

2022 Regular Session

HOUSE BILL NO. 370

BY REPRESENTATIVE MAGEE

1 AN ACT

2 To amend and reenact R.S. 26:359(A) and to enact R.S. 26:241(27) through (29), 242, 243,
3 and 271(A)(7), relative to the Alcoholic Beverage Control Law; to provide for
4 definitions; to provide relative to the distribution of certain alcoholic beverages; to
5 provide for self-distribution; to provide for limitations; to provide relative to permit
6 fees; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 26:359(A) is hereby amended and reenacted and R.S. 26:241(27)
9 through (29), 242, 243, and 271(A)(7) are hereby enacted to read as follows:

10 §241. Definitions

11 The following terms have the respective meanings ascribed to them except
12 in those instances where the context indicates a different meaning:

13 * * *

14 (27) "Brewing facility" means an establishment that brews beer and other
15 malt beverages for the primary purpose of selling the brewed product for resale and
16 that is authorized to sell or serve to the public beer or other malt beverages brewed
17 at the facility for consumption on- or off-the-licensed premises pursuant to and
18 subject to the limitations in Paragraph (15) of this Section.

19 (28) "Self-distribution" means distribution by a brewer who operates a
20 brewing facility entirely located in the state of Louisiana to a retailer holding a Class
21 A permit issued pursuant to R.S. 26:71.1 or 271.2, a Class B permit issued pursuant
22 to R.S. 26:71 or 271, a Class C permit issued pursuant to R.S. 26:71.2 or 271.3, or
23 a Type A, B, or C temporary alcoholic beverage permit issued pursuant to R.S.
24 26:793.

1 (29) "Secondary location" means a permitted brewing facility that is owned
2 wholly by a brewer who operates two brewing facilities entirely located in the state
3 of Louisiana.

4 §242. Self-distribution

5 A. Notwithstanding any provision of law to the contrary, a brewer who
6 operates a brewing facility located entirely in the state of Louisiana that produces
7 less than five thousand barrels of beer or other malt beverages annually at the
8 brewing facility and holds both an in-state manufacturer's permit and a brewer's self-
9 distribution permit issued pursuant to R.S. 26:271 may self-distribute to the
10 following:

11 (1) A secondary location wholly owned by the brewer holding the self-
12 distribution permit.

13 (2) A retailer holding a Class A permit issued pursuant to R.S. 26:71.1 or
14 271.2, a Class B permit issued pursuant to R.S. 26:71 or 271, a Class C permit issued
15 pursuant to R.S. 26:71.2 or 271.3, or a Type A, B, or C temporary alcoholic beverage
16 permit issued pursuant to R.S. 26:793.

17 B. A brewer who operates a brewing facility located entirely in the state of
18 Louisiana may obtain a permit to self-distribute beer or other malt beverages brewed
19 at its brewing facility under the following conditions:

20 (1)(a) The quantity of beer brewed at the brewing facility that is self-
21 distributed to a secondary location shall be included in the quantity limitations for
22 selling products for on- or off-the-premises consumption in R.S. 26:241(15) for the
23 producing brewing facility and shall not exceed an amount greater than fifty percent
24 of the secondary location facility's production of beer for the previous month.

25 (b) If a brewer self-distributes to a secondary location, the brewing facility
26 at which the beer is produced shall maintain no less than a ten-barrel brewing system
27 and the secondary location shall maintain no less than a five-barrel brewing system.

28 (2) If a brewer self-distributes to retailers the following shall apply:

29 (a) No more than three thousand barrels of beer brewed at the brewing
30 facility may be self-distributed to all retailers annually.

