three business days of receipt of a fully and properly completed application.
3. Adds provisions relative to the usage of undercover operatives under the age of eighteen or twenty-one to ensure compliance with laws prohibiting the sale or service of alcoholic beverage, tobacco, alternative nicotine, or vapor products to underage persons.