

1 SB397
2 213126-1
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

SYNOPSIS: Under existing law, a license to manufacture wine may not be issued by the Alcoholic Beverage Control Board in a dry county.

This bill would provide for the licensure of a winery in a dry county to manufacture wine for distribution outside of the dry county.

A BILL
TO BE ENTITLED
AN ACT

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

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

3 (a) Upon an applicant's compliance with this section
4 and the rules adopted pursuant to this section, the Alcoholic
5 Beverage Control Board may issue a wine manufacturer license
6 to the applicant which shall authorize the licensee to
7 manufacture or otherwise distill, produce, ferment, bottle, or
8 compound wine in a dry county only for the sale for
9 distribution outside of the county. No person shall
10 manufacture or otherwise distill, produce, ferment, bottle, or
11 compound wine in a dry county for sale or distribution unless
12 the person or the authorized representative of the person has
13 been granted a wine manufacturer license issued by the board
14 pursuant to this section.

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

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

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

23 (3) Maintaining or operating within the state any
24 place or places, other than the place or places covered by the
25 wine manufacturer license.

26 (c) Any wine manufactured in the dry county by the
27 manufacturer licensed pursuant to this section may be sold

1 only for shipment and delivery to a licensed wine distributor
2 in this state or to a legal distributor outside of this state.

3 (d) A wine manufacturer licensee licensed pursuant
4 to this section shall be required to file with the board,
5 prior to making any sales, a list of its labels to be sold and
6 shall file with the board its federal certificate of label
7 approvals or its certificates of exemption as required by the
8 U.S. Treasury Department. All 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 without a warrant and the goods
12 shall be delivered to the board and disposed of as provided by
13 law.

14 (e) A wine manufacturer licensee licensed pursuant
15 to this section shall be required to send to the board prior
16 to the twentieth day of each month a consolidated report of
17 all shipments of alcoholic beverages made to each wholesaler
18 during the preceding month. The reports shall be in the form
19 and shall contain the information as the board may require.

20 (f) Every wine manufacturer licensed pursuant to
21 this section shall keep at its principal place of business
22 within the state, daily permanent records which shall show the
23 quantities of raw materials used in the manufacture of wine,
24 and the quantities of wine manufactured and stored, the sale
25 of wine, the quantities of wine stored for hire or transported
26 for hire by or for the licensee, and the names and addresses
27 of the purchasers of the wine.

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

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

19 (i) The board may adopt rules to implement and
20 administer this section.

21 Section 2. Section 28-3A-3 of the Code of Alabama
22 1975, is amended to read as follows:

23 "§28-3A-3.

24 "(a) Subject to the provisions of this chapter and
25 regulations promulgated thereunder, the board is authorized
26 and empowered to issue and renew licenses to reputable and
27 responsible persons for the following purposes:

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

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

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

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

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

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

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

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

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

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

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

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

5 "(13) To sell beer at retail for off-premises
6 consumption.

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

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

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

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

1 "(b) The board is granted discretionary powers in
2 acting upon license applications under the provisions of this
3 chapter.

4 "(c) Licenses issued under this chapter shall,
5 unless revoked or suspended in the manner provided in this
6 chapter, be valid for the license year which shall begin on
7 the first day of October of each year, unless otherwise
8 established by this chapter or by the board. Licenses may be
9 issued at any time during the year."

10 Section 3. The provisions of this act are
11 supplemental to any laws regulating alcoholic beverages in
12 this state and shall not be construed to repeal or supersede
13 any laws or rules of the Alcoholic Beverage Control Board not
14 in direct conflict with this act.

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