

The House Committee on Regulated Industries offers the following substitute to SB 240:

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 the licensing of the production of distilled spirits for educational
3 purposes by certain nonprofit museums; to provide a definition; to provide for an annual
4 occupational license tax; to provide for limitations of the nonprofit distiller license; to
5 authorize complimentary samples of the distilled spirits produced by a nonprofit museum;
6 to provide that no bond shall be required for an application for a nonprofit distiller license;
7 to provide for the maximum license fee that may be charged for a nonprofit distiller license;
8 to provide for related matters; to provide an effective date; to repeal conflicting laws; and for
9 other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

12 Title 3 of the Official Code of Georgia Annotated, relating to alcoholic beverages, is
13 amended by revising Code Section 3-4-22, relating to bonds required for application for or
14 renewal of licenses, amount, and multiyear bonds, as follows:

15 "3-4-22.

16 (a) All applicants for all licenses issued pursuant to this chapter shall file with the
17 commissioner, along with each initial application, a bond:

18 (1) Conditioned to pay all sums which may become due by the applicant to this state as
19 taxes, license fees, or otherwise, arising out of the operation of the business for which
20 licensure is sought; and

21 (2) Conditioned to pay all penalties which may be imposed upon the applicant for failure
22 to comply with the laws and rules and regulations pertaining to distilled spirits.

23 The surety for the bonds shall be a surety company licensed to do business in this state, and
24 the bonds shall be in such form as may be required by the commissioner and may be for
25 a term of up to five calendar years.

26 (b) The bonds shall be in the following calendar year amounts:

- 27 (1) For distillers and manufacturers, \$10,000.00;
 28 (2) For wholesale dealers and importers, \$5,000.00; and
 29 (3) For retail dealers and brokers, \$2,500.00.
 30 (c) All applicants for annual renewal of licenses issued pursuant to this chapter, other than
 31 retail licenses, shall ~~must~~ file an annual bond or have a multiyear bond on file with the
 32 department that extends at least through the end of the calendar year for which renewal is
 33 sought. Such bonds ~~must~~ shall meet the same conditions as those filed with the initial
 34 application."

35 SECTION 2.

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

37 "3-9-7.

38 (a) As used in this Code section, the term 'nonprofit museum' means a museum whose
 39 mission includes educating the public about the local, state, and national history of the
 40 United States and that is owned and operated by a bona fide nonprofit civic organization
 41 which holds title to improved real property with a structure listed on the National Register
 42 of Historic Places.

43 (b) Notwithstanding any other provision contained in this title or any other law, the
 44 commissioner may issue a nonprofit distiller license to a nonprofit museum, regardless of
 45 whether or not such nonprofit museum holds an annual license to sell malt beverages, wine,
 46 or distilled spirits for consumption on the premises, upon the filing of an application and
 47 payment of an annual occupational license tax of \$100.00. Such nonprofit distiller license
 48 shall entitle the nonprofit museum to produce distilled spirits, provided that:

49 (1) The nonprofit museum shall not produce more than 800 liters of distilled spirits each
 50 calendar year;

51 (2) The nonprofit museum is located in a county or municipality where the production
 52 of distilled spirits is authorized, and the local governing authority of such county or
 53 municipality has issued a license to the nonprofit museum pursuant to Code Section 3-3-2
 54 for the production of distilled spirits;

55 (3) The production of distilled spirits, except as otherwise provided in this Code section,
 56 shall be used for educational purposes only;

57 (4) The distilled spirits produced by the nonprofit museum shall be stored and aged only
 58 on the premises of the nonprofit museum for which the nonprofit distiller license has been
 59 issued and shall not be removed from such premises except through disposal methods
 60 consistent with federal and state law and any applicable rules or regulations promulgated
 61 thereunder; and

62 (5) The distilled spirits produced by the nonprofit museum shall only be used on the
63 premises of the nonprofit museum for which the nonprofit distiller license has been
64 issued and only to provide samples pursuant to subsection (c) of this Code section. Such
65 distilled spirits shall not be sold or offered for sale by the nonprofit museum to any
66 person or entity.

67 (c) The nonprofit distiller license shall authorize the nonprofit museum to provide not
68 more than one-half of one ounce as a complimentary sample of the distilled spirits
69 produced at the nonprofit museum to a guest who has completed an educational tour of the
70 distillery at the nonprofit museum and is of legal drinking age; provided, however, that the
71 nonprofit museum shall not impose a separate charge for the sample and shall not provide,
72 directly or indirectly, more than one sample to a guest in a calendar day. Such sample shall
73 be provided in a designated tasting area on the premises of the nonprofit museum for which
74 the nonprofit distiller license has been issued, and all open bottles shall be visible at all
75 times.

76 (d) No bond shall be required to be filed with the commissioner for the initial application
77 or the annual renewal application of a nonprofit distiller license.

78 (e) The annual license fee to be charged by a county or municipality for a nonprofit
79 distiller license shall not be more than \$100.00 for each license."

80 **SECTION 3.**

81 This Act shall become effective upon its approval by the Governor or upon its becoming law
82 without such approval.

83 **SECTION 4.**

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