

1 HB539  
2 213583-5  
3 By Representatives Daniels, Lawrence and Gray  
4 RFD: Economic Development and Tourism  
5 First Read: 11-MAR-21

1  
2 ENROLLED, An Act,

3           Relating to alcoholic beverages; to amend Sections  
4 28-3-1, 28-3A-6, 28-3A-14, and 28-4A-3, Code of Alabama 1975,  
5 to revise the daily limit on how much beer and liquor may be  
6 sold by brewpubs and certain breweries and distilleries to  
7 customers for off-premises consumption; to provide further for  
8 calculating which breweries qualify to sell beer at their  
9 breweries for off-premises consumption; to provide further for  
10 manufacturer licenses issued by the Alcoholic Beverage Control  
11 Board; to revise the amount of beer a brewpub may donate to  
12 charitable events; to revise definitions; and to provide  
13 further for the sale of table wines at retail.

14 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

15           Section 1. Sections 28-3-1 and 28-3A-14, Code of  
16 Alabama 1975, are amended to read as follows:

17           "§28-3-1.

18           "As used in this title, the following words shall  
19 have the following meanings unless the context clearly  
20 indicates otherwise:

21           "(1) ALCOHOLIC BEVERAGES. Any alcoholic, spirituous,  
22 vinous, fermented, or other alcoholic beverage, or combination  
23 of liquors and mixed liquor, a part of which is spirituous,  
24 vinous, fermented, or otherwise alcoholic, and all drinks or  
25 drinkable liquids, preparations or mixtures intended for

1 beverage purposes, which contain one-half of one percent or  
2 more of alcohol by volume, and shall include liquor, beer, and  
3 wine.

4 "(2) ASSOCIATION. A partnership, limited  
5 partnership, or any form of unincorporated enterprise owned by  
6 two or more persons.

7 "(3) BEER, or MALT OR BREWED BEVERAGES. ~~Except as~~  
8 ~~otherwise provided in this subdivision, any~~ Any beer, lager  
9 beer, ale, porter, malt or brewed beverage, or similar  
10 fermented ~~malt liquor~~ beverage containing one-half of one  
11 percent or more of alcohol by volume and not in excess of  
12 thirteen and nine-tenths percent alcohol by volume, ~~by~~  
13 ~~whatever name the same may be called~~ brewed or produced from  
14 malt, wholly or in part, or from rice, grain of any kind,  
15 bran, glucose, sugar, or molasses. A beer or malt or brewed  
16 beverage may incorporate honey, fruit, fruit juice, fruit  
17 concentrate, herbs, spices, or other flavorings during the  
18 fermentation process. The term does not include any product  
19 defined as liquor, table wine, or wine.

20 "(4) BOARD. The Alcoholic Beverage Control Board.

21 "(5) BRANDY. All beverages which are an alcoholic  
22 distillate from the fermented juice, mash, or wine of fruit,  
23 or from the residue thereof, produced in such manner that the  
24 distillate possesses the taste, aroma, and characteristics

1 generally attributed to the beverage, as bottled at not less  
2 than 80 degree proof.

3 "(6) CARTON. The package or container or containers  
4 in which alcoholic beverages are originally packaged for  
5 shipment to market by the manufacturer or its designated  
6 representatives or the importer.

7 (7) CIDER. A fermented alcoholic beverage made from  
8 apple juice and containing not more than 8.5 percent alcohol  
9 by volume.

10 "(8) CLUB.

11 "a. Class I. A corporation or association organized  
12 or formed in good faith by authority of law and which must  
13 have at least 150 paid-up members. It must be the owner,  
14 lessee, or occupant of an establishment operated solely for  
15 the objects of a national, social, patriotic, political, or  
16 athletic nature or the like, but not for pecuniary gain, and  
17 the property as well as the advantages of which, belong to all  
18 the members and which maintains an establishment provided with  
19 special space and accommodations where, in consideration of  
20 payment, food with or without lodging is habitually served.  
21 The club shall hold regular meetings, continue its business  
22 through officers regularly elected, admit members by written  
23 application, investigation, and ballot and charge and collect  
24 dues from elected members.

