HLS 15RS-942 ENGROSSED

2015 Regular Session

HOUSE BILL NO. 232

1

BY REPRESENTATIVE ARNOLD

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

ALCOHOLIC BEVERAGES: Provides relative to the regulation of alcohol manufacturers

AN ACT

2	To amend and reenact R.S. 26:2(12) and 241(10), (11), and (12) and to repeal R.S. 26:85.1
3	and 273(C), relative to the regulation of alcohol manufacturers and brewers; to
4	authorize manufacturers and brewers to sell certain quantities of alcoholic beverages
5	at their facilities; to require the remission of sales and excise taxes for the sale of
6	certain products by manufacturers; to require manufacturers to obtain a state health
7	permit; to repeal provisions of law relative to the issuance of certain retail permits;
8	to provide for definitions; and to provide for related matters.
9	Be it enacted by the Legislature of Louisiana:
10	Section 1. R.S. 26:2(12) and 241(10), (11), and (12) are hereby amended and
11	reenacted to read as follows:
12	§2. Definitions
13	For purposes of this Chapter, the following terms have the respective
14	meanings ascribed to them in this Section, unless a different meaning clearly appears
15	from the context:
16	* * *
17	(12) "Manufacturer" means any person, other than a wine producer, who
18	personally or through any agent whatever engages in the making, blending,
19	rectifying, or processing of any alcoholic beverage in Louisiana; engages in the

Page 1 of 4

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making, blending, rectifying, or processing any alcoholic beverage outside Louisiana for sale in Louisiana; or engages in the business of supplying alcoholic beverages to licensed wholesale dealers in Louisiana. A manufacturer who engages in the making, blending, rectifying, or processing of any alcoholic beverage in a facility entirely located in the state of Louisiana may sell or serve only those products that are 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 to the public for any given month shall not exceed one case per person for each thirty-day period. Any manufacturer who sells its products to the public pursuant to this Paragraph shall remit all state and parish or municipal sales and excise taxes to the proper tax collecting authority for all products sold to the public.

A manufacturer who sells or serves its products to the public pursuant to this Paragraph, shall comply with all local zoning laws and regulations.

* * *

§241. Definitions

The following terms have the respective meanings ascribed to them except in those instances where the context indicates a different meaning:

18 * * *

(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 entirely located in the state of Louisiana may sell or serve only those 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 monthly or two hundred fifty barrels, whichever is greater. Any manufacturer or brewer who sells its products to the public pursuant

1 to this Paragraph shall remit all state and parish or municipal sales and excise taxes to the proper tax collecting authority for all products sold to the public. A 2 manufacturer or brewer who sells or serves its products to the public pursuant to this 3 4 Paragraph, shall comply with all local zoning laws and regulations. (11) "Microbrewer" means any person who, directly or indirectly, personally 5 or through any agency, engages in the making, blending, rectifying, or other 6 7 processing of beer or other malt beverages for retail sale in an amount not to exceed 8 twelve thousand five hundred barrels per year. 9 (12) Microbrewery" means an a retail establishment wherein beer and other 10 malt beverages are brewed in small quantities, not to exceed twelve thousand five 11 hundred barrels per year, and where such beverages are sold at retail for consumption 12 on or off the licensed premises at retail. 13 14 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)]

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Abstract: Authorizes manufacturers for low and high alcoholic content beverages and brewers for low alcoholic content beverages to sell certain quantities of these beverages at the facility where they are manufactured or brewed.

<u>Present law</u> provides for the definition of "manufacturer" of high alcoholic content beverages to include any person other than a producer of wine who engages in the making, blending, rectifying or processing of any alcoholic beverage in or outside La. for sale only in La. or supplying alcoholic beverages to licensed wholesale dealers in La.

<u>Present law</u> provides for the definition of "manufacturer or brewer" for low alcoholic content beverages to include a person who manufactures alcoholic beverages in or outside of La. for shipments to licensed wholesale dealers in the state.

<u>Proposed law</u> retains <u>present law</u>, and adds to the definitions authorization for a manufacturer who manufactures any alcoholic beverage in a facility that is located entirely in the state to sell or serve only at that facility to the public for consumption on or off the premises but not for resale.

<u>Proposed law</u> requires that the sale to the public not exceed one case per person for each 30-day period for high alcoholic content and not exceed 10% of the total amount of product brewed monthly or 250 barrels or whichever is greater for low alcoholic content beverages.

Page 3 of 4

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<u>Proposed law</u> requires the manufacturer or brewer to remit all state and parish or municipal sales and excise taxes to the proper authority for all products sold to the public and further requires compliance with local zoning laws and regulations.

<u>Present law</u> authorizes the commissioner to issue a Class A-General retail permit or a Class B Retail liquor permit or both to any person who holds a valid manufacturer's permit for a portion of the manufacturer's business premises where the alcoholic beverage is manufactured, and further requires the manufacturer to comply with certain qualification provisions.

Proposed law repeals present law.

<u>Present law</u> authorizes the commissioner to issue a Class A retail permit to any person who brews beer and other malt beverages and the brewing facility is located entirely in the state and the product may be sold for consumption on or off the premises not exceed 10% of total production for that month and further provides for exemptions relative to the permit.

Proposed law repeals present law.

<u>Present law</u> provides for the definition of "microbrewer" to mean a person who makes, blends, rectifies, or processes beer or other malt beverages for sale.

Proposed law retains present law and clarifies that the beverages are for retail sale.

<u>Present law</u> provides for the definition of "microbrewery" to mean an establishment where beer and malt beverages are brewed in small quantities and sold on or off the licensed premises at retail.

<u>Proposed law</u> retains <u>present law</u> and clarifies that the microbrewery is a retail establishment where the beverages are sold at retail for consumption on the licensed premises.

(Amends RS. 26:2(12) and 241(10), (11), and (12); Repeals R.S. 26:85.1 and 273(C))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by <u>House Committee on Judiciary</u> to the <u>original</u> bill:

1. Amend the definitions of "microbrewer" and "microbrewery" to clarify that the beverages are for retail sale at a retail establishment where the beverages are sold at retail for consumption on or off the licensed premises.