**A** **BILL**

TO AMEND CHAPTER 2, TITLE 61, SOUTH CAROLINA CODE OF LAWS, 1976, RELATING TO GENERAL PROVISIONS CONCERNING ALCOHOL AND ALCOHOLIC BEVERAGES, SO AS TO DELETE THE REQUIREMENT THAT AN APPLICANT FOR AN ALCOHOLIC BEVERAGE LICENSE OR PERMIT MUST BE A LEGAL RESIDENT OF THE STATE FOR THIRTY DAYS PRIOR TO APPLYING, AND TO AMEND ARTICLE 17, CHAPTER 4, TITLE 61 OF THE 1976 CODE, RELATING TO BREWPUBS, SO AS TO PROVIDE FOR THE DISTRIBUTION OF PRODUCTS PRODUCED BY BREWPUB PERMITTEES, TO DEFINE A PERMITTEE WHO MAY HOLD SUCH PERMIT, TO ALLOW FOR CONSUMPTION ONLY ON THE PERMITTED PREMISES WHERE THE BEER IS PRODUCED, TO ALLOW FOR THE PRODUCTION ON THE PERMITTED PREMISES OF A MAXIMUM OF FIVE HUNDRED THOUSAND BARRELS OF BEER FOR SALE PER YEAR, AND TO ALLOW BREWPUB PERMITTEES TO SELL BEER TO LICENSED WHOLESALERS IN SOUTH CAROLINA AND NONRESIDENT WHOLESALERS AND EXPORTERS.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 61‑2‑90 of the 1976 Code is amended to read:

“Section 61‑2‑90. A person desiring a license or permit under this title must file with the department an application in writing on forms provided by the department containing a statement under oath setting forth:

(1) the name, address, date of birth, race, and nationality of the person applying for the license or permit;

(2) the exact location where the business is proposed to be operated;

(3) a description of the type of business to be operated;

(4) whether the applicant or an owner of the business has been involved in the sale of alcoholic liquors, beer, or wine in this or another state and whether ~~he~~ the applicant or owner has had a license or permit suspended or revoked;

(5) ~~whether the applicant has been a legal resident of this State for at least thirty days before the date of application, and has maintained his principal place of abode in the State for at least thirty days before the date of application;~~

~~(6)~~ other information required by the department to determine if the application meets all statutory requirements for the license or permit and to determine the true owners of the business seeking the license or permit.”

SECTION 2. Article 17, Chapter 4, Title 61 of the 1976 Code is amended to read:

“Article 17

Brewpubs

Section 61‑4‑1700. For purposes of this article:

(1) ‘Brewpub’ means a tavern, public house, restaurant, or hotel which produces on the permitted premises a maximum of ~~two~~ five hundred thousand barrels a year of beer for sale to consumers, wholesalers, or exporters on the permitted premises.

(2) ‘Permitted premises’ means those areas normally used by the permittee or licensee to conduct his business and includes, but is not limited to, the selling areas, brewing areas, storage areas, food preparation areas, and parking areas.

(3) ‘Person’ means an individual, partnership, corporation, or other form of business organization.

Section 61‑4‑1710. The department may issue a brewpub permit to a person to operate a brewpub in this State subject to the requirements of this chapter and the payment of a biennial brewpub permit fee of two thousand dollars.

Section 61‑4‑1720. The brewpub permit provided for in this article is in lieu of a permit required for the manufacture of beer or sale of beer and wine including, but not limited to, a brewer’s and retailer’s permit. The sale of alcoholic liquors for consumption on the premises by the drink requires an appropriate license which may be issued to the holder of a brewpub permit who meets all other qualifications for the license under this title.

Section 61‑4‑1730. Beer brewed on a permitted premises pursuant to this article must be taxed as provided in Section 12‑21‑1035. The permittee shall maintain adequate records as determined by the department to ensure the collection of this tax.

Section 61‑4‑1740. A brewpub permit authorizes the holder to:

(1) produce on the permitted premises a maximum of ~~two~~ five hundred thousand barrels of beer a year ~~of beer~~ for sale:

(a) on draft for consumption on the permitted premises;

(b) in a sanitary container ~~brought to the premises by the purchaser and~~ filled at the tap by the permittee at the time of sale; ~~and~~

(c) in bottles and cans for consumption by the purchaser off the premises; and

(d) in kegs, bottles, and cans to a wholesaler;

(2) sell the beer of a producer ~~which~~ that has been purchased from a wholesaler through the normal three‑tier distribution chain set forth in Section 61‑4‑940;

(3) serve food or otherwise be qualified as a public eating establishment. This provision may not be construed to exempt a permittee or licensee from the requirement that food must be served in order for a license for the consumption of alcoholic liquors on the premises to be issued; and

(4) sell beer produced on the permitted premises to wholesalers licensed under Chapter 4, Title 61; however, beer produced on the permitted premises shall be sold to exporters and nonresident wholesalers only when the purchase is not for resale in this State.

Section 61‑4‑1750. No person holding a brewpub permit ~~may~~ shall sell beer, ale, porter, or other similar malt or fermented beverages on draft, on tap, from kegs, or from other containers unless approved by the rules and regulations of the Department of Health and Environmental Control governing eating and drinking establishments and other retail food establishments, if the brewpub permittee is subject to those rules and regulations.

Section 61‑4‑1760. ~~No brewpub permittee may sell or ship the beer produced on the permitted premises for sale in another location.~~ Reserved.

Section 61‑4‑1770. The department may suspend or revoke the permit or license of a person who violates the provisions of this article.”

SECTION 3. This act takes effect upon approval by the Governor.

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