

# ACT No. 127

2023 Regular Session

HOUSE BILL NO. 524

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

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

21 (36) "Manufacturing distillery" or "manufacturing distiller" means any  
22 person who personally or through any agent whatever engages in the distilling of any  
23 alcoholic beverage in Louisiana; engages in the distilling of any alcoholic beverage  
24 outside Louisiana for sale in Louisiana; or engages in the business of supplying  
25 distilled alcoholic beverages to licensed wholesale dealers in Louisiana.

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

5   \*       \*       \*

6                   §71. Permits required; fees; exception

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

14   (1)

15   \*       \*       \*

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

18   \*       \*       \*

19                   §82.1. Self-distribution

20                   A. Notwithstanding any provision of law to the contrary, a manufacturing  
 21                   distiller who operates a manufacturing distillery located entirely in the state of  
 22                   Louisiana that produces less than four thousand gallons of distilled alcoholic liquors  
 23                   annually at the manufacturing distillery and holds both an in-state manufacturing  
 24                   distillery permit and a distillery self-distribution permit issued pursuant to R.S. 26:71  
 25                   may self-distribute to a retailer holding a Class A permit issued pursuant to R.S.  
 26                   26:71.1, a Class B permit issued pursuant to R.S. 26:71, a Class C permit issued  
 27                   pursuant to R.S. 26:71.2.

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

1                   (1) No more than four thousand gallons of distilled alcoholic liquors may  
2                   be self-distributed to all retailers annually.

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

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

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

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

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

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

17                  (5) The manufacturing distiller shall provide a monthly report of all sales  
18                  from the manufacturing distillery and all sales from self-distribution to the office of  
19                  alcohol and tobacco control.

20                  D. A manufacturing distiller may enter into a distribution agreement with a  
21                  permitted wholesale dealer or make application for a self-distribution permit.  
22                  However, no manufacturing distillery shall distribute through the permitted  
23                  wholesale dealer and self-distribution.

24                  E. Any manufacturing distillery that engages in self-distribution shall be  
25                  subject to LAC Title 55, Part VII.

26   \*       \*       \*

27                  §90.1. Licensed manufacturing distillers; contracted private events

28                  A. Notwithstanding any provision of law to the contrary, a manufacturing  
29                  distillery as defined in R.S. 26:2 may lease its facility to a person not licensed  
30                  pursuant to this Chapter for no more than twelve contracted private events per year

1 during which food and alcoholic beverages not distilled at that licensed facility may  
2 be served to guests of the contracted private event by a caterer holding a permit  
3 issued pursuant to this Title if a copy of the lease is provided to the commissioner  
4 at least ten days prior to the event.

5 B. The manufacturing distiller may charge a reasonable rental fee to the  
6 person not licensed pursuant to this Chapter for the contracted private event.

7 C. The manufacturing distillery may serve to guests alcoholic beverages  
8 distilled at that licensed facility. The manufacturing distillery shall not charge the  
9 person not licensed pursuant to this Chapter more than its standard prices for such  
10 products.

11 \* \* \*

12 §142. Distribution through wholesalers only

13 Except as provided for in R.S. 26:71.3, 71.4, 82.1, 85, 271.1, and 359, no  
14 alcoholic beverage produced or manufactured inside or outside of this state shall be  
15 sold or offered for sale in Louisiana or shipped or transported into or within the state  
16 except to the holder of a wholesaler's permit and for delivery at the place of business  
17 of the wholesaler as shown in his permit.

18 \* \* \*

19 Section 2. The Louisiana State Law Institute is hereby authorized and directed to  
20 arrange in alphabetical order and renumber the defined terms comprising R.S. 26:2.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_