

2023 Regular Session

HOUSE BILL NO. 524

BY REPRESENTATIVES LACOMBE, ADAMS, FISHER, GAINES, LARVADAIN, AND ROMERO

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

ALCOHOLIC BEVERAGES: Provides relative to distilleries

1 AN ACT

2 To amend and reenact R.S. 26:142 and to enact R.S. 26:2(35), (36), and (37), 71(A)(1)(c),
3 82.1, and 90.1, relative to alcoholic beverages; to provide relative to the definitions
4 of distilling, manufacturing distiller, manufacturing distillery, and self-distribution;
5 to provide for self-distribution of alcoholic beverages of high alcoholic content; to
6 provide relative to permit fees; to provide for limitations; to authorize manufacturing
7 distillers to host contracted private events at manufacturing distilleries; and to
8 provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 26:142 is hereby amended and reenacted and R.S. 26:2(35), (36), and
11 (37), 71(A)(1)(c), 82.1, and 90.1 are hereby enacted 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 (35) "Distill, distilling, and distilled" means the process of producing liquor
18 by distillation through one or more stills located at a licensed premises as part of a

1 distiller's process of engaging in the material and essential aspects of manufacturing
2 such distilled spirits for human consumption.

3 (36) "Manufacturing distillery" or "manufacturing distiller" means any
4 person who personally or through any agent whatever engages in the distilling of any
5 alcoholic beverage in Louisiana; engages in the distilling of any alcoholic beverage
6 outside Louisiana for sale in Louisiana; or engages in the business of supplying
7 distilled alcoholic beverages to licensed wholesale dealers in Louisiana.

8 (37) "Self-distribution" means distribution by a manufacturing distiller who
9 operates a manufacturing distillery entirely located in the state of Louisiana to a
10 retailer holding a Class A permit issued pursuant to R.S. 26:71.1, a Class B permit
11 issued pursuant to R.S. 26:71, or a Class C permit issued pursuant to R.S. 26:71.2.

12 * * *

13 §71. Permits required; fees; exception

14 A. Except as provided in Subsections B and C of this Section, before
15 engaging in the business of manufacturing, supplying, or dealing in alcoholic
16 beverages, all persons shall obtain from the commissioner, according to established
17 rules and regulations, a permit to conduct each separate business and shall pay the
18 commissioner a fee not to exceed the amounts provided for in the following schedule
19 and in accordance with regulations promulgated pursuant to the provisions of the
20 Administrative Procedure Act for each year the permit is valid:

21 (1)

22 * * *

23 (c) Manufacturing distillers engaged in self-distribution - one thousand five
24 hundred dollars.

25 * * *

1 §82.1. Self-distribution

2 A. Notwithstanding any provision of law to the contrary, a manufacturing
3 distiller who operates a manufacturing distillery located entirely in the state of
4 Louisiana that produces less than four thousand gallons of distilled alcoholic liquors
5 annually at the manufacturing distillery and holds both an in-state manufacturing
6 distillery permit and a distillery self-distribution permit issued pursuant to R.S. 26:71
7 may self-distribute to a retailer holding a Class A permit issued pursuant to R.S.
8 26:71.1, a Class B permit issued pursuant to R.S. 26:71, a Class C permit issued
9 pursuant to R.S. 26:71.2.

10 B. If a manufacturing distiller self-distributes to retailers the following shall
11 apply:

12 (1) No more than four thousand gallon s of distilled alcoholic liquors may
13 be self-distributed to all retailers annually.

14 (2) The distilled product shall be offered at a standard price to all retailers.

15 C. A manufacturing distillery meeting the qualifications in R.S. 26:82.1(A)
16 may obtain a permit to self-distribute alcoholic liquors distilled at its manufacturing
17 distillery under the following conditions:

18 (1) The manufacturing distiller does not have an existing distribution
19 agreement with a permitted wholesale dealer.

20 (2) The manufacturing distiller owns or leases warehouse space that shall be
21 maintained in a separate area from the distillation equipment.

22 (3) The manufacturing distiller owns or leases delivery equipment dedicated
23 for the primary use of distribution and delivery of only those products distilled at the
24 manufacturing distillery.

25 (4) The manufacturing distiller shall remit all excise and other applicable
26 taxes on all alcoholic liquors distilled at its manufacturing distillery that are
27 self-distributed.

and tobacco control in the Louisiana Administrative Code.

Present law provides a fee schedule for those engaged in the business of dealing in alcoholic beverages of high alcoholic content.

Proposed law retains present law and adds that manufacturing distillers engaged in self-distribution shall pay a \$1,500 permit fee.

Proposed law provides that a manufacturing distiller who operates a manufacturing distillery entirely located in this state may host contracted private events held at a manufacturing distillery if the following conditions are met:

- (1) A copy of the lease is provided to the commissioner at least 10 days prior to the event.
- (2) The manufacturing distiller may charge a reasonable rental fee to the third party for the contracted private event.
- (3) The manufacturing distiller may serve to guests beer manufactured at that licensed facility. The manufacturing distiller shall not charge the third party more than its standard prices for such products.

(Amends R.S. 26:142; Adds R.S. 26:2(35), (36), and (37), 71(A)(1)(c), 82.1, and 90.1)

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Make technical changes.