

House Bill 256

By: Representative Parham of the 122<sup>nd</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 2 of Chapter 5 of Title 3 of the Official Code of Georgia Annotated,  
2 relating to state license requirements and regulations for manufacture, distribution, and sale  
3 of malt beverages, so as to change certain provisions relating to delivery, receipt, and storage  
4 of malt beverages sold by wholesale dealers to retail dealers; to change certain provisions  
5 relating to brewer-wholesaler relations and license requirements for shippers of beer; to  
6 provide for brand pricing by wholesalers and nondisclosure of information related thereto;  
7 to change certain provisions relating to applicability of Code Sections 3-5-29 through 3-5-33;  
8 to repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 **SECTION 1.**

11 Article 2 of Chapter 5 of Title 3 of the Official Code of Georgia Annotated, relating to state  
12 license requirements and regulations for manufacture, distribution, and sale of malt  
13 beverages, is amended by striking Code Section 3-5-28, relating to delivery, receipt, and  
14 storage of malt beverages sold by wholesale dealers to retail dealers, and inserting in lieu  
15 thereof the following:

16 "3-5-28.

17 ~~Any other provision of this title or any agreement or understanding between a brewer~~  
18 ~~or shipper and a wholesaler or between wholesalers notwithstanding, any~~ malt beverages  
19 sold by a wholesale dealer to a retail dealer shall be either delivered ~~only~~ to the premises  
20 ~~of a licensed~~ of the licensed retail dealer ~~and by the wholesale dealer or picked up by the~~  
21 licensed retail dealer at the premises of the wholesale dealer. If malt beverages are  
22 delivered by a wholesale dealer, they shall be transported only by a conveyance owned, or  
23 leased, and operated, or controlled by a wholesale by the wholesale dealer who is  
24 ~~designated to deal in the brands of malt beverages sold and is licensed to make sales and~~  
25 ~~deliveries within the municipality or county in which the sale or delivery is made and may~~  
26 be delivered to any licensed retail dealer in this state. If malt beverages are picked up by

1 the retail dealer, they shall be transported only by a conveyance owned, leased, operated,  
 2 or controlled by the retail dealer and may be picked up from any licensed wholesale dealer  
 3 in this state. The malt beverages so sold shall not be delivered to, received, or stored at any  
 4 place other than premises for which state and local retail licenses have been issued."

## 5 SECTION 2.

6 Said article is further amended by striking Code Section 3-5-31, relating to  
 7 brewer-wholesaler relations and license requirements for shippers of beer, and inserting in  
 8 lieu thereof the following:

9 "3-5-31.

10 (a) No shipper shall be permitted to ship beer into the state without first obtaining a proper  
 11 license from the commissioner in the manner provided in this title.

12 (b) In addition to the bond required in Code Section 3-5-25.1 and such other  
 13 documentation required by the commissioner pursuant to this title, each shipper shall:

14 (1) Submit with his or her application one label for each brand of beer to be shipped for  
 15 the first time by the shipper into the state;

16 (2) Designate in the application for registration sales territories for each of its brands sold  
 17 in Georgia; and

18 (3) ~~Name~~ Designate one licensed wholesaler ~~in for~~ each territory ~~who, within the~~  
 19 ~~territory, shall be the exclusive distributor of the brand within the territory~~ designated as  
 20 provided in paragraph (2) of this subsection.

21 (c) Designations of wholesalers or wholesalers' territories as provided in this Code section  
 22 shall be initially approved by the commissioner and shall not be changed nor initially  
 23 disapproved except for cause. The commissioner shall determine cause after a hearing  
 24 under regulations promulgated by the commissioner for such purposes.

25 (d) The provisions of paragraphs (2) and (3) of subsection (b) of this Code section, any  
 26 other provision of this title, or any agreement or understanding between a brewer or shipper  
 27 and a wholesaler or between wholesalers notwithstanding, any licensed wholesaler shall  
 28 be authorized to sell malt beverages to any licensed retail dealer in this state, and any  
 29 licensed retail dealer shall be authorized to buy malt beverages from any licensed  
 30 wholesaler in this state, without regard to whether the retail dealer maintains a place of  
 31 business in the designated territory of the wholesaler."

**SECTION 3.**

Said article is further amended by adding a new Code Section 3-5-31.1 to read as follows:

"3-5-31.1.

Any other provision of this title or any agreement or understanding between a brewer or shipper and a wholesaler or between wholesalers notwithstanding, any wholesaler shall not be required to disclose to or inform the commissioner or other wholesalers of the prices such wholesaler charges for its brands or any price increases or decreases for its brands. A wholesaler shall be authorized, at its sole discretion, to determine the price at which it will sell its brand or brands."

**SECTION 4.**

Said article is further amended by striking Code Section 3-5-34, relating to applicability of Code Sections 3-5-29 through 3-5-33, and inserting in lieu thereof the following:

"3-5-34.

Code Sections 3-5-29 through 3-5-33 shall apply to designations in effect on or after July 1, ~~1983~~ 2001."

**SECTION 5.**

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