## HOUSE COMMITTEE AMENDMENTS

2021 Regular Session

Substitute for Original House Bill No. 343 by Representative Beaullieu as proposed by the House Committee on Judiciary

This document reflects the content of a substitute bill but is not in a bill form; page numbers in this document DO NOT correspond to page numbers in the substitute bill itself.

To amend and reenact R.S. 26:71(A)(3)(e) and 142, and to enact R.S. 26:2(33) and (34), 71(A)(3)(f), and 71.4, relative to microdistillery permits; to provide for definitions; to establish criteria for microdistillery permitting; to provide for permit fees; to provide for the taxation of beverages produced by a microdistiller; to provide relative to Class A-Restaurant-Conditional permits; to provide relative to permit application requirements; to authorize microdistillers to reuse certain alcoholic beverage containers; to require microdistillers to receive approval from the state fire marshal; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 26:71(A)(3)(e) and 142 are herby amended and reenacted and R.S. 26:2(33) and (34), 71(A)(3)(f), and 71.4 are hereby enacted to read as follows:

## §2. Definitions

For purposes of this Chapter, the following terms have the respective meanings ascribed to them in this Section, unless a different meaning clearly appears from the context:

\* \* \*

- (34) "Microvintner" means any person who operates a microwinery.
- (35) "Microwinery" means a retail outlet where a microvintner imports the juices of grapes, fruits, berries, honey, or vegetables for the purpose of fermenting such juices to produce and bottle wine in Louisiana in quantities of not more than twelve thousand gallons per year for retail sale only at that location where the wine vinification takes place for consumption on or off the licensed premises in accordance with the provisions of this Chapter and regulations, if any, promulgated by the commissioner.

\* \* \*

Page 1 of 4

§71. Permits required; fees; exception

A. Except as provided in Subsections B and C of this Section, before engaging in the business of manufacturing, supplying, or dealing in alcoholic beverages, all persons shall obtain from the commissioner, according to established rules and regulations, a permit to conduct each separate business and shall pay the commissioner 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:

\* \* \*

(3) Retailers - (a) There shall be three types of Class A retail liquor permits:

\* \* \*

(e) Microwinery, which authorizes the holder of a Retailers Class A permit to import the juices of grapes, fruits, berries, honey, or vegetables for the purpose of fermenting such juices to produce and bottle wine in Louisiana at a single location in an amount not to exceed twelve thousand gallons per year, and which further authorizes the sale at retail of such wine only at that location where the wine vinification takes place- one thousand dollars.

(e) (f) A fee of one hundred dollars for each one hundred thousand dollars of gross retail liquor sales, after the first one hundred thousand dollars of gross retail liquor sales, shall be levied according to the schedule below which shall be in addition to those fees enumerated in Subparagraphs (a) and (b) of this Paragraph:

\* \* \*

## §71.4. Microwinery; retail sales for consumption on or off premises

A. Any person who has properly obtained a microwinery permit as provided by R.S. 26:71, shall be authorized to import the juices of grapes, fruits, berries, honey, or vegetables for the purpose of fermenting such juices to produce and bottle wine in Louisiana in a quantity not to exceed twelve thousand gallons per licensed year. The holder of such permit shall also be authorized to sell the wine at retail sale only at that location where the wine vinification takes place for consumption on or off the licensed premises if the holder also has been issued a Retailer Class A permit.

B. The provisions of this Section shall not authorize the holder of a microwinery permit to sell the wine at wholesale or to any wholesale dealer.

C. The microwinery shall not sell any wine for transportation off the premises to any other licensed alcoholic beverage retail dealer.

D. Wine produced by a microwinery shall be taxed in the same manner and at the same rate as beverages produced by other manufacturers, as provided by law.

\* \* \*

§142. Distribution through wholesalers only

Except as provided for in R.S. 26:71.3, <u>71.4</u>, 85, 271.1, and 359, no alcoholic beverage 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 and for delivery at the place of business of the wholesaler as shown in his permit.

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

## DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

**HB** Draft

2021 Regular Session

**Abstract:** Allows microwineries to import products for vinification and allows microwineries to sell wine only at the location where the wine being sold is vinified.

Proposed law defines "microvinter" as any person who operates a microwinery.

<u>Proposed law</u> defines "microwinery" as a retail outlet where a microvintner imports the juices of grapes, fruits, berries, honey, or vegetables for the purpose of fermenting such juices to produce and bottle wine in Louisiana in quantities of not more than twelve thousand gallons per year for retail sale only at that location where the wine vinification takes place for consumption on or off the licensed premises.

<u>Proposed law</u> retains <u>present law</u> and additionally authorizes mircowineries to import products for the purpose of making wine and authorizes the sale at retail of such wine only at that location where the wine vinification takes place.

<u>Proposed law</u> provides that the holder of a microwinery permit shall not sell the wine at wholesale or to any wholesale dealer.

Page 3 of 4

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

<u>Proposed law</u> provides that the microwinery shall not sell any wine for transportation off the premises to any other licensed alcoholic beverage retail dealer.

<u>Proposed law</u> provides that wine produced by a microwinery shall be taxed in the same manner and at the same rate as beverages produced by other manufacturers.

<u>Proposed law</u> retains <u>present law</u> and adds <u>proposed law</u> (R.S. 26:71.4) as an exception to the prohibition of selling or shipping into or within the state certain alcoholic beverages produced or manufactured inside or outside of this state.

(Amends R.S. 26:71(A)(3)(e) and 142; Adds 26:2(34) and (35), 71(A)(3)(f), and 71.4)