1            "b. Class II. A corporation or association organized  
2 or formed in good faith by authority of law and which must  
3 have at least 100 paid-up members. It must be the owner,  
4 lessee, or occupant of an establishment operated solely for  
5 the objects of a national, social, patriotic, political, or  
6 athletic nature or the like. The club shall hold regular  
7 meetings, continue its business through officers regularly  
8 elected, admit members by written application, investigation  
9 and ballot and charge and collect dues from elected members.

10            "(9) CONTAINER. The single bottle, can, keg, bag, or  
11 other receptacle, not a carton, in which alcoholic beverages  
12 are originally packaged for the market by the manufacturer or  
13 importer and from which the alcoholic beverage is consumed by  
14 or dispensed to the public.

15            "(10) CORPORATION. A corporation or joint stock  
16 association organized under the laws of this state, the United  
17 States, or any other state, territory or foreign country, or  
18 dependency.

19            "(11) DRY COUNTY. Any county which by a majority of  
20 those voting voted in the negative in an election heretofore  
21 held under the applicable statutes at the time of the election  
22 or may hereafter vote in the negative in an election or  
23 special method referendum hereafter held in accordance with  
24 the provisions of Chapter 2 of this title, or held in

1 accordance with the provisions of any act hereafter enacted  
 2 permitting such election.

3 "(12) DRY MUNICIPALITY. Any municipality within a  
 4 wet county which has, by its governing body or by a majority  
 5 of those voting in a municipal election heretofore held in  
 6 accordance with the provisions of Section 28-2-22, or in a  
 7 municipal option election heretofore or hereafter held in  
 8 accordance with the provisions of Act 84-408, Acts of Alabama  
 9 1984, appearing as Chapter 2A of this title, or any act  
 10 hereafter enacted permitting municipal option election, voted  
 11 to exclude the sale of alcoholic beverages within the  
 12 corporate limits of the municipality.

13 "(13) GENERAL WELFARE PURPOSES.

14 "a. The administration of public assistance as set  
 15 out in Sections 38-2-5 and 38-4-1;

16 "b. Services, including supplementation and  
 17 supplementary services under the federal Social Security Act,  
 18 to or on behalf of persons to whom such public assistance may  
 19 be given under Sections 38-2-5 and 38-4-1;

20 "c. Service to and on behalf of dependent, neglected  
 21 or delinquent children; and

22 "d. Investigative and referral services to and on  
 23 behalf of needy persons.

24 "(14) HEARING COMMISSION. A body appointed by the  
 25 board to hear and decide all contested license applications

1 and all disciplinary charges against any licensee for  
2 violation of this title or the regulations of the board.

3 "(15) HOTEL. A building or buildings held out to the  
4 public for housing accommodations of travelers or transients,  
5 and shall include motel, but shall not include a rooming house  
6 or boarding house.

7 "(16) IMPORTER. Any person, association, or  
8 corporation engaged in importing alcoholic beverages, liquor,  
9 wine, or beer, manufactured outside of the United States of  
10 America into this state or for sale or distribution in this  
11 state, or to the board or to a licensee of the board.

12 "(17) KEG. A pressurized factory sealed container  
13 with a capacity equal to or greater than five US gallons, from  
14 which beer is withdrawn by means of an external tap.

15 "(18) LIQUOR. Any alcoholic, spirituous, vinous,  
16 fermented, or other alcoholic beverage, or combination of  
17 liquors and mixed liquor, a part of which is spirituous,  
18 fermented, vinous or otherwise alcoholic, and all drinks or  
19 drinkable liquids, preparations or mixtures intended for  
20 beverage purposes, which contain one-half of one percent or  
21 more of alcohol by volume, except beer and table wine.

22 "(19) LIQUOR STORE. A liquor store operated by the  
23 board, where alcoholic beverages other than beer are  
24 authorized to be sold in unopened containers.

1           "(20) MANUFACTURER. Any person, association, or  
2 corporation engaged in the producing, bottling, manufacturing,  
3 distilling, rectifying, or compounding of alcoholic beverages,  
4 liquor, beer, or wine in this state or for sale or  
5 distribution in this state or to the board or to a licensee of  
6 the board.

7           "(21) MEAD. An alcoholic beverage produced by  
8 fermenting a solution of honey and water with grain mash and  
9 containing not more than 18 percent alcohol by volume.

10           "(22) MEAL. A diversified selection of food some of  
11 which is not susceptible of being consumed in the absence of  
12 at least some articles of tableware and which cannot be  
13 conveniently consumed while one is standing or walking about.

