

May 2024 Legal & Legislative Update

THE STATES

California

Amended in committee, [A.B. 2174](#) would allow beer manufacturers to obtain a Beer Caterer's Permit to sell up to 155 gallons of beer for consumption at certain events, such as a convention or sporting event.

Colorado

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

Amended in the House, [Senate Bill 231](#), legislation implementing recommendations of the liquor advisory group convened to conduct a comprehensive review of Colorado's liquor laws, among a variety of provisions, would allow a brewery, a limited winery, and a distillery to manufacture alcohol beverages at up to two noncontiguous locations.

Delaware

Office of the Delaware Alcoholic Beverage Control Commissioner (OABCC) Proposed Rule 911 would allow small Delaware brewers to sell and deliver beer to any person licensed to receive and sell beer. The Brewers Association has submitted [comments](#) in support of the proposed rule.

Hawaii

Signed by the Governor, [Senate Bill 2354](#) expands 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 bill further authorizes brewpubs to sell beer they manufacture, or beer manufactured on their premises, subject to certain conditions.

Idaho

Signed into law, [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 third reading 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.

Iowa

Signed by the Governor, [H.F. 2277](#) prohibits 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.

Louisiana

Pending in committee, [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.

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

Maryland

Before the Governor for action, [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.

New Hampshire

Clearing committee, [H.B. 1321](#) provides for repealing penalties for the sale of kegs of malt beverages without a receipt.

New Jersey

[A.B. 4355](#) seeks to allow certain breweries to operate off-premises retail salesrooms; permits breweries and wineries to operate joint salesrooms.

[Senate Bill 3217](#) provides tax credits equal to cost of Jersey Fresh products purchased by breweries and wineries to be used in production of beer or wine.

New York

[S.B. 9151](#) seeks to require events held by the state or on state property which include alcohol to include alcohol produced within the state.

Pennsylvania

Passing the House, [H.B. 2150](#) would, among several provisions, allow breweries that provide on-premise consumption to remain open past midnight on New Year's Eve until 2 a.m. on New Year's Day.

Rhode Island

Passing the Senate, [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.

Remaining under further study, [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.

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

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

Tennessee

Signed into law, [S.B. 2427](#) authorizes retail package store licensees and beer permittees to sell hemp-based products.