

April 2024 Legal & Legislative Update

THE STATES

Alabama

[S.B. 259](#) seeks to define a new category of ready to drink mixed liquor beverages containing no more than eight percent alcohol by volume called "mixed spirit beverages." The bill would require all mixed spirit beverages, other than those distributed by the Alcoholic Beverage Control Board, to be distributed through a licensed wholesaler subject to franchise law and in exclusive territories and imposes a tax of sixty-eight cents (\$.68) per 12 fluid ounces.

Arizona

Held in committee, [House Bill 2888](#) defines "ready-to-drink spirits products" as distilled spirits mixed with other beverages that may contain flavoring or coloring materials and other ingredients, that do not exceed ten percent alcohol by volume, that are sealed in an original container of not more than sixteen ounces and that are sold in the manufacturer's original packaging and provides a tax rate on each sealed container of ready-to-drink spirits products proportionate to \$3.00 per gallon for the amount of spirituous liquor in the ready-to-drink spirits product.

California

[A.B. 2174](#) would allow beer manufacturers to obtain a Beer Caterer's Permit to sell their beer at public and private events at locations other than their licensed premises.

Colorado

Scheduled for a hearing, [Senate Bill 181](#) seeks to impose a fee on alcohol distributed in Colorado to fund an addiction recovery program. The proposed fee for malt beverages and cider is sixteen cents/gallon, however, companies selling 60,000 barrels/year or less are exempt.

Hawaii

Advancing from initial House committee consideration, [Senate Bill 2354](#) would expand the definition of "beer" under the liquor regulatory laws to mean any alcoholic beverage containing no less than 0.5 per cent alcohol by volume obtained by fermentation of any infusion or decoction of malt or any substitute, including alcohol seltzer beverages and excluding sake, cooler beverages, and other distilled products. The bills further authorize brewpubs to sell beer they manufacture, or beer manufactured on their premises, subject to certain conditions.

Failing to advance from committee, [Senate Bill 2384](#) seeks to lower the blood alcohol concentration threshold for driving while under the influence of alcohol from 0.08 to 0.05.

Idaho

On the Governor's desk, [S.B. 1364](#) consolidates the "brew pub" license and "retail" license into one "brewer's retail" license and provides that a brewery can maintain their retail privileges should they exceed 30,000 barrels of annual production, provided that it has continuously maintained a physical presence and continuously brewed beer in Idaho for at least five years. The

brewery will not lose its ability to operate a pub at its brewery or one remote retail location, provided the brewer has a clean record with no major violations.

Illinois

Facing a committee consideration deadline, [S.B. 3245](#) provides that any person licensed as a brewer, class 1 brewer, or class 2 brewer shall be permitted to sell on the licensed premises to non-licensees for on-premises or off-premises consumption (instead of for on or off-premises consumption for the premises in which he or she actually conducts such business) and may sell wine or spirits on the licensed premises for off-premises consumption.

Indiana

Signed by the Governor, [H.B. 1197](#), among many provisions, repeals a provision concerning residency requirements for beer wholesalers.

Signed into law, [House Bill 1086](#), in part defines "craft manufacturer's permit" as a small brewery permit, farm winery permit, or artisan distiller's permit and "craft manufacturer" as the holder of a "craft manufacturer's permit." The bill also allows a retailer or craft manufacturer to reduce or increase the price of alcoholic beverages during a part of the day.

Iowa

Passing the Senate, [H.F. 2277](#) would prohibit a brewer from requiring a wholesaler to assent to any unreasonable requirement, condition, understanding, or term of an agreement prohibiting the wholesaler from utilizing, or requiring the wholesaler to utilize, a business-to-business electronic commerce platform offered by a brewer.

[House File 2670](#) provides for the direct shipment of liquor.

Kansas

The subject of a committee hearing, [S.B. 511](#) would allow beer and hard cider sales by microbreweries to retailers, public venues, clubs, drinking establishments, holders of temporary permits and caterers and allowing such sales at special events to consumers.

Louisiana

[House Bill 821](#) would remove the requirement that a transferring brewing facility that maintains no less than a 10-barrel brewing system, and the receiving brewing facility owned wholly by the transferring brewing facility maintains no less than a five-barrel brewing system. Removes the requirement that the quantity of beer transferred does not exceed an amount greater than 50% of the receiving brewing facility's production of beer for the previous month.

With respect to transfers from a permitted microbrewery to another permitted microbrewery, [H.B. 882](#) seeks to change the minimum requirement of a receiving microbrewery from a 10-barrel brewing system to a 5-barrel brewing system.

[H.R. 56](#) designates October 10, 2024, as Black Brewers' Day.

Maryland

Amended prior to passing the House, [Senate Bill 1041](#) establishes direct-to-consumer alcoholic beverages permits authorizing the direct delivery of beer, wine, or liquor to a consumer and repeals off-premises sales restrictions for Class 5 brewery license holders.

Massachusetts

Reported from committee, [S.B. 2629](#) seeks to expand the sale of products by farmer breweries.

Minnesota

[S.R. 84](#) declares November 1 Minnesota Beer Day.

Mississippi

Dying in Senate committee, [House Bill 777](#) sought to renounce prohibition as the policy of this state in favor of the legal manufacture, sale, distribution and transportation of alcoholic beverages, except in counties that vote to institute prohibition after holding an election on the issue.

Rhode Island

Held in their respective committees for further study, [H.B. 7842](#) / S.B. 2695 would allow for holders of a manufacturer's license to sell one 1/6 barrel keg of malt beverage, produced on the premises, per day.

Held in committee, [Senate Bill 2786](#)/House Bill 7843 would allow the holder of a manufacturer's license to apply for two satellite taprooms located off the premises of the manufacturer and allow the manufacturer to transport beer, spirits or wine to the satellite taprooms.

Held for further study, [House Bill 8024](#) prohibits manufacturers of alcoholic beverages from holding or having any interest in a wholesaler license.

[S.B. 2856](#) seeks to exempt from the sales and use tax the sale of beer and malt beverages at retail.

Tennessee

Continuing under consideration in both chambers, [S.B. 2427](#)/H.B. 2607 authorize retail package store licensees and beer permittees to sell hemp-based products.

Receiving committee consideration, [S.B. 2636](#)/H.B. 2845 seek to prohibit a beer permittee from selling at retail refrigerated or cold beer.

Utah

Signed by the Governor, [H.B. 548](#), among a multitude of provisions, increases the tax on beer and uses the additional revenue to fund three new alcohol-related law enforcement officers dedicated to compliance.

Vermont

Passing the House, [H.B. 867](#), among several provisions, seeks to increase the limit on special event permits that may be acquired by an individual licensee from ten to twenty.