14           "(23) MINOR. Any person under 21 years of age;  
15 provided, however, in the event Section 28-1-5, shall be  
16 repealed or otherwise shall be no longer in effect, thereafter  
17 the provisions of Section 26-1-1, shall govern.

18           "(24) MUNICIPALITY. Any incorporated city or town of  
19 this state to include its police jurisdiction.

20           "(25) PERSON. Every natural person, association, or  
21 corporation. Whenever used in a clause prescribing or imposing  
22 a fine or imprisonment, or both, such term as applied to  
23 association shall mean the partners or members thereof and as  
24 applied to corporation shall mean the officers thereof, except  
25 as to incorporated clubs the term person shall mean such



1 individual or individuals who, under the bylaws of such clubs,  
2 shall have jurisdiction over the possession and sale of liquor  
3 therein.

4 "(26) POPULATION. The population according to the  
5 last preceding or any subsequent decennial census of the  
6 United States, except where a municipality is incorporated  
7 subsequent to the last census, in which event, its population  
8 until the next decennial census shall be the population of the  
9 municipality as determined by the judge of probate of the  
10 county as the official population on the date of its  
11 incorporation.

12 "(27) RESTAURANT. A reputable place licensed as a  
13 restaurant, operated by a responsible person of good  
14 reputation and habitually and principally used for the purpose  
15 of preparing and serving meals for the public to consume on  
16 the premises.

17 "(28) RETAILER. Any person licensed by the board to  
18 engage in the retail sale of any alcoholic beverages to the  
19 consumer.

20 "(29) SALE or SELL. Any transfer of liquor, wine or  
21 beer for a consideration, and any gift in connection with, or  
22 as a part of, a transfer of property other than liquor, wine  
23 or beer for a consideration.

1           "(30) SELLING PRICE. The total marked-up price of  
2           spirituous or vinous liquors sold by the board, exclusive of  
3           taxes levied thereon.

4           "(31) TABLE WINE. Except as otherwise provided in  
5           this subdivision, any wine containing not more than 24 percent  
6           alcohol by volume. Table wine does not include any wine  
7           containing more than sixteen and one-half percent alcohol by  
8           volume that is made with herbs or flavors, except vermouth, or  
9           is an imitation or other than standard wine. Table wine is not  
10          liquor, spirituous, or vinous.

11          "(32) UNOPENED CONTAINER. A container containing  
12          alcoholic beverages, which has not been opened or unsealed  
13          subsequent to filling and sealing by the manufacturer or  
14          importer.

15          "(33) WET COUNTY. Any county which by a majority of  
16          those voting voted in the affirmative in an election  
17          heretofore held in accordance with the statutes applicable at  
18          the time of the election or may hereafter vote in the  
19          affirmative in an election or special method referendum held  
20          in accordance with the provisions of Chapter 2 of this title,  
21          or other statutes applicable at the time of the election.

22          "(34) WET MUNICIPALITY. Any municipality in a dry  
23          county which by a majority of those voting voted in the  
24          affirmative in a municipal option election heretofore or  
25          hereafter held in accordance with the provisions of Act

1 84-408, Acts of Alabama 1984, appearing as Chapter 2A of this  
2 title, as amended, or any act hereafter enacted permitting  
3 municipal option election, or any municipality which became  
4 wet by vote of the governing body or by the voters of the  
5 municipality heretofore or hereafter held under the special  
6 method referendum provisions of Section 28-2-22, or as  
7 hereafter provided, where the county has become dry subsequent  
8 to the elected wet status of the municipality.

9 "(35) WHOLESALER. Any person licensed by the board  
10 to engage in the sale and distribution of table wine and beer,  
11 or either of them, within this state, at wholesale only, to be  
12 sold by export or to retail licensees or other wholesale  
13 licensees or others within this state lawfully authorized to  
14 sell table wine and beer, or either of them, for the purpose  
15 of resale only.

16 "(36) WINE. All beverages made from the fermentation  
17 of fruits, berries, or grapes, with or without added spirits,  
18 and produced in accordance with the laws and regulations of  
19 the United States, containing not more than 24 percent alcohol  
20 by volume, and shall include all sparkling wines, carbonated  
21 wines, special natural wines, rectified wines, vermouths,  
22 vinous beverages, vinous liquors, and like products, including  
23 restored or unrestored pure condensed juice.

