DIGEST

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HB 554 Reengrossed	2022 Regular Session	Mincey
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Abstract: Provides relative to microbrewery operations and limited sales at wholesale.

<u>Present law</u> (R.S. 26:241) defines "microbrewery" as a retail establishment where beer and other malt beverages are brewed in small quantities, not exceeding 12,500 barrels per year, and where such beverages are sold for consumption on or off the licensed premises.

<u>Proposed law</u> changes <u>present law</u> to apply to beverages sold on or off the licensed premises or at wholesale in accordance with <u>proposed law</u> (R.S. 26:271.1).

<u>Present law</u> (R.S. 26:271) provides for permits and fees. <u>Present law</u> provides that microbrewers with a Retailers, Class A permit, are authorized to engage in the brewing of beer and other malt beverages at a single location in an amount not to exceed 12,500 barrels. <u>Present law</u> further authorizes the sale of such brewed beverages from that location.

<u>Proposed law</u> changes <u>present law</u> to authorize the sale of such brewed beverages from a single location or at wholesale in accordance with <u>present law</u> (R.S. 26:271.1).

<u>Present law</u> (R.S. 26:271.1) provides that any person who has obtained a microbrewer's permit as provided in <u>present law</u> (R.S. 26:271) shall be authorized to engage in the brewing of beer and other malt beverages in a quantity not to exceed 12,500 barrels during the licensed years. The holder shall also be authorized to sell the manufactured beverages at retail for consumption on or off the licensed premises if the holder has also been issued a Retailer, Class A permit. <u>Present law</u> further provides that the holder of a microbrewer's permit is not permitted to sell the manufactured beverages at wholesale.

<u>Proposed law</u> changes <u>present law</u> to provide that any person who has properly obtained a Class A retail permit and a microbrewer's permit is authorized to sell the manufactured beverages at retail on or off the licensed premises.

<u>Present law</u> provides that <u>present law</u> shall not authorize the holder of a microbrewer's permit to sell the manufactured beverages at wholesale.

<u>Proposed law</u> authorizes a microbrewer to contract with a licensed wholesaler in accordance with <u>present law</u> (R.S. 26:801 et seq.) for the purpose of distributing the products brewed by the microbrewer at its licensed premises to other retail dealers licensed pursuant to <u>present law</u> and to special events licensed pursuant to <u>present law</u> (R.S. 26:793).

(Amends R.S. 26:241(17), 271(A)(5), and 271.1)

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

- 1. Make technical changes.
- 2. Remove provision that provides that a microbrewer may sell up to 250 barrels of its finished products per month at wholesale to other retail dealers licensed pursuant to present law and to special events licensed pursuant to R.S. 26:793.
- 3. Add provision that allows microbrewers to contract with a licensed wholesaler in accordance with present law (R.S. 26:801 et seq.) for the purpose of distributing products brewed by the microbrewer at its licensed premises.