

1 SB397
2 213126-2
3 By Senators Jones, Scofield, Livingston, Barfoot, Beasley,
4 Singleton and Gudger
5 RFD: Fiscal Responsibility and Economic Development
6 First Read: 20-APR-21

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4 ENGROSSED

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7 A BILL
8 TO BE ENTITLED
9 AN ACT

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11 Relating to alcoholic beverages; to add Section
12 28-7-10.1 to the Code of Alabama 1975, to provide for the
13 licensure of wine manufacturers by the Alcoholic Beverage
14 Control Board in dry counties for the sale, shipment, and
15 delivery of wine produced and bottled by the winery to a
16 licensed distributor in this state or for legal distribution
17 outside of this state; and to amend Section 28-3A-3, Code of
18 Alabama 1975, to conform to this act.

19 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

20 Section 1. Section 28-7-10.1 is added to the Code of
21 Alabama 1975, to read as follows:

22 (a) Upon an applicant's compliance with this section
23 and the rules adopted pursuant to this section, the Alcoholic
24 Beverage Control Board may issue a wine manufacturer license
25 to the applicant which shall authorize the licensee to
26 manufacture or otherwise distill, produce, ferment, bottle, or
27 compound wine in a dry county only for the sale for

1 distribution outside of the county. No person shall
2 manufacture or otherwise distill, produce, ferment, bottle, or
3 compound wine in a dry county for sale or distribution unless
4 the person or the authorized representative of the person has
5 been granted a wine manufacturer license issued by the board
6 pursuant to this section.

7 (b) A wine manufacturer licensed under this section
8 is prohibited from doing any of the following:

9 (1) Selling any wine direct to any retailer or for
10 consumption on the premises where sold.

11 (2) Selling or delivering any wine in other than
12 original containers approved as to capacity by the board and
13 in accordance with standards of fill prescribed by the U.S.
14 Treasury Department.

15 (3) Maintaining or operating within the state any
16 place or places, other than the place or places covered by the
17 wine manufacturer license.

18 (c) Any wine manufactured in the dry county by the
19 manufacturer licensed pursuant to this section may be sold
20 only for shipment and delivery to a licensed wine distributor
21 in this state or to a legal distributor outside of this state.

22 (d) A wine manufacturer licensee licensed pursuant
23 to this section shall be required to file with the board,
24 prior to making any sales, a list of its labels to be sold and
25 shall file with the board its federal certificate of label
26 approvals or its certificates of exemption as required by the
27 U.S. Treasury Department. All wines whose labels have not been

1 registered as herein provided for shall be considered
2 contraband and may be seized by the board or its agents, or
3 any peace officer of the state without a warrant and the goods
4 shall be delivered to the board and disposed of as provided by
5 law.

6 (e) A wine manufacturer licensee licensed pursuant
7 to this section shall be required to send to the board prior
8 to the twentieth day of each month a consolidated report of
9 all shipments of alcoholic beverages made to each wholesaler
10 during the preceding month. The reports shall be in the form
11 and shall contain the information as the board may require.

12 (f) Every wine manufacturer licensed pursuant to
13 this section shall keep at its principal place of business
14 within the state, daily permanent records which shall show the
15 quantities of raw materials used in the manufacture of wine,
16 and the quantities of wine manufactured and stored, the sale
17 of wine, the quantities of wine stored for hire or transported
18 for hire by or for the licensee, and the names and addresses
19 of the purchasers of the wine.

20 (g) Every place licensed as a wine manufacturer
21 pursuant to under this section shall be subject to inspection
22 by the board or by persons duly authorized and designated by
23 the board at any and all times of the day or night as they may
24 deem necessary, for the detection of violations of this
25 chapter, of any law, or of the rules of the board, or for the
26 purpose of ascertaining the correctness of the records
27 required to be kept by the licensees. The books and records of

1 licensees shall be open for inspection at all times by the
2 board or by persons duly authorized and designated by the
3 board. Members of the board and its duly authorized agents,
4 without hindrance, may enter any place that is subject to
5 inspection hereunder or any place where records are kept for
6 the purpose of making inspections and making transcripts
7 thereof.

