

House Bill 60

By: Representative Stephens of the 164th

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 3 of the Official Code of Georgia Annotated, relating to alcoholic beverages,
2 so as to provide for distillers to sell certain products at retail; to provide for the issuance of
3 retail package liquor store licenses to distillers subject to certain conditions; to provide for
4 distiller owned food service establishments to be located on or contiguous to the licensed
5 premises of a distiller; to provide for the issuance of retail consumption dealer licenses to
6 distillers subject to certain conditions; to increase the amount of distilled spirits a distiller
7 may provide as part of a free tasting; to provide for definitions; to provide for related matters;
8 to repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 style="text-align:center">**SECTION 1.**

11 Title 3 of the Official Code of Georgia Annotated, relating to alcoholic beverages, is
12 amended by adding a new Code section to read as follows:

13 "3-4-24.2.

14 (a) As used in this Code section, the term 'barrel' means 53 gallons.

15 (b) A distiller licensed in this state may apply to the commissioner for a retail package
16 liquor store license. A retail package liquor store license issued to a distiller in this state
17 shall be governed by all laws and rules and regulations applicable to retail package liquor
18 store licensees, but shall be limited by the following conditions:

19 (1) No alcoholic beverages may be sold other than distilled spirits manufactured by the
20 distiller on the licensed premises;

21 (2) The total amount of retail package sales of distilled spirits for any calendar year shall
22 not exceed 10 percent of the total amount of distilled spirits manufactured by the distiller
23 in that calendar year or 1,000 barrels, whichever is greater;

24 (3) All retail package sales of distilled spirits shall be made on the licensed premises of
25 the distiller in an area that is separate from where distilled spirits are manufactured, sales

26 of alcoholic beverages are offered pursuant to Code Section 3-4-24.3, and separate from
 27 where free souvenirs or free tastings are offered pursuant to Code Section 3-4-180; and
 28 (4) All excise taxes shall be collected and paid by the distiller.
 29 (c) The department shall promulgate and enforce such rules and regulations as it may deem
 30 necessary to effectuate the provisions of this Code section."

31 **SECTION 2.**

32 Said title is further amended by adding a new Code section to read as follows:

33 "3-4-24.3.

34 (a) As used in this Code section, the term 'food service establishment' shall have the same
 35 meaning as provided in Code Section 26-2-370.

36 (b) A food service establishment in which a distiller owns or has an ownership interest
 37 may be located on the licensed premises of a distiller or on property contiguous to such
 38 premises. A retail consumption dealer license may be issued by the commissioner for such
 39 food service establishment, provided that such license shall be governed by all laws and
 40 rules and regulations applicable to retail consumption dealer licensees, but shall be limited
 41 by the following conditions:

42 (1) The food service establishment shall be located in an area that is separate from where
 43 distilled spirits are manufactured, sales of distilled spirits are offered pursuant to Code
 44 Section 3-4-24.2, and separate from where free souvenirs or free tastings are offered
 45 pursuant to Code Section 3-4-180; and

46 (2) All excise taxes on distilled spirits manufactured by the distiller that are sold in the
 47 food service establishment shall be collected and paid by the distiller.

48 (c) The department shall promulgate and enforce such rules and regulations as it may deem
 49 necessary to effectuate the provisions of this Code section."

50 **SECTION 3.**

51 Said title is further amended by revising Code Section 3-4-180, relating to tastings of
 52 distilled spirits, definitions, general provisions, prohibited sales, and administration, as
 53 follows:

54 "3-4-180.

55 (a) As used in this Code section, the term:

56 (1) 'Distillery tour' means guided access to the manufacturing portion of the licensed
 57 premises of a distiller.

58 (2) 'Free souvenir' means a complimentary sealed container of distilled spirits.

59 (3) 'Free tastings' means the provision of complimentary samples of distilled spirits to
 60 the public for consumption on the premises of a distiller.

- 61 (4) 'Sample' means ~~one-half~~ three-quarters of one ounce of distilled spirits.
- 62 (b)(1) A distiller licensed in this state may apply to the commissioner for an annual
 63 permit authorizing such distiller to conduct educational and promotional distillery tours
 64 on the licensed premises of the distiller, free of charge or for a fee, which may include:
- 65 (A) Free souvenirs;
 - 66 (B) Free food; and
 - 67 (C) Free tastings.
- 68 (2)(A) No distiller providing free souvenirs pursuant to this subsection shall provide,
 69 directly or indirectly, more than one free souvenir to the same individual in one
 70 calendar day. Each free souvenir shall be a single bottle of distilled spirits, containing
 71 not more than 750 milliliters of distilled spirits manufactured by the distiller on the
 72 licensed premises.
- 73 (B) No distiller conducting free tastings under this Code section shall provide, directly
 74 or indirectly, more than the ~~three~~ six samples to a person in one calendar day. Free
 75 tastings shall consist of distilled spirits manufactured by the distiller on the licensed
 76 premises. Free tastings shall be held in a designated tasting area on the premises of the
 77 distiller, and all open bottles containing distilled spirits shall be visible at all times.
- 78 (3) Free souvenirs shall only be provided after the distillery tour and only to individuals
 79 who have attended a distillery tour on the same calendar day. Free tastings and free food
 80 may be provided before, during, and after a distillery tour. An individual shall be 21
 81 years of age or older to receive a free souvenir or free tasting.
- 82 (4) The distiller shall pay all excise and use taxes on any samples and all use taxes on
 83 any free souvenirs provided pursuant to this subsection.
- 84 (c) A distiller may provide to the public free of charge or for a fee merchandise such as
 85 shirts, glasses, and other promotional items which do not contain alcoholic beverages.
- 86 (d) If a distiller chooses to charge a fee for a distillery tour pursuant to subsection (b) of
 87 this Code section, such distiller may charge varying fees for the distillery tours, provided
 88 that such fees are charged prior to the beginning of such tour. The provision of distilled
 89 spirits by a distiller as part of a distillery tour pursuant to this Code section shall not be
 90 deemed a retail sale of alcoholic beverages.
- 91 (e) ~~No~~ Except as provided in Code Sections 3-4-24.2 and 2-4-24.3, no alcoholic beverages
 92 shall be sold on any licensed premises for which a permit has been issued pursuant to this
 93 Code section.
- 94 (f) The department shall promulgate and enforce such rules and regulations as it may deem
 95 necessary to effectuate the provisions of this Code section."

96

SECTION 4.

97 All laws and parts of laws in conflict with this Act are repealed.