24 "§28-3A-14.

1           "Upon applicant's compliance with the provisions of  
2 this chapter and the ~~regulations made~~ rules adopted  
3 thereunder, the board shall issue to applicant a retail table  
4 wine license which will authorize the licensee to purchase  
5 table wine from the board or from a licensed wholesaler in  
6 counties and municipalities where authorized, and to sell at  
7 retail, in unopened original containers, ~~or dispense from~~  
8 ~~containers of any size~~ and to sell at retail or to dispense in  
9 a container approved by the board, for on-premises consumption  
10 in a room or rooms or place on the licensed premises at all  
11 times accessible to the use and accommodation of the general  
12 public, and in ~~original unopened~~ containers approved by the  
13 board for off-premises consumption, where such use of the  
14 proposed location is not, at the time of the original  
15 application, prohibited by a valid zoning ordinance or other  
16 ordinance in the valid exercise of police power by the  
17 governing body of the municipality or county in which the  
18 outlet is located."

19           Section 2. Sections 28-3A-6 and 28-4A-3, Code of  
20 Alabama 1975, are amended to read as follows:

21           "§28-3A-6.

22           "(a) Upon the applicant's compliance with this  
23 chapter and the rules adopted under this chapter, the board  
24 shall issue to the applicant a manufacturer license which  
25 ~~shall authorize~~ authorizes the licensee to manufacture or

1 otherwise distill, produce, ferment, brew, bottle, rectify, or  
2 compound alcoholic beverages within this state for sale or  
3 distribution within this state. No person shall manufacture or  
4 otherwise distill, produce, ferment, brew, bottle, rectify, or  
5 compound alcoholic beverages within this state or for sale or  
6 distribution within this state or to the state, the board, or  
7 any licensee of the board, unless the person or the authorized  
8 representative of the person shall be granted a manufacturer  
9 license issued by the board.

10 The board may consider each type of alcoholic  
11 beverage manufactured, whether beer, wine, or liquor, as a  
12 separate and distinct operation, and the license shall contain  
13 a designation of each type of alcoholic beverage for which a  
14 federal basic permit or brewer's notice has been filed. No  
15 licensee shall manufacture a specified type of alcoholic  
16 beverage until the license contains the designation for that  
17 type.

18 "(b) No manufacturer licensee shall sell any  
19 alcoholic beverages direct to any retailer or for consumption  
20 on the premises where sold except as specified under  
21 subsection (h), nor sell or deliver any ~~such~~ alcoholic  
22 beverages in other than original containers approved as to  
23 capacity by the board and in accordance with standards of fill  
24 prescribed by the U.S. Treasury Department, nor maintain or  
25 operate within the state any place or places, other than the

1 place or places covered by the manufacturer license, where  
2 alcoholic beverages are sold or where orders are taken.

3 "(c) Each manufacturer licensee shall ~~be required to~~  
4 file with the board, prior to making any sales in Alabama, a  
5 list of its labels to be sold in Alabama and shall file with  
6 the board its federal certificate of label approvals or its  
7 certificates of exemption as required by the U.S. Treasury  
8 Department. All liquors and wines whose labels have not been  
9 registered as herein provided for shall be considered  
10 contraband and may be seized by the board or its agents, or  
11 any peace officer of the State of Alabama without a warrant  
12 and the goods shall be delivered to the board and disposed of  
13 as provided by law.

14 "(d) All manufacturer licensees shall be required to  
15 mail to the board prior to the twentieth day of each month a  
16 consolidated report of all shipments of alcoholic beverages  
17 made to each wholesaler during the preceding month. ~~Such~~ The  
18 reports shall be in ~~such~~ the form and containing ~~such~~  
19 information as the board may prescribe.

20 "(e) Every manufacturer shall keep at its principal  
21 place of business within the state, daily permanent records  
22 ~~which shall~~ that show the quantities of raw materials received  
23 and used in the manufacture of alcoholic beverages, and the  
24 quantities of alcoholic beverages manufactured and stored, the  
25 sale of alcoholic beverages, the quantities of alcoholic

1 beverages stored for hire or transported for hire by or for  
2 the licensee, and the names and addresses of the purchasers or  
3 other recipients thereof.

