DIGEST

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HB 370 Engrossed

2022 Regular Session

Magee

Abstract: Provides for the self-distribution of beer and malt beverages under certain conditions.

Present law (R.S. 26:241) provides for definitions for alcohol beverage control and taxation.

<u>Present law</u> defines "manufacturer or brewer" and limits sales to the public for any given month to not exceed 10% of the total amount of product brewed at that facility monthly or 250 fifty barrels, whichever is greater.

Proposed law repeals the limitations of present law.

<u>Present law</u> requires a manufacturer or brewer who sells its products to the public to remit all state and parish or municipal sales and excise taxes to the proper tax collecting authority for all products sold to the public.

Proposed law repeals present law.

<u>Present law</u> requires a manufacturer or brewer who sells or serves its products to the public to comply with all local zoning laws and regulations.

Proposed law repeals present law.

<u>Proposed law</u> amends the definition of "manufacturer or brewer" and provides definitions for "brewing facility" and "self-distribution".

<u>Proposed law</u> provides requirements for self-distribution. Brewers who produce less than 93,000 gallons of beer annually may self-distribute up to 46,500 gallons of the 250 barrels allowed pursuant to present law (R.S. 26:241) to retailers with certain Class A, Class B, and Class C permits.

Proposed law provides that brewers may self-distribute if the following conditions are met:

- (1) The brewer obtains a permit to self-distribute only products brewed on site from the commissioner.
- (2) The brewer does not have an existing distribution agreement with a permitted wholesale dealer.

- (3) The brewer owns or leases warehouse space that is maintained separately from the brewing facility.
- (4) The brewer owns or leases delivery equipment dedicated for the primary use of distributing products brewed at the brewing facility.
- (5) The brewer self-distributes products at a standard price to all retailers.
- (6) The brewer provides a monthly sales report to the office of alcohol and tobacco control.
- (7) Any brewer that engages in self-distribution shall be subject to the rules and regulations contained in LAC Title 55, Part VII.

<u>Present law</u> (LAC Title 55, Part VII) provides for rules and regulations regarding alcohol and tobacco control in the Louisiana Administrative Code.

<u>Present law</u> provides a fee schedule for those engaged in the business of dealing in malt beverages or beverages of low alcoholic content.

<u>Proposed law</u> retains <u>present law</u> and adds that brewers engaged in self-distribution shall pay a \$1,500 permit fee.

(Amends R.S. 26:241(15); Adds R.S. 26:241(27) and (28), 242, and 271(A)(7))

Summary of Amendments Adopted by House

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

- 1. Delete <u>present law</u> provisions relative to limitations on sales of products brewed at a facility and to requirements to submit sales and excise taxes and comply with local zoning laws and regulations.
- 2. Redefine "brewing facility".
- 3. Remove <u>proposed law</u> requirement of the office of alcohol and tobacco to produce monthly reports.
- 4. Increase the self-distribution permit fee from \$1,000 to \$1,500.