AN ACT

To amend and reenact R.S. 26:359(A) and to enact R.S. 26:241(27) through (29), 242, 243, and 271(A)(7), relative to the Alcoholic Beverage Control Law; to provide for definitions; to provide relative to the distribution of certain alcoholic beverages; to provide for self-distribution; to provide for limitations; to provide relative to permit fees; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1.  R.S. 26:359(A) is hereby amended and reenacted and R.S. 26:241(27) through (29), 242, 243, and 271(A)(7) are hereby enacted to read as follows:

§ 241. Definitions

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

*          *          *

(27) "Brewing facility" means an establishment that brews beer and other malt beverages for the primary purpose of selling the brewed product for resale and that is authorized to sell or serve to the public beer or other malt beverages brewed at the facility for consumption on- or off-the-licensed premises pursuant to and subject to the limitations in Paragraph (15) of this Section.

(28) "Self-distribution" means distribution by a brewer who operates a brewing facility entirely located in the state of Louisiana to a retailer holding a Class A permit issued pursuant to R.S. 26:71.1 or 271.2, a Class B permit issued pursuant to R.S. 26:71 or 271, a Class C permit issued pursuant to R.S. 26:71.2 or 271.3, or a Type A, B, or C temporary alcoholic beverage permit issued pursuant to R.S. 26:793.
(29) "Secondary location" means a permitted brewing facility that is owned wholly by a brewer who operates two brewing facilities entirely located in the state of Louisiana.

§242. Self-distribution

A. Notwithstanding any provision of law to the contrary, a brewer who operates a brewing facility located entirely in the state of Louisiana that produces less than five thousand barrels of beer or other malt beverages annually at the brewing facility and holds both an in-state manufacturer's permit and a brewer's self-distribution permit issued pursuant to R.S. 26:271 may self-distribute to the following:

(1) A secondary location wholly owned by the brewer holding the self-distribution permit.

(2) A retailer holding a Class A permit issued pursuant to R.S. 26:71.1 or 271.2, a Class B permit issued pursuant to R.S. 26:71 or 271, a Class C permit issued pursuant to R.S. 26:71.2 or 271.3, or a Type A, B, or C temporary alcoholic beverage permit issued pursuant to R.S. 26:793.

B. A brewer who operates a brewing facility located entirely in the state of Louisiana may obtain a permit to self-distribute beer or other malt beverages brewed at its brewing facility under the following conditions:

(1)(a) The quantity of beer brewed at the brewing facility that is self-distributed to a secondary location shall be included in the quantity limitations for selling products for on- or off-the-premises consumption in R.S. 26:241(15) for the producing brewing facility and shall not exceed an amount greater than fifty percent of the secondary location facility's production of beer for the previous month.

(b) If a brewer self-distributes to a secondary location, the brewing facility at which the beer is produced shall maintain no less than a ten-barrel brewing system and the secondary location shall maintain no less than a five-barrel brewing system.

(2) If a brewer self-distributes to retailers the following shall apply:

(a) No more than three thousand barrels of beer brewed at the brewing facility may be self-distributed to all retailers annually.

CODING: Words in struck through type are deletions from existing law; words underscored are additions.
(b) The product shall be offered at a standard price to all retailers.

(3) The brewer or brewing facility does not have an existing distribution
agreement with a permitted wholesale dealer.

(4) The brewer or brewing facility owns or leases warehouse space that shall
be maintained separate from the brewing facility.

(5) The brewer or brewing facility owns or leases delivery equipment
dedicated for the primary use of distribution and delivery of only those products
brewed at the brewing facility.

(6) The brewer shall remit all state sales and excise taxes on all beer or other
malt beverages produced at its brewing facility that is self-distributed to a secondary
location. The secondary location shall remit all parish or municipal sales and excise
taxes on any amount received through self-distribution by the brewer to the proper
tax collecting authority for all products sold to the public.

(7) The brewer or brewing facility shall provide a monthly report of all sales
from the brewing facility and all sales from self-distribution to the office of alcohol
and tobacco control.

C. A brewing facility may enter into a distribution agreement with a
permitted wholesale dealer or make application for a self-distribution permit.
However, no brewing facility shall distribute through the permitted wholesale dealer
and self-distribution.

D. Any brewing facility that engages in self-distribution shall be subject to
LAC Title 55, Part VII.

§243. Transfer

Notwithstanding any provision of law to the contrary, a brewer who operates
a brewing facility located entirely within the state of Louisiana and who holds an in-
state manufacturer's permit may use a wholesaler, for a set fee, to transfer beer or
other malt beverages brewed at the brewing facility to another brewing facility in the
state owned wholly by the brewer to sell or serve to the public for consumption on-
or off-the-licensed premises under the following circumstances:
(1) A transferring brewing facility shall maintain no less than a ten-barrel brewing system. A receiving brewing facility owned wholly by the transferring brewing facility shall maintain no less than a five-barrel brewing system.

(2) The quantity of beer transferred shall be included in the quantity limitation for selling products by a brewer to the public for on- or off-the-licensed premises consumption in R.S. 26:241(15) for the brewing facility receiving the transferred beer.

(3) The quantity of beer transferred shall not exceed an amount greater than fifty percent of the receiving brewing facility's production of beer for the previous month.

(4) The receiving brewing facility shall remit all state and parish or municipal sales and excise taxes to the proper tax collecting authority for all products received and sold to the public.

§271. Permits required; fees

A. Before engaging in the business of dealing in malt beverages or beverages of low alcoholic content, all manufacturers, wholesale and retail dealers, and microbrewers shall obtain from the commissioner, according to established rules and regulations, a permit to conduct each separate manufacturing, wholesale, retail, or microbrewery business and shall pay for each permit a fee not to exceed the amounts provided for in the following schedule and in accordance with regulations promulgated pursuant to the provisions of the Administrative Procedure Act for each year the permit is valid:

*   *   *

(7) Brewers engaged in self-distribution—one thousand five hundred dollars.

*   *   *

§359. Distribution of alcoholic beverages through wholesalers only

A. Except as provided in Subsection B of this Section and R.S. 26:242 and 271.1, no alcoholic beverages as defined in R.S. 26:241 produced or manufactured inside or outside of this state shall be sold or offered for sale in Louisiana, or shipped...
or transported into or within the state, except to the holder of a wholesaler's permit.

Delivery of alcoholic beverages produced or manufactured inside or outside of this state shall be made at the place of business of the wholesaler shown on the wholesaler's permit, and must be received and warehoused by the wholesaler at that place of business, where such alcoholic beverages shall come to rest before delivery is made to any retailer.

* * *

Section 2. The Louisiana State Law Institute is hereby authorized and directed to arrange in alphabetical order and renumber the definitions provided in R.S. 26:241.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: ____________________

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