4 "(f) Every place licensed as a manufacturer shall be  
5 subject to inspection by members of the board or by ~~persons~~  
6 ~~duly~~ individuals authorized and designated by the board at any  
7 ~~and all times~~ time of the day or night as they may deem  
8 necessary, for the detection of violations of this chapter, of  
9 any law, or of the rules of the board, or for the purpose of  
10 ascertaining the correctness of the records required to be  
11 kept by the licensees. The books and records of ~~such~~ licensees  
12 shall, at all times, be open to inspection by members of the  
13 board, or by ~~persons~~ ~~duly~~ individuals authorized and  
14 designated by the board. Members of the board and its ~~duly~~  
15 authorized agents, without hindrance, may enter any place that  
16 is subject to inspection hereunder or any place where ~~such~~  
17 records are kept for the purpose of making ~~such~~ inspections  
18 and making transcripts thereof.

19 "(g) Licenses issued under this section, unless  
20 revoked in the manner provided in this chapter, shall be valid  
21 for the license year commencing January 1 of each year.

22 "(h) (1) A manufacturer licensee actively and  
23 continuously engaged in the manufacture of alcoholic beverages  
24 on the manufacturer's licensed premises in the state may  
25 conduct tastings or samplings on the licensed premises, as

1 regulated by the board except as to quantity and hours of  
2 operation, or as otherwise provided by ~~statute~~ law, and for  
3 that purpose may give away or sell alcoholic beverages  
4 manufactured there for consumption on only one premises where  
5 manufactured. All alcoholic beverages manufactured and  
6 retained on the manufacturer's licensed premises for tasting  
7 or sampling shall remain on the premises and be dispensed from  
8 a barrel or keg or other original containers.

9 "(2) Notwithstanding subdivision (1), a manufacturer  
10 licensee engaged in the manufacture of less than 60,000  
11 barrels of beer per year may sell at retail on its licensed  
12 premises in the state, for off-premises consumption, beer  
13 produced at that licensed premises; provided, however, beer  
14 sold for off-premises consumption: May not exceed ~~288~~ 864  
15 ounces per customer per day; may not be produced pursuant to a  
16 contract with another manufacturer, and shall be sealed,  
17 labeled, packaged, and taxed in accordance with state and  
18 federal laws and regulations. ~~For purposes of this~~  
19 ~~subdivision, beer produced by a parent, subsidiary, or~~  
20 ~~affiliate of the licensee, or by a contract brewery,~~  
21 ~~regardless of where the beer is produced, shall be included~~  
22 ~~for purposes of calculating the 60,000 barrel limit. For the~~  
23 purposes of calculation, the 60,000 barrel limit shall include  
24 all beer produced by the manufacturer, all beer produced by a



1 parent, subsidiary, or affiliate of the manufacturer, and all  
2 beer brewed exclusively for the manufacturer.

3 "(3) For purposes of the retail sales permitted by a  
4 qualifying manufacturer under subdivisions (1) and (2), beer  
5 may be transferred directly between qualifying manufacturers  
6 of the same ownership in accordance with all applicable state  
7 and federal laws, rules, and regulations and sold at retail  
8 pursuant to this subsection as if it were manufactured or  
9 produced at the receiving manufacturer's licensed premises;  
10 provided, however, if at any time the combined total barrelage  
11 production of the manufacturers exceeds the 60,000-barrel  
12 limit as provided in subdivision (2), retail sales of  
13 transferred beer pursuant to this subdivision is not  
14 permitted. Taxes shall be levied at the time the beer is  
15 allocated by the receiving manufacturer for the purpose of  
16 retail sale in accordance with subdivision (i)(1). For  
17 purposes of this subdivision, "same ownership" means at least  
18 75 percent ownership or control of one manufacturer by another  
19 manufacturer, or by the same persons for both manufacturers.

20 ~~(3)~~ (4) A manufacturer licensee engaged in the  
21 manufacture of liquor on the manufacturer's licensed premises  
22 in the state may sell at retail on its licensed premises, for  
23 off-premises consumption, liquor manufactured at that licensed  
24 premises; provided, however, liquor sold for off-premises  
25 consumption may not exceed ~~2.25~~ 4.5 liters per customer per

1 day and shall be sealed, labeled, packaged, and taxed in  
2 accordance with state and federal laws and regulations. The  
3 manufacturer licensee shall keep and maintain records for  
4 three years of all sales for off-premises consumption.