8 (h) Licenses issued under this section, unless
9 revoked in the manner provided in this chapter, shall be valid
10 for the license year commencing January 1 of each year.

11 (i) The board may adopt rules to implement and
12 administer this section.

13 Section 2. Section 28-3A-3 of the Code of Alabama
14 1975, is amended to read as follows:

15 "§28-3A-3.

16 "(a) Subject to the provisions of this chapter and
17 regulations promulgated thereunder, the board is authorized
18 and empowered to issue and renew licenses to reputable and
19 responsible persons for the following purposes:

20 "(1) To manufacture, brew, distill, ferment,
21 rectify, bottle or compound any or all alcoholic beverages
22 within or for sale within this state.

23 "(2) To import any or all alcoholic beverages
24 manufactured outside the United States of America into this
25 state or for sale or distribution within this state.

26 "(3) To distribute, wholesale or act as jobber for
27 the sale of alcoholic liquor.

1 "(4) To distribute, wholesale or act as jobber for
2 the sale of table wine and beer or either of them, to licensed
3 retailers within the state and others within this state
4 lawfully authorized to sell table wine or beer.

5 "(5) To store or warehouse any or all alcoholic
6 beverages for transshipment inside and outside the state.

7 "(6) To sell and dispense at retail in a lounge,
8 liquor and other alcoholic beverages.

9 "(7) To sell and dispense at retail in an
10 establishment habitually and principally used for the purpose
11 of providing meals for the public, liquor and other alcoholic
12 beverages for on-premises consumption.

13 "(8) To sell liquor and wine at retail for
14 off-premises consumption.

15 "(9) To sell and dispense at retail in a club,
16 liquor and other alcoholic beverages for on-premises
17 consumption.

18 "(10) To sell table wine at retail for off-premises
19 consumption.

20 "(11) To sell table wine at retail for on-premises
21 and off-premises consumption.

22 "(12) To sell beer at retail for on-premises and
23 off-premises consumption.

24 "(13) To sell beer at retail for off-premises
25 consumption.

1 "(14) To sell liquor and other alcoholic beverages
2 at retail by retail common carrier with a passenger capacity
3 of at least 10 people.

4 "(15) To sell any or all alcoholic beverages at
5 retail under special license issued conditioned upon terms and
6 conditions and for the period of time prescribed by the board.

7 "(16) To sell any or all alcoholic beverages at
8 retail under a special event retail license issued for three
9 days upon the terms and conditions prescribed by the board.

10 "Provided, however, that ~~such~~ the licenses may not
11 be issued in dry counties where traffic in alcoholic beverages
12 is not authorized by law therein except a wine manufacturer
13 license may be issued in a dry county pursuant to Section
14 28-7-10.1. Provided the restriction of this paragraph shall
15 not apply to the issuance of a renewal of a license under
16 subdivisions (1), (2), (3), (4), and (5) where the county or
17 municipality was wet when the initial license was issued and
18 the county or municipality subsequently votes dry; however, no
19 importer or wholesaler licensee may sell or distribute
20 alcoholic beverages within a dry county (except in a wet
21 municipality therein) or within a dry municipality.

22 "(b) The board is granted discretionary powers in
23 acting upon license applications under the provisions of this
24 chapter.

25 "(c) Licenses issued under this chapter shall,
26 unless revoked or suspended in the manner provided in this
27 chapter, be valid for the license year which shall begin on

1 the first day of October of each year, unless otherwise
2 established by this chapter or by the board. Licenses may be
3 issued at any time during the year."

4 Section 3. The provisions of this act are
5 supplemental to any laws regulating alcoholic beverages in
6 this state and shall not be construed to repeal or supersede
7 any laws or rules of the Alcoholic Beverage Control Board not
8 in direct conflict with this act.

9 Section 4. This act shall become effective on the
10 first day of the third month following its passage and
11 approval by the Governor, or its otherwise becoming law.

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Senate

Read for the first time and referred to the Senate
committee on Fiscal Responsibility and Economic
Development..... 20-APR-21

Read for the second time and placed on the calen-
dar 1 amendment..... 22-APR-21

Read for the third time and passed as amended 27-APR-21

Yeas 27
Nays 0
Abstaining 1

Patrick Harris,
Secretary.