1 **(b) The product shall be offered at a standard price to all retailers.**

2 **(3) The brewer or brewing facility does not have an existing distribution**
3 **agreement with a permitted wholesale dealer.**

4 **(4) The brewer or brewing facility owns or leases warehouse space that shall**
5 **be maintained separate from the brewing facility.**

6 **(5) The brewer or brewing facility owns or leases delivery equipment**
7 **dedicated for the primary use of distribution and delivery of only those products**
8 **brewed at the brewing facility.**

9 **(6) The brewer shall remit all state sales and excise taxes on all beer or other**
10 **malt beverages produced at its brewing facility that is self-distributed to a secondary**
11 **location. The secondary location shall remit all parish or municipal sales and excise**
12 **taxes on any amount received through self-distribution by the brewer to the proper**
13 **tax collecting authority for all products sold to the public.**

14 **(7) The brewer or brewing facility shall provide a monthly report of all sales**
15 **from the brewing facility and all sales from self-distribution to the office of alcohol**
16 **and tobacco control.**

17 **C. A brewing facility may enter into a distribution agreement with a**
18 **permitted wholesale dealer or make application for a self-distribution permit.**
19 **However, no brewing facility shall distribute through the permitted wholesale dealer**
20 **and self-distribution.**

21 **D. Any brewing facility that engages in self-distribution shall be subject to**
22 **LAC Title 55, Part VII.**

23 **§243. Transfer**

24 **Notwithstanding any provision of law to the contrary, a brewer who operates**
25 **a brewing facility located entirely within the state of Louisiana and who holds an in-**
26 **state manufacturer's permit may use a wholesaler, for a set fee, to transfer beer or**
27 **other malt beverages brewed at the brewing facility to another brewing facility in the**
28 **state owned wholly by the brewer to sell or serve to the public for consumption on-**
29 **or off-the-licensed premises under the following circumstances:**

1 (1) A transferring brewing facility shall maintain no less than a ten-barrel
 2 brewing system. A receiving brewing facility owned wholly by the transferring
 3 brewing facility shall maintain no less than a five-barrel brewing system.

4 (2) The quantity of beer transferred shall be included in the quantity
 5 limitation for selling products by a brewer to the public for on- or off-the-licensed
 6 premises consumption in R.S. 26:241(15) for the brewing facility receiving the
 7 transferred beer.

8 (3) The quantity of beer transferred shall not exceed an amount greater than
 9 fifty percent of the receiving brewing facility's production of beer for the previous
 10 month.

11 (4) The receiving brewing facility shall remit all state and parish or
 12 municipal sales and excise taxes to the proper tax collecting authority for all products
 13 received and sold to the public.

14 * * *

15 §271. Permits required; fees

16 A. Before engaging in the business of dealing in malt beverages or beverages
 17 of low alcoholic content, all manufacturers, wholesale and retail dealers, and
 18 microbrewers shall obtain from the commissioner, according to established rules and
 19 regulations, a permit to conduct each separate manufacturing, wholesale, retail, or
 20 microbrewery business and shall pay for each permit a fee not to exceed the amounts
 21 provided for in the following schedule and in accordance with regulations
 22 promulgated pursuant to the provisions of the Administrative Procedure Act for each
 23 year the permit is valid:

24 * * *

25 (7) Brewers engaged in self-distribution— one thousand five hundred dollars.

26 * * *

27 §359. Distribution of alcoholic beverages through wholesalers only

28 A. Except as provided in Subsection B of this Section and R.S. 26:242 and
 29 271.1, no alcoholic beverages as defined in R.S. 26:241 produced or manufactured
 30 inside or outside of this state shall be sold or offered for sale in Louisiana, or shipped

1 or transported into or within the state, except to the holder of a wholesaler's permit.
2 Delivery of alcoholic beverages produced or manufactured inside or outside of this
3 state shall be made at the place of business of the wholesaler shown on the
4 wholesaler's permit, and must be received and warehoused by the wholesaler at that
5 place of business, where such alcoholic beverages shall come to rest before delivery
6 is made to any retailer.

7 * * *

8 Section 2. The Louisiana State Law Institute is hereby authorized and directed to
9 arrange in alphabetical order and renumber the definitions provided in R.S. 26:241.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____