5 "~~(4)~~ (5) Notwithstanding subdivision (1), the board  
6 may grant a permit allowing a manufacturer licensee engaged in  
7 the manufacture of less than 50,000 gallons of table wine per  
8 year in the state to establish and operate one additional  
9 off-site tasting room to be used to conduct tastings or  
10 samplings and to sell at retail the licensee's table wine. The  
11 board may also grant a single permit allowing an association  
12 representing the majority of wineries and grape growers in the  
13 state to establish and operate one off-site tasting room to be  
14 used to conduct tastings and samplings and to sell at retail  
15 table wines produced by wine manufacturer licensees in the  
16 state. An applicant for an off-site tasting room permit shall  
17 file a written application with the board in ~~such~~ the form and  
18 containing ~~such~~ information as the board may prescribe, along  
19 with proof of consent and approval from the appropriate  
20 governing authority in which the off-site tasting room is to  
21 be located and a filing fee of fifty dollars (\$50). All state  
22 and federal laws and regulations applicable to on-site tasting  
23 rooms shall apply to an off-site tasting room. Wine sold at an  
24 off-site tasting room for off-premises consumption may not  
25 exceed one case of wine per customer per day. For purposes of

1       this subdivision, one case of wine means the equivalent of  
2       twelve 750-milliliter bottles of wine.

3               "(i) (1) In addition to the licenses provided for by  
4       this chapter, and any county or municipal license, there is  
5       levied on the manufacturer of the alcoholic beverages  
6       dispensed on the premises the privilege or excise tax imposed  
7       on beer by Sections 28-3-184 and 28-3-190; and imposed on  
8       table wine by Section 28-7-18; and imposed on liquor by  
9       Sections 28-3-200 to 28-3-205, inclusive. Taxes on beer shall  
10      be levied at the time the beer is allocated by the beer  
11      manufacturer for the purpose of retail sale and not at the  
12      time the beer is dispensed for consumption. Every manufacturer  
13      licensee shall file the tax returns, pay the taxes, and  
14      perform all obligations imposed on wholesalers at the times  
15      and places set forth therein. It shall be unlawful for any  
16      manufacturer licensee who is required to pay the taxes so  
17      imposed in the first instance to fail or refuse to add to the  
18      sale price and collect from the purchaser the required amount  
19      of tax, it being the intent and purpose of this provision that  
20      each of the taxes levied is in fact a tax on the consumer,  
21      with the manufacturer licensee who pays the tax in the first  
22      instance acting merely as an agent of the state for the  
23      collection and payment of the tax levied by Section 28-3-184;  
24      as an agent for the county or municipality for the collection  
25      and payment of the tax levied by Section 28-3-190; as an agent

1 for the county or municipality for collection and payment of  
2 the tax levied by Section 28-7-18; and as an agent for the  
3 state for collection and payment of the tax levied by Sections  
4 28-3-200 to 28-3-205, inclusive.

5 "(2) The manufacturer licensee shall keep and  
6 maintain all records required to be kept and maintained by  
7 manufacturer, wholesaler, and retailer licensees for the tax  
8 so levied except that manufacturers are not required to  
9 maintain name, address, or other personal demographic  
10 information for sales as provided in subsection (e).

11 "(j) A manufacturer licensee engaged in the  
12 manufacture of beer in the state may donate and deliver up to  
13 31 gallons of the manufacturer's beer to a licensed nonprofit  
14 special event operated by or on behalf of a nonprofit  
15 organization. Donations shall be taxed in accordance with  
16 state and federal laws and regulations. Any beer remaining at  
17 the conclusion of the nonprofit event shall be returned to the  
18 manufacturer for disposal.

19 "(k) A manufacturer licensee engaged in the  
20 manufacture of table wine in the state may donate and deliver  
21 up to two cases of the manufacturer's table wine to a licensed  
22 nonprofit special event operated by or on behalf of a  
23 nonprofit organization. Donations shall be taxed in accordance  
24 with state and federal laws and regulations. Any table wine

1 remaining at the conclusion of the nonprofit event shall be  
2 returned to the manufacturer for disposal.

3 "§28-4A-3.

