DIGEST

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HB 667 Engrossed

2016 Regular Session

Reynolds

Abstract: Provides for the sale of sparkling wine or still wine when a La. consumer is on the premises of the wine manufacturer or producer.

<u>Present law</u> allows wine manufacturers or producers to ship directly to consumers in La. when certain conditions are satisfied. Provides that <u>present law</u> does not include the sale of wine perfected on the premises of the producer or manufacturer and completed by shipment to a consumer in La.

<u>Proposed law</u> provides that the <u>present law</u> prohibition does not include the sale of wine if the sale is perfected when the La. consumer is physically present on the producer or manufacturer's premises and the wine bears a registered label that it not assigned to a La. licensed wholesaler. Authorizes the commissioner of alcohol and tobacco control to promulgate rules to govern the direct shipment of wine.

<u>Present law</u> requires wine producers, manufacturers, and retailers domiciled outside of La. to register with the office of alcohol and tobacco control prior to shipping wine directly to a La. consumer.

<u>Proposed law</u> requires those retailers to apply for a permit to engage in direct shipment, and provides for an annual permit fee of \$1,500. Requires those producers and manufacturers to apply for such a permit and provides for an annual fee of \$250.

<u>Present law</u> provides for the filing of a quarterly statement with the Dept. of Revenue indicating the amount of wine shipped directly to La. consumers.

<u>Proposed law</u> changes this requirement to a monthly statement, due on the 20th day of each month.

<u>Present law</u> provides for civil penalties up to \$25,000 for the transportation of wine in violation of present law.

<u>Proposed law</u> provides that violators shall be subject to the <u>present law</u> civil penalty, the seizure of sparkling or still wine, or both.

Effective July 1, 2016.

(Amends R.S. 26:359(B)(1)(h) and (i), (2) and (3), (C), (D), (E), and (F); Adds R.S. 26:359(B)(4))

Summary of Amendments Adopted by House

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

- 1. Amends the conditions in which wine may be shipped directly to La. consumers, and authorizes the commissioner to promulgate rules governing the sale and shipment of wine directly to La. consumers.
- 2. Requires wine producers, manufacturers, and retailers to obtain a permit prior to selling or shipping wine directly to La. consumers, and provides for permit fees.
- 3. Changes the requirements regarding the filing of certain statements with the Dept. of Revenue.
- 4. Provides that persons transporting wine in violation of the law shall be subject to the <u>present law</u> civil penalty, the seizure of wine, or both.
- 5. Adds an effective date of July 1, 2016.