4 "(a) In addition to the licenses authorized to be  
5 issued and renewed by the board pursuant to the Alcoholic  
6 Beverage Licensing Code codified as Chapter 3A of this title,  
7 the board, upon applicant's compliance with this chapter,  
8 Chapter 3A and the rules adopted thereunder, and the  
9 conditions set forth in subsection (b), may issue to a  
10 qualified applicant a brewpub license which shall authorize  
11 the licensee to do all of the following:

12 "(1) Manufacture or brew beer, in a quantity not to  
13 exceed 10,000 barrels in any one year, and to sell beer brewed  
14 on the licensed premises in unpackaged form at retail for  
15 on-premises consumption at the licensed premises only.

16 "(2) Sell beer brewed on the licensed premises in  
17 packaged form at retail for off-premises consumption, provided  
18 the beer sold for off-premises consumption may not exceed ~~288~~  
19 864 ounces per customer per day and shall be sealed, labeled,  
20 packaged, and taxed in accordance with state and federal laws  
21 and regulations.

22 "(3) Sell beer brewed on the premises in original,  
23 unopened barrel or keg containers to any licensed wholesaler  
24 designated by a brewpub licensee pursuant to Sections 28-8-2  
25 and 28-9-3 for resale to retail licensees.

1           "(4) Donate and deliver up to ~~two kegs~~ 31 gallons  
2 of the licensee's beer to a licensed charitable special event  
3 operated by or on behalf of a nonprofit organization;  
4 provided, however, donations shall be taxed in accordance with  
5 state and federal laws and regulations, and any beer remaining  
6 at the conclusion of the charitable event shall be returned to  
7 the ~~manufacturer~~ brewpub for disposal.

8           "(5) Purchase beer, including draft or keg beer, in  
9 original, unopened containers from licensed wholesalers and to  
10 sell such beer at retail for on-premises consumption only, in  
11 a room or rooms or place on the licensed premises at all times  
12 accessible to the use and accommodation of the general public.

13           "(b) A brewpub is subject to all of the following  
14 conditions:

15           "(1) The proposed location of the premises shall  
16 not, at the time of the original application, be prohibited by  
17 a valid zoning ordinance or other ordinance in the valid  
18 exercise of police power by the governing body of the  
19 municipality or county in which the brewpub is located.

20           "(2) Beer brewed by the brewpub licensee shall be  
21 packaged or contained in barrels from which the beer is to be  
22 dispensed only on the premises where brewed for consumption on  
23 the premises or sold in original, unopened barrel or keg  
24 containers to any designated wholesaler licensee for resale to  
25 retailer licensees.

1           "(3) The brewpub must contain and operate a  
2 restaurant or otherwise provide food for consumption on the  
3 premises.

4           "(4) The brewpub may not sell any alcoholic  
5 beverages if it is not actively and continuously engaged in  
6 the manufacture or brewing of alcoholic beverages on the  
7 brewpub's licensed premises.

8           "(c) The annual license fee levied and prescribed  
9 for a license as a brewpub issued or renewed by the board is  
10 one thousand dollars (\$1,000).

11           "(d) A manufacturer that sells, on an annual basis,  
12 an amount equal to no more than 60,000 barrels of beer, may  
13 have a financial interest in a brewpub, including a brewpub  
14 that also has a restaurant retail license, provided the  
15 manufacturer may not transfer alcoholic beverages directly  
16 from the manufacturer to the brewpub, but may purchase  
17 alcoholic beverages from an authorized wholesaler or as  
18 otherwise provided by law, and may not have a financial  
19 interest in any retailer other than a brewpub.

20           "(e) Section 28-3-4 and subsection (b) of Section  
21 28-3A-6 shall not be applicable with regard to beer brewed by  
22 either of the following and sold and dispensed on the brewpub  
23 premises:

24           "(1) The brewpub.

1                   "(2) A manufacturer described in, and in compliance  
2 with, subsection (d)."

3                   Section 3. Section 1 shall become effective  
4 immediately, and Section 2 shall become effective on the first  
5 day of the third month following its passage and approval by  
6 the Governor, or its otherwise becoming law.



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Speaker of the House of Representatives

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President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in  
and was passed by the House 15-APR-21, as amended.

Jeff Woodard  
Clerk

Senate	04-MAY-21	Amended and Passed
House	06-MAY-21	Concurred in